

AMENDED IN ASSEMBLY FEBRUARY 14, 2009

AMENDED IN ASSEMBLY JANUARY 13, 2009

CALIFORNIA LEGISLATURE—2009–10 THIRD EXTRAORDINARY SESSION

SENATE BILL

No. 6

Introduced by Senator Ducheny

January 5, 2009

~~An act relating to the Budget Act of 2008. An act to amend Sections 4639.5, 4640.6, 11453, 12201, 12305.1, and 12306.1 of, and to add Sections 11450.02 and 12200.019 to, and to add and repeal Section 12200.018 of the Welfare and Institutions Code, relating to human services, and declaring the urgency thereof, to take effect immediately.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 6, as amended, Ducheny. ~~Budget Act of 2008. Human services.~~

Existing law, the Lanterman Developmental Disabilities Services Act, requires the State Department of Developmental Services to allocate funds to private nonprofit regional centers for the provision of community services and support for persons with developmental disabilities and their families and sets forth the duties of regional centers in that regard.

Existing law requires that contracts between the department and regional centers specify certain coordinator-to-consumer ratios. Existing law also requires these contracts to require the regional center to have, or contract for, expertise in certain areas.

This bill would provide that, from February 1, 2009, to June 30, 2010, inclusive, certain coordinator-to-consumer ratio requirements shall not apply and that a regional center shall not be required to have or contract for certain areas of expertise.

Existing law requires regional centers, by December 1 of each year, to provide a listing to the department of a complete salary schedule for all personnel classifications used by the regional center and information on all prior fiscal year expenditures, as specified.

This bill, from February 1, 2009, to June 30, 2010, inclusive, would suspend the salary schedule reporting requirements. The bill would also provide that regional centers shall not be required to report certain prior fiscal year operations expenditures in 2009.

The bill would also require regional centers, in order to implement changes in the level of funding for regional center purchase of services, from February 1, 2009, to June 30, 2010, inclusive, to reduce certain payments for services delivered on or after February 1, 2009, by 3%, except as specified.

Existing federal law provides for allocation of federal funds through the federal Temporary Assistance for Needy Families (TANF) block grant program to eligible states. Existing law provides for the California Work Opportunity and Responsibility to Kids (CalWORKs) program under which, through a combination of state and county funds and federal funds received through the TANF program, each county provides cash assistance and other benefits to qualified low-income families.

Existing law establishes maximum aid grant amounts to be provided under the CalWORKs program, and provides, with certain exceptions, including the 2007–08 and 2008–09 fiscal years for an annual cost-of-living adjustment to be made in the maximum aid payments provided to needy families under the program.

This bill would reduce the maximum aid payments in effect on September 1, 2007, by 4%, unless a specified notice is made by the Director of Finance to the Joint Legislative Budget Committee, in accordance with a designated section of the Government Code.

This bill would provide that no adjustment to the maximum aid payment would be made for the 2009–10 fiscal year.

Existing law provides for the State Supplementary Program for the Aged, Blind and Disabled (SSP), which requires the State Department of Social Services to contract with the United States Secretary of Health and Human Services to make payments to SSP recipients to supplement Supplemental Security Income (SSI) payments made available pursuant to the federal Social Security Act.

Under existing law, benefit payments under the SSP are calculated by establishing the maximum level of nonexempt income and federal SSI and state SSP benefits for each category of eligible recipient. The

state SSP payment is the amount, when added to the nonexempt income and SSI benefits available to the recipient, which would be required to provide the maximum benefit payment. Under existing law, this adjustment becomes effective on January 1 of each year, until the 2010 calendar year, and thereafter, when the adjustment takes effect on June 1.

This bill would provide that, on May 1, 2009, the maximum aid payment levels in effect on January 1, 2009, would be reduced to the payment levels in effect on December 1, 2008, except as specified. The bill would provide for a further reduction of these benefits of 2.3 percent, commencing July 1, 2009, unless a specified notice is made by the Director of Finance to the Joint Legislative Budget Committee, in accordance with a designated section of the Government Code. The bill would provide that no benefit adjustment would be made for the 2010 calendar year, and would require the adjustment to be made effective June 1 commencing with the 2011 calendar year and thereafter.

Existing law provides for the county-administered In-Home Supportive Services (IHSS) program, under which qualified aged, blind, and disabled persons are provided with services in order to permit them to remain in their own homes and avoid institutionalization.

Existing law establishes the federal Medicaid program, which is administered by each state. California's version of this program is the Medi-Cal program, which is administered by the State Department of Health Services and under which qualified low-income persons receive health care benefits.

Existing law provides for the payment of a supplementary benefit under the IHSS program to any eligible aged, blind, or disabled person who is receiving Medi-Cal personal care services and who would otherwise be deemed a categorically needy recipient under the IHSS program.

This bill would limit this supplementary payment to individuals who received Medi-Cal personal care services before July 1, 2009, who continue to receive those services, unless a specified notice is made by the Director of Finance to the Joint Legislative Budget Committee, in accordance with a designated section of the Government Code.

Existing law provides that when any increase in provider wages or benefits is negotiated or agreed to by a public authority or nonprofit consortium, the county shall use county-only funds for the state and county share of any increase in the program, unless otherwise provided in the Budget Act or appropriated by statute.

