

AMENDED IN SENATE AUGUST 31, 2011

CALIFORNIA LEGISLATURE—2011–12 FIRST EXTRAORDINARY SESSION

**ASSEMBLY BILL**

**No. 30**

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**Introduced by Assembly Member Blumenfield**

May 19, 2011

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*An act relating to the Budget Act of 2011. An act to amend the Budget Act of 2011 (Chapter 33 of the Statutes of 2011) by amending Items 4280-101-0001, 4280-101-3156, 4280-102-0001, and 4280-102-3156 of Section 2.00 of that act, relating to the Managed Risk Medical Insurance Board, and making an appropriation therefor, to take effect immediately, Budget Bill.*

LEGISLATIVE COUNSEL'S DIGEST

AB 30, as amended, Blumenfield. Budget Act of ~~2011~~. 2011: revisions.

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2011.~~

*The Budget Act of 2011 made appropriations for the support of state government during the 2011–12 fiscal year.*

*This bill would make changes in specified items of appropriation in connection with the Healthy Families Program, as administered by the Managed Risk Medical Insurance Board.*

*This bill would become operative only if revenues, net of refunds, derived from an imposition of tax, that is effective on and after July 1, 2011, and before July 1, 2012, on Medi-Cal managed care plans are deposited into the Children's Health and Human Services Special Fund.*

The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. Governor Schwarzenegger issued a proclamation declaring a

fiscal emergency, and calling a special session for this purpose, on December 6, 2010. Governor Brown issued a proclamation on January 20, 2011, declaring and reaffirming that a fiscal emergency exists and stating that his proclamation supersedes the earlier proclamation for purposes of that constitutional provision.

This bill would state that it addresses the fiscal emergency declared and reaffirmed by the Governor by proclamation issued on January 20, 2011, pursuant to the California Constitution.

*This bill would declare that it is to take effect immediately as a Budget Bill.*

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

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

1 SECTION 1. Item 4280-101-0001 of Section 2.00 of the Budget  
2 Act of 2011 is amended to read:

3	
4	4280-101-0001—For local assistance, Managed Risk Medical
5	Insurance Board, for the Healthy Families Program..... 234,959,000
6	Schedule:
7	(1) 20-Access for Infants and Mothers Pro-
8	gram..... 69,839,000
9	(2) 40-Healthy Families Program..... <del>879,961,000</del>
10	<del>978,682,000</del>
11	(3) Amount payable from the Federal
12	Trust Fund (Item 4280-101-0890)..... -705,983,000
13	(4) Amount payable from the Children’s
14	Health and Human Services Special
15	Fund (Item 4280-101-3156)..... <del>-8,858,000</del>
16	<del>-107,579,000</del>

- 17 Provisions:
- 18 1. Upon order of the Department of Finance, the Con-
  - 19 troller shall transfer such funds as are necessary be-
  - 20 tween this item and Item 4280-102-0001 in order to
  - 21 effectively administer the Healthy Families Program.
  - 22 2. The Managed Risk Medical Insurance Board shall use
  - 23 all available, designated funds for the Healthy Families
  - 24 Program from the Children’s Health and Human Ser-
  - 25 vices Special Fund before General Funds are used,

1 and advise the Department of Finance and the Joint  
 2 Legislative Budget Committee, as part of the estimate  
 3 submittals required in subdivision (h) of Section 10506  
 4 of the Welfare and Institutions Code, on how much  
 5 revenue is available from the Children’s Health and  
 6 Human Services Special Fund and its overall impact  
 7 on General Fund appropriations and annual General  
 8 Fund allocations.

- 9 3. The Department of Finance may authorize the transfer  
 10 of expenditure authority from this item to Item 4260-  
 11 101-0001 or 4260-113-0001, or both of those items,  
 12 as it pertains to the transition of the Access for Infants  
 13 and Mothers Program and the Healthy Families Pro-  
 14 gram to the State Department of Health Care Services.  
 15 Any transfer shall be consistent with the transition  
 16 plan, or components of a transition plan, as provided  
 17 to the Legislature as required in state statute regarding  
 18 these program transfers.

19 The Director of Finance shall provide notification  
 20 in writing to the Joint Legislative Budget Committee  
 21 of any transfer of expenditure authority approved under  
 22 this provision not less than 30 days prior to the effec-  
 23 tive date of the approval. This notification shall include  
 24 (a) a comprehensive description of the program trans-  
 25 fer, including the number of children affected and  
 26 plans affected, and (b) all assumptions used in calcu-  
 27 lating the amount of expenditure authority transferred.

28  
 29 *SEC. 2. Item 4280-101-3156 of Section 2.00 of the Budget Act*  
 30 *of 2011 is amended to read:*

31  
 32 4280-101-3156—For local assistance, Managed Risk Medical  
 33 Insurance Board, for payment to Item 4280-101-0001,  
 34 payable from the Children’s Health and Human Services  
 35 Special Fund, for the Healthy Families Program..... 8,858,000  
 36 107,579,000

37 Provisions:

- 38 1. Funds appropriated in this item are in lieu of the  
 39 amounts that otherwise would have been appropriated

- 1 for administration pursuant to Section 12201 of the
- 2 Revenue and Taxation Code.
- 3 2. Upon order of the Department of Finance, the Con-
- 4 troller shall transfer such funds as are necessary be-
- 5 tween this item and Item 4