Existing law establishes a formula with regard to provider wages or benefits increases negotiated or agreed to by a public authority or nonprofit consortium, and specifies the percentages required to be paid by the state and counties, beginning with the 2000–01 fiscal year, with regard to the nonfederal share of any increases.

This bill, notwithstanding the existing formula, would limit state participation to a total cost of wages up to \$9.50 per hour and individual health benefits up to \$0.60 per hour, commencing July 1, 2009, unless a specified notice is made by the Director of Finance to the Joint Legislative Budget Committee, in accordance with a designated section of the Government Code.

This bill would authorize the State Department of Social Services to implement the changes made by this bill relating to the IHSS program through all-county letters or similar instructions from the director, pending the adoption of emergency regulations.

The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. The Governor issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on December 19, 2008.

This bill would state that it addresses the fiscal emergency declared by the Governor by proclamation issued on December 19, 2008, pursuant to the California Constitution.

This bill would declare that it is to take effect immediately as an urgency statute.

~~*This bill would express the intent of the Legislature to make statutory changes relating to the Budget Act of 2008.*~~

~~*The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. The Governor issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on December 19, 2008.*~~

~~*This bill would state that it addresses the fiscal emergency declared by the Governor by proclamation issued on December 19, 2008, pursuant to the California Constitution.*~~

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: ~~no~~-yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Section 4639.5 of the Welfare and Institutions Code is amended to read:

4639.5. (a) By December 1 of each year, each regional center shall provide a listing to the State Department of Developmental Services a complete current salary schedule for all personnel classifications used by the regional center. The information shall be provided in a format prescribed by the department. The department shall provide this information to the public upon request. *From February 1, 2009, to June 30, 2010, inclusive, the requirements of this subdivision shall not apply.*

(b) By December 1 of each year, each regional center shall report information to the State Department of Developmental Services on all prior fiscal year expenditures from the regional center operations budget for all administrative services, including managerial, consultant, accounting, personnel, labor relations, and legal services, whether procured under a written contract or otherwise. Expenditures for the maintenance, repair, or purchase of equipment or property shall not be required to be reported for purposes of this subdivision. The report shall be prepared in a format prescribed by the department and shall include, at a minimum, for each recipient the amount of funds expended, the type of service, and purpose of the expenditure. The department shall provide this information to the public upon request. *Regional centers shall not be required to prepare or submit the report required by this subdivision in 2009.*

SEC. 2. Section 4640.6 of the Welfare and Institutions Code is amended to read:

4640.6. (a) In approving regional center contracts, the department shall ensure that regional center staffing patterns demonstrate that direct service coordination are the highest priority.

(b) Contracts between the department and regional centers shall require that regional centers implement an emergency response system that ensures that a regional center staff person will respond to a consumer, or individual acting on behalf of a consumer, within two hours of the time an emergency call is placed. This emergency response system shall be operational 24 hours per day, 365 days per year.

(c) Contracts between the department and regional centers shall require regional centers to have service coordinator-to-consumer ratios, as follows:

(1) An average service coordinator-to-consumer ratio of 1 to 62 for all consumers who have not moved from the developmental centers to the community since April 14, 1993. In no case shall a service coordinator for these consumers have an assigned caseload in excess of 79 consumers for more than 60 days.

(2) An average service coordinator-to-consumer ratio of 1 to 45 for all consumers who have moved from a developmental center to the community since April 14, 1993. In no case shall a service coordinator for these consumers have an assigned caseload in excess of 59 consumers for more than 60 days.

(3) Commencing January 1, 2004, the following coordinator-to-consumer ratios shall apply:

(A) All consumers three years of age and younger and for consumers enrolled ~~on~~ *in* the Home and Community-based Services Waiver *program* for persons with developmental disabilities, an average service coordinator-to-consumer ratio of 1 to 62.

(B) All consumers who have moved from a developmental center to the community since April 14, 1993, and have lived continuously in the community for at least 12 months, an average service coordinator-to-consumer ratio of 1 to 62.

(C) All consumers who have not moved from the developmental centers to the community since April 14, 1993, and who are not described in subparagraph (A), an average service coordinator-to-consumer ratio of 1 to 66.

(4) For purposes of paragraph (3), service coordinators may have a mixed caseload of consumers three years of age and younger, consumers enrolled ~~on~~ *in* the Home and Community-based Services Waiver program for persons with developmental disabilities, and other consumers if the overall average caseload is weighted proportionately to ensure that overall regional center average service coordinator-to-consumer ratios as specified in paragraph (3) are met. For purposes of paragraph (3), in no case shall a service coordinator have an assigned caseload in excess of 84 for more than 60 days.

(d) For purposes of this section, “service coordinator” means a regional center employee whose primary responsibility includes preparing, implementing, and monitoring consumers’ individual

1 program plans, securing and coordinating consumer services and
2 supports, and providing placement and monitoring activities.

3 (e) In order to ensure that caseload ratios are maintained
4 pursuant to this section, each regional center shall provide service
5 coordinator caseload data to the department, annually for each
6 fiscal year. The data shall be submitted in the format, including
7 the content, prescribed by the department. Within 30 days of receipt
8 of data submitted pursuant to this subdivision, the department shall
9 make a summary of the data available to the public upon request.
10 The department shall verify the accuracy of the data when
11 conducting regional center fiscal audits. Data submitted by regional
12 centers pursuant to this subdivision shall:

13 (1) Only include data on service coordinator positions as defined
14 in subdivision (d). Regional centers shall identify the number of
15 positions that perform service coordinator duties on less than a
16 full-time basis. Staffing ratios reported pursuant to this subdivision
17 shall reflect the appropriate proportionality of these staff to
18 consumers served.

19 (2) Be reported separately for service coordinators whose
20 caseload includes any of the following:

21 (A) Consumers who are three years of age and older and who
22 have not moved from the developmental center to the community
23 since April 14, 1993.

24 (B) Consumers who have moved from a developmental center
25 to the community since April 14, 1993.

26 (C) Consumers who are younger than three years of age.

27 (D) Consumers enrolled in the Home and Community-based
28 Services Waiver program.

29 (3) Not include positions that are vacant for more than 60 days
30 or new positions established within 60 days of the reporting month
31 that are still vacant.

32 (4) For purposes of calculating caseload ratios for consumers
33 enrolled in the Home- and Community-based Services Waiver
34 program, vacancies shall not be included in the calculations.

35 (f) The department shall provide technical assistance and require
36 a plan of correction for any regional center that, for two consecutive
37 reporting periods, fails to maintain service coordinator caseload
38 ratios required by this section or otherwise demonstrates an
39 inability to maintain appropriate staffing patterns pursuant to this
40 section. Plans of correction shall be developed following input

1 from the local area board, local organizations representing
2 consumers, family members, regional center employees, including
3 recognized labor organizations, and service providers, and other
4 interested parties.

5 (g) Contracts between the department and regional center shall
6 require the regional center to have, or contract for, all of the
7 following areas:

8 (1) Criminal justice expertise to assist the regional center in
9 providing services and support to consumers involved in the
10 criminal justice system as a victim, defendant, inmate, or parolee.

11 (2) Special education expertise to assist the regional center in
12 providing advocacy and support to families seeking appropriate
13 educational services from a school district.

14 (3) Family support expertise to assist the regional center in
15 maximizing the effectiveness of support and services provided to
16 families.

17 (4) Housing expertise to assist the regional center in accessing
18 affordable housing for consumers in independent or supportive
19 living arrangements.

20 (5) Community integration expertise to assist consumers and
21 families in accessing integrated services and supports and improved
22 opportunities to participate in community life.

23 (6) Quality assurance expertise, to assist the regional center to
24 provide the necessary coordination and cooperation with the area
25 board in conducting quality-of-life assessments and coordinating
26 the regional center quality assurance efforts.

27 (7) Each regional center shall employ at least one consumer
28 advocate who is a person with developmental disabilities.

29 (8) Other staffing arrangements related to the delivery of
30 services that the department determines are necessary to ensure
31 maximum cost-effectiveness and to ensure that the service needs
32 of consumers and families are met.

33 (h) Any regional center proposing a staffing arrangement that
34 substantially deviates from the requirements of this section shall
35 request a waiver from the department. Prior to granting a waiver,
36 the department shall require a detailed staffing proposal, including,
37 but not limited to, how the proposed staffing arrangement will
38 benefit consumers and families served, and shall demonstrate clear
39 and convincing support for the proposed staffing arrangement from
40 constituencies served and impacted, that include, but are not limited

to, consumers, families, providers, advocates, and recognized labor organizations. In addition, the regional center shall submit to the department any written opposition to the proposal from organizations or individuals, including, but not limited to, consumers, families, providers, and advocates, including recognized labor organizations. The department may grant waivers to regional centers that sufficiently demonstrate that the proposed staffing arrangement is in the best interest of consumers and families served, complies with the requirements of this chapter, and does not violate any contractual requirements. A waiver shall be approved by the department for up to 12 months, at which time a regional center may submit a new request pursuant to this subdivision.

~~(i) The requirements of subdivisions (c), (f), and (h) shall not apply when a regional center is required to develop an expenditure plan pursuant to Section 4791, and when the expenditure plan addresses the specific impact of the budget reduction on staffing requirements and the expenditure plan is approved by the department.~~

(i) From February 1, 2009, to June 30, 2010, inclusive, the following shall not apply:

(1) The service coordinator-to-consumer ratio requirements of paragraph (1), and subparagraph (C) of paragraph (3), of subdivision (c).

(2) The requirements of subdivision (e). The regional centers shall, instead, maintain sufficient service coordinator caseload data to document compliance with the service coordinator-to-consumer ratio requirements in effect pursuant to this section.

(3) The requirements of paragraphs (1) to (6), inclusive, of subdivision (g).

(j) (1) Any contract between the department and a regional center entered into on and after January 1, 2003, shall require that all employment contracts entered into with regional center staff or contractors be available to the public for review, upon request. For purposes of this subdivision, an employment contract or portion thereof may not be deemed confidential nor unavailable for public review.

(2) Notwithstanding paragraph (1), the social security number of the contracting party may not be disclosed.

(3) The term of the employment contract between the regional center and an employee or contractor shall not exceed the term of the state's contract with the regional center.

SEC. 3. Section 11450.02 is added to the Welfare and Institutions Code, to read:

11450.02. Notwithstanding any other provision of law, commencing July 1, 2009, the maximum aid payments in effect September 1, 2007, as specified in paragraph (1) of subdivision (a) of Section 11450, shall be reduced by 4 percent.

SEC. 4. Section 11453 of the Welfare and Institutions Code is amended to read:

11453. (a) Except as provided in subdivision (c), the amounts set forth in Section 11452 and subdivision (a) of Section 11450 shall be adjusted annually by the department to reflect any increases or decreases in the cost of living. These adjustments shall become effective July 1 of each year, unless otherwise specified by the Legislature. For the 2000–01 fiscal year to the 2003–04 fiscal year, inclusive, these adjustments shall become effective October 1 of each year. The cost-of-living adjustment shall be calculated by the Department of Finance based on the changes in the California Necessities Index, which as used in this section means the weighted average changes for food, clothing, fuel, utilities, rent, and transportation for low-income consumers. The computation of annual adjustments in the California Necessities Index shall be made in accordance with the following steps:

(1) The base period expenditure amounts for each expenditure category within the California Necessities Index used to compute the annual grant adjustment are:

Food.....	\$ 3,027
Clothing (apparel and upkeep).....	406
Fuel and other utilities.....	529
Rent, residential.....	4,883
Transportation.....	1,757
Total.....	\$10,602

(2) Based on the appropriate components of the Consumer Price Index for All Urban Consumers, as published by the United States Department of Labor, Bureau of Labor Statistics, the percentage

change shall be determined for the 12-month period ending with the December preceding the year for which the cost-of-living adjustment will take effect, for each expenditure category specified in subdivision (a) within the following geographical areas: Los Angeles-Long Beach-Anaheim, San Francisco-Oakland, San Diego, and, to the extent statistically valid information is available from the Bureau of Labor Statistics, additional geographical areas within the state which include not less than 80 percent of recipients of aid under this chapter.

(3) Calculate a weighted percentage change for each of the expenditure categories specified in subdivision (a) using the applicable weighting factors for each area used by the State Department of Industrial Relations to calculate the California Consumer Price Index (CCPI).

(4) Calculate a category adjustment factor for each expenditure category in subdivision (a) by (1) adding 100 to the applicable weighted percentage change as determined in paragraph (2) and (2) dividing the sum by 100.

(5) Determine the expenditure amounts for the current year by multiplying each expenditure amount determined for the prior year by the applicable category adjustment factor determined in paragraph (4).

(6) Determine the overall adjustment factor by dividing (1) the sum of the expenditure amounts as determined in paragraph (4) for the current year by (2) the sum of the expenditure amounts as determined in subdivision (d) for the prior year.

(b) The overall adjustment factor determined by the preceding computation steps shall be multiplied by the schedules established pursuant to Section 11452 and subdivision (a) of Section 11450 as are in effect during the month of June preceding the fiscal year in which the adjustments are to occur and the product rounded to the nearest dollar. The resultant amounts shall constitute the new schedules which shall be filed with the Secretary of State.

(c) (1) No adjustment to the maximum aid payment set forth in subdivision (a) of Section 11450 shall be made under this section for the purpose of increasing the benefits under this chapter for the 1990–91, 1991–92, 1992–93, 1993–94, 1994–95, 1995–96, 1996–97, and 1997–98 fiscal years, and through October 31, 1998, to reflect any change in the cost of living. For the 1998–99 fiscal year, the cost of living adjustment that would have been provided

1 on July 1, 1998, pursuant to subdivision (a) shall be made on
2 November 1, 1998. No adjustment to the maximum aid payment
3 set forth in subdivision (a) of Section 11450 shall be made under
4 this section for the purpose of increasing the benefits under this
5 chapter for the 2005–06 and 2006–07 fiscal years to reflect any
6 change in the cost-of-living. Elimination of the cost-of-living
7 adjustment pursuant to this paragraph shall satisfy the requirements
8 of Section 11453.05, and no further reduction shall be made
9 pursuant to that section.

10 (2) No adjustment to the minimum basic standard of adequate
11 care set forth in Section 11452 shall be made under this section
12 for the purpose of increasing the benefits under this chapter for
13 the 1990–91 and 1991–92 fiscal years to reflect any change in the
14 cost of living.

15 (3) In any fiscal year commencing with the 2000–01 fiscal year
16 to the 2003–04 fiscal year, inclusive, when there is any increase
17 in tax relief pursuant to the applicable paragraph of subdivision
18 (a) of Section 10754 of the Revenue and Taxation Code, then the
19 increase pursuant to subdivision (a) of this section shall occur. In
20 any fiscal year commencing with the 2000–01 fiscal year to the
21 2003–04 fiscal year, inclusive, when there is no increase in tax
22 relief pursuant to the applicable paragraph of subdivision (a) of
23 Section 10754 of the Revenue and Taxation Code, then any
24 increase pursuant to subdivision (a) of this section shall be
25 suspended.

26 (4) Notwithstanding paragraph (3), an adjustment to the
27 maximum aid payments set forth in subdivision (a) of Section
28 11450 shall be made under this section for the 2002–03 fiscal year,
29 but the adjustment shall become effective June 1, 2003.

30 (5) No adjustment to the maximum aid payment set forth in
31 subdivision (a) of Section 11450 shall be made under this section
32 for the purpose of increasing benefits under this chapter for the
33 ~~2007–08 and 2008–09~~, *2008–09, and 2009–10* fiscal years.

34 (d) For the 2004–05 fiscal year, the adjustment to the maximum
35 aid payment set forth in subdivision (a) shall be suspended for
36 three months commencing on the first day of the first month
37 following the effective date of the act adding this subdivision.

38 (e) Adjustments for subsequent fiscal years pursuant to this
39 section shall not include any adjustments for any fiscal year in

1 which the cost of living was suspended pursuant to subdivision
2 (c).

3 *SEC. 5. Section 12200.018 is added to the Welfare and*
4 *Institutions Code, to read:*

5 *12200.018. (a) Notwithstanding any other provision of law,*
6 *the maximum aid payments in effect on January 1, 2009, in*
7 *accordance with Article 5 of Chapter 3 of Division 9 of the Welfare*
8 *and Institutions Code, except payments made pursuant to*
9 *subdivisions (e), (g), and (h) of Section 12200, shall be reduced*
10 *to the payment levels in effect on December 1, 2008.*

11 *(b) Notwithstanding subdivision (a), in no event shall the*
12 *payment schedules be reduced below the level required by the*
13 *federal Social Security Act in order to maintain eligibility for*
14 *federal funding under Title XIX of the federal Social Security Act,*
15 *contained in Subchapter 19 (commencing with Section 1396) of*
16 *Chapter 7 of Title 42 of the United States Code.*

17 *(c) This section shall become operative on May 1, 2009.*

18 *(d) This section shall become inoperative on July 1, 2009, and*
19 *as that date is repealed, but only if Section 12200.019 becomes*
20 *operative on that date.*

21 *SEC. 6. Section 12200.019 is added to the Welfare and*
22 *Institutions Code, to read:*

23 *12200.019. (a) Notwithstanding any other provision of law,*
24 *the maximum aid payments in effect on January 1, 2009, in*
25 *accordance with Article 5 of Chapter 3 of Division 9, except*
26 *payments made pursuant to subdivisions (e), (g), and (h) of Section*
27 *12200, shall be reduced to the payment levels in effect on*
28 *December 1, 2008, and shall be further reduced by 2.3 percent.*

29 *(b) Notwithstanding subdivision (a), in no event shall the*
30 *payment schedules be reduced below the level required by the*
31 *federal Social Security Act in order to maintain eligibility for*
32 *federal funding under Title XIX of the federal Social Security Act,*
33 *contained in Subchapter 19 (commencing with Section 1396) of*
34 *Chapter 7 of Title 42 of the United States Code.*

35 *(c) This section shall become operative on July 1, 2009.*

36 *SEC. 7. Section 12201 of the Welfare and Institutions Code is*
37 *amended to read:*

38 *12201. (a) Except as provided in subdivision (d), the payment*
39 *schedules set forth in Section 12200 shall be adjusted annually to*
40 *reflect any increases or decreases in the cost of living. Except as*

provided in subdivision (e), (f), or (g), these adjustments shall become effective January 1 of each year. The cost-of-living adjustment shall be based on the changes in the California Necessities Index, which as used in this section shall be the weighted average of changes for food, clothing, fuel, utilities, rent, and transportation for low-income consumers. The computation of annual adjustments in the California Necessities Index shall be made in accordance with the following steps:

(1) The base period expenditure amounts for each expenditure category within the California Necessities Index used to compute the annual grant adjustment are:

Food.....	\$ 3,027
Clothing (apparel and upkeep).....	406
Fuel and other utilities.....	529
Rent, residential.....	4,883
Transportation.....	1,757
Total.....	\$10,602

(2) Based on the appropriate components of the Consumer Price Index for All Urban Consumers, as published by the United States Department of Labor, Bureau of Labor Statistics, the percentage change shall be determined for the 12-month period which ends 12 months prior to the January in which the cost-of-living adjustment will take effect, for each expenditure category specified in paragraph (1) within the following geographical areas: Los Angeles-Long Beach-Anaheim, San Francisco-Oakland, San Diego, and, to the extent statistically valid information is available from the Bureau of Labor Statistics, additional geographical areas within the state which include not less than 80 percent of recipients of aid under this chapter.

(3) Calculate a weighted percentage change for each of the expenditure categories specified in subdivision (a) using the applicable weighting factors for each area used by the State Department of Industrial Relations to calculate the California Consumer Price Index (CCPI).

(4) Calculate a category adjustment factor for each expenditure category in paragraph (1) by (1) adding 100 to the applicable

weighted percentage change as determined in paragraph (2) and (2) dividing the sum by 100.

(5) Determine the expenditure amounts for the current year by multiplying each expenditure amount determined for the prior year by the applicable category adjustment factor determined in paragraph (4).

(6) Determine the overall adjustment factor by dividing (1) the sum of the expenditure amounts as determined in paragraph (4) for the current year by (2) the sum of the expenditure amounts as determined in paragraph (4) for the prior year.

(b) The overall adjustment factor determined by the preceding computational steps shall be multiplied by the payment schedules established pursuant to Section 12200 as are in effect during the month of December preceding the calendar year in which the adjustments are to occur, and the product rounded to the nearest dollar. The resultant amounts shall constitute the new schedules for the categories given under subdivisions (a), (b), (c), (d), (e), (f), and (g) of Section 12200, and shall be filed with the Secretary of State. The amount as set forth in subdivision (h) of Section 12200 shall be adjusted annually pursuant to this section in the event that the secretary agrees to administer payment under that subdivision. The payment schedule for subdivision (i) of Section 12200 shall be computed as specified, based on the new payment schedules for subdivisions (a), (b), (c), and (d) of Section 12200.

(c) The department shall adjust any amounts of aid under this chapter to insure that the minimum level required by the Social Security Act in order to maintain eligibility for funds under Title XIX of that act is met.

(d) (1) No adjustment shall be made under this section for the 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998, 2004, 2006, 2007, 2008, ~~and~~ 2009, *and* 2010 calendar years to reflect any change in the cost of living. Elimination of the cost-of-living adjustment pursuant to this paragraph shall satisfy the requirements of Section 12201.05, and no further reduction shall be made pursuant to that section.

(2) Any cost-of-living adjustment granted under this section for any calendar year shall not include adjustments for any calendar year in which the cost of living was suspended pursuant to paragraph (1).

(e) For the 2003 calendar year, the adjustment required by this section shall become effective June 1, 2003.

(f) For the 2005 calendar year, the adjustment required by this section shall become effective April 1, 2005.

(g) (1) Commencing with the ~~2010~~ 2011 calendar year and in each calendar year thereafter, the annual adjustment required by this section shall be effective June 1 of that calendar year.

(2) Notwithstanding paragraph (1), the pass along of federal benefits provided for in Section 12201.05 shall be effective on January 1 of each calendar year.

SEC. 8. Section 12305.1 of the Welfare and Institutions Code is amended to read:

12305.1. (a) Any aged, blind, or disabled individual who ~~is receiving~~ received Medi-Cal personal care services pursuant to subdivision (p) of Section 14132.95 *before July 1, 2009, and who continues to receive those services*, and who would otherwise be deemed a categorically needy recipient pursuant to Section 12305, is eligible to receive a supplementary payment under this article to be used towards the purchase of personal care services. Additionally, any aged, blind, or disabled individual who ~~is receiving~~ received services pursuant to Section 14132.951 *before July 1, 2009, and who continues to receive those services*, and who would otherwise be deemed a categorically needy recipient pursuant to Section 12305 is eligible to receive a supplementary payment under this article to be used towards the purchase of services under Section 14132.951.

(b) A supplementary payment pursuant to this section shall be the difference between the following amounts:

(1) A beneficiary's excess income as determined under Section 12304.5.

(2) The beneficiary's nonexempt income as determined pursuant to Section 14005.7, in excess of the income levels for maintenance need pursuant to Section 14005.12.

(c) Notwithstanding subdivisions (a) and (b), no supplementary payment shall be made pursuant to this section unless the amount specified in paragraph (2) of subdivision (b) is larger than the amount specified in paragraph (1) of subdivision (b).

(d) In the event of a final judicial determination by any court of appellate jurisdiction or a final determination by the Administrator of the federal Centers for Medicare and Medicaid

Services that supplemental payments to medically needy persons not receiving services pursuant to subdivision (p) of Section 14132.95 or Section 14132.951 must be made, then this section and subdivision (p) of Section 14132.95 shall cease to be operative on the first day of the month that begins after the expiration of a period of 30 days subsequent to a notification in writing by the Director of Finance to the chairperson of the committee in each house that considers appropriations, the chairpersons of the committees and the appropriate subcommittees in each house that consider the State Budget, and the Chairperson of the Joint Legislative Budget Committee.

~~(e) (1) Notwithstanding the rulemaking provisions of the Administrative Procedure Act, Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, until emergency regulations are filed with the Secretary of State, the department may implement this section through all-county letters or similar instructions from the director. The department shall adopt emergency regulations implementing this section no later than September 30, 2006, unless notification of a delay is made to the Chair of the Joint Legislative Budget Committee prior to that date. The notification shall include the reason for the delay, the current status of the emergency regulations, a date by which the emergency regulations shall be adopted, and a statement of need to continue use of all-county letters or similar instructions. Under no circumstances shall the adoption of emergency regulations be delayed, or the use of all-county letters or similar instructions be extended, beyond June 30, 2007.~~

~~(2) The adoption of regulations implementing this section shall be deemed an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare. The emergency regulations authorized by this section shall be exempt from review by the Office of Administrative Law. The emergency regulations authorized by this section shall be submitted to the Office of Administrative Law for filing with the Secretary of State and shall remain in effect for no more than 180 days, by which time final regulations shall be promulgated.~~

SEC. 9. Section 12306.1 of the Welfare and Institutions Code is amended to read:

12306.1. (a) When any increase in provider wages or benefits is negotiated or agreed to by a public authority or nonprofit consortium under Section 12301.6, then the county shall use county-only funds to fund both the county share and the state share, including employment taxes, of any increase in the cost of the program, unless otherwise provided for in the annual Budget Act or appropriated by statute. No increase in wages or benefits negotiated or agreed to pursuant to this section shall take effect unless and until, prior to its implementation, the department has obtained the approval of the State Department of Health Care Services for the increase pursuant to a determination that it is consistent with federal law and to ensure federal financial participation for the services under Title XIX of the federal Social Security Act, and unless and until all of the following conditions have been met:

(1) Each county has provided the department with documentation of the approval of the county board of supervisors of the proposed public authority-~~of~~ or nonprofit consortium rate, including wages and related expenditures. The documentation shall be received by the department before the department and the State Department of Health Care Services may approve the increase.

(2) Each county has met department guidelines and regulatory requirements as a condition of receiving state participation in the rate.

(b) Any rate approved pursuant to subdivision (a) shall take effect commencing on the first day of the month subsequent to the month in which final approval is received from the department. The department may grant approval on a conditional basis, subject to the availability of funding.

(c) The state shall pay 65 percent, and each county shall pay 35 percent, of the nonfederal share of wage and benefit increases negotiated by a public authority or nonprofit consortium pursuant to Section 12301.6 and associated employment taxes, only in accordance with subdivisions (d) to (f), inclusive.

(d) (1) The state shall participate as provided in subdivision (c) in wages up to seven dollars and fifty cents (\$7.50) per hour and individual health benefits up to sixty cents (\$0.60) per hour for all public authority or nonprofit consortium providers. This paragraph shall be operative for the 2000–01 fiscal year and each year thereafter unless otherwise provided in paragraphs (2), (3), (4),

and (5), and without regard to when the wage and benefit increase becomes effective.

(2) The state shall participate as provided in subdivision (c) in a total of wages and individual health benefits up to nine dollars and ten cents (\$9.10) per hour, if wages have reached at least seven dollars and fifty cents (\$7.50) per hour. Counties shall determine, pursuant to the collective bargaining process provided for in subdivision (c) of Section 12301.6, what portion of the nine dollars and ten cents (\$9.10) per hour shall be used to fund wage increases above seven dollars and fifty cents (\$7.50) per hour or individual health benefit increases, or both. This paragraph shall be operative for the 2001–02 fiscal year and each fiscal year thereafter, unless otherwise provided in paragraphs (3), (4), and (5).

(3) The state shall participate as provided in subdivision (c) in a total of wages and individual health benefits up to ten dollars and ten cents (\$10.10) per hour, if wages have reached at least seven dollars and fifty cents (\$7.50) per hour. Counties shall determine, pursuant to the collective bargaining process provided for in subdivision (c) of Section 12301.6, what portion of the ten dollars and ten cents (\$10.10) per hour shall be used to fund wage increases above seven dollars and fifty cents (\$7.50) per hour or individual health benefit increases, or both. This paragraph shall be operative commencing with the next state fiscal year for which the May Revision forecast of General Fund revenue, excluding transfers, exceeds by at least 5 percent, the most current estimate of revenue, excluding transfers, for the year in which paragraph (2) became operative.

(4) The state shall participate as provided in subdivision (c) in a total of wages and individual health benefits up to eleven dollars and ten cents (\$11.10) per hour, if wages have reached at least seven dollars and fifty cents (\$7.50) per hour. Counties shall determine, pursuant to the collective bargaining process provided for in subdivision (c) of Section 12301.6, what portion of the eleven dollars and ten cents (\$11.10) per hour shall be used to fund wage increases or individual health benefits, or both. This paragraph shall be operative commencing with the next state fiscal year for which the May Revision forecast of General Fund revenue, excluding transfers, exceeds by at least 5 percent, the most current estimate of revenues, excluding transfers, for the year in which paragraph (3) became operative.

1 (5) The state shall participate as provided in subdivision (c) in
2 a total cost of wages and individual health benefits up to twelve
3 dollars and ten cents (\$12.10) per hour, if wages have reached at
4 least seven dollars and fifty cents (\$7.50) per hour. Counties shall
5 determine, pursuant to the collective bargaining process provided
6 for in subdivision (c) of Section 12301.6, what portion of the
7 twelve dollars and ten cents (\$12.10) per hour shall be used to fund
8 wage increases above seven dollars and fifty cents (\$7.50) per hour
9 or individual health benefit increases, or both. This paragraph shall
10 be operative commencing with the next state fiscal year for which
11 the May Revision forecast of General Fund revenue, excluding
12 transfers, exceeds by at least 5 percent, the most current estimate
13 of revenues, excluding transfers, for the year in which paragraph
14 (4) became operative.

15 (6) *Notwithstanding paragraphs (2) to (5), inclusive, the state*
16 *shall participate as provided in subdivision (c) in a total cost of*
17 *wages up to nine dollars and fifty cents (\$9.50) per hour and in*
18 *individual health benefits up to sixty cents (\$0.60) per hour. This*
19 *paragraph shall become operative on July 1, 2009.*

20 (e) (1) On or before May 14 immediately prior to the fiscal
21 year for which state participation is provided under paragraphs (2)
22 to (5), inclusive, of subdivision (d), the Director of Finance shall
23 certify to the Governor, the appropriate committees of the
24 Legislature, and the department that the condition for each
25 subdivision to become operative has been met.

26 (2) For purposes of certifications under paragraph (1), the
27 General Fund revenue forecast, excluding transfers, that is used
28 for the relevant fiscal year shall be calculated in a manner that is
29 consistent with the definition of General Fund revenues, excluding
30 transfers, that was used by the Department of Finance in the
31 2000–01 Governor’s Budget revenue forecast as reflected on
32 Schedule 8 of the Governor’s Budget.

33 (f) Any increase in overall state participation in wage and benefit
34 increases under paragraphs (2) to (5), inclusive, of subdivision (d),
35 shall be limited to a wage and benefit increase of one dollar (\$1)
36 per hour with respect to any fiscal year. With respect to actual
37 changes in specific wages and health benefits negotiated through
38 the collective bargaining process, the state shall participate in the
39 costs, as approved in subdivision (c), up to the maximum levels

1 as provided under paragraphs (2) to—(5) (6), inclusive, of
2 subdivision (d).

3 *SEC. 10. (a) Notwithstanding any other provision of law, in*
4 *order to implement changes in the level of funding for regional*
5 *center purchase of services, regional centers shall reduce payments*
6 *for services and supports provided pursuant to Title 14*
7 *(commencing with Section 95000) of the Government Code and*
8 *Division 4.1 (commencing with Section 4400) and Division 4.5*
9 *(commencing with Section 4500) of the Welfare and Institutions*
10 *Code. From February 1, 2009, to June 30, 2010, inclusive, regional*
11 *centers shall reduce all payments for these services and supports*
12 *paid from purchase of services funds for services delivered on or*
13 *after February 1, 2009, by 3 percent, unless the regional center*
14 *demonstrates that a nonreduced payment is necessary to protect*
15 *the health and safety of the individual for whom the services and*
16 *supports are proposed to be purchased, and the State Department*
17 *of Developmental Services has granted prior written approval.*

18 *(b) Regional centers shall not reduce payments pursuant to*
19 *subdivision (a) for the following:*

20 *(1) Supported employment services with rates set by Section*
21 *4860 of the Welfare and Institutions Code.*

22 *(2) Services with “usual and customary” rates established*
23 *pursuant to Section 57210 of Title 17 of the California Code of*
24 *Regulations.*

25 *(3) Payments to offset reductions in Supplemental Security*
26 *Income/State Supplementary Payment (SSI/SSP) benefits for*
27 *consumers receiving supported and independent living services.*

28 *(c) Notwithstanding any other provision of law, in order to*
29 *implement changes in the level of funding appropriated for regional*
30 *centers, the department shall amend regional center contracts to*
31 *adjust regional center budgets accordingly for the 2008–09 fiscal*
32 *year. The contract amendments and budget adjustments shall be*
33 *exempt from the provisions of Article 1 (commencing with Section*
34 *4620) of Chapter 5 of Division 4.5 of the Welfare and Institutions*
35 *Code.*

36 *SEC. 11. Upon notification from the Director of Finance to*
37 *the Joint Legislative Budget Committee pursuant to Section 99030*
38 *of the Government Code, Sections 3 and 6 of this act and the*
39 *amendments to Sections 12305.1 and 12306.1 of the Welfare and*

1 *Institutions Codes, as contained in Sections 8 and 9 of this act*
2 *shall be inoperative.*

3 *SEC. 12. (a) Notwithstanding the rulemaking provisions of*
4 *the Administrative Procedure Act, Chapter 3.5 (commencing with*
5 *Section 11340) of Part 1 of Division 3 of Title 2 of the Government*
6 *Code, until emergency regulations are filed with the Secretary of*
7 *State, the State Department of Social Services may implement*
8 *Sections 8 and 9 of this act through all-county letters or similar*
9 *instructions from the director. The department shall adopt*
10 *emergency regulations, as necessary, to implement the specified*
11 *provisions of this act, no later than December 1, 2010, unless*
12 *notification of a delay is made to the Chair of the Joint Legislative*
13 *Budget Committee prior to that date. Under no circumstances*
14 *shall an adoption of emergency regulations be delayed, or the use*
15 *of all-county letters or similar instructions be extended, beyond*
16 *December 1, 2011.*

17 *(b) The adoption of regulations implementing the applicable*
18 *provisions of this act shall be deemed to be an emergency and*
19 *necessary for the immediate preservation of the public peace,*
20 *health, safety, or general welfare. The emergency regulations*
21 *authorized by this section shall be exempt from review by the Office*
22 *of Administrative Law. The emergency regulations authorized by*
23 *this section shall be submitted to the Office of Administrative Law*
24 *for filing with the Secretary of State and shall remain in effect for*
25 *no more than 180 days, by which time the final regulations shall*
26 *be adopted.*

27 *SEC. 13. This act addresses the fiscal emergency declared by*
28 *the Governor by proclamation on December 19, 2008, pursuant*
29 *to subdivision (f) of Section 10 of Article IV of the California*
30 *Constitution.*

31 *SEC. 14. This act is an urgency statute necessary for the*
32 *immediate preservation of the public peace, health, or safety within*
33 *the meaning of Article IV of the Constitution and shall go into*
34 *immediate effect. The facts constituting the necessity are:*

35 *In order to enable statutory changes to be made in human*
36 *services provisions at the earliest possible time, it is necessary*
37 *that this act go into immediate effect.*

38 ~~*SECTION 1.—It is the intent of the Legislature to make statutory*~~
39 ~~*changes relating to the Budget Act of 2008.*~~

1 ~~SEC. 2. This act addresses the fiscal emergency declared by~~
2 ~~the Governor by proclamation on December 19, 2008, pursuant~~
3 ~~to subdivision (f) of Section 10 of Article IV of the California~~
4 ~~Constitution.~~

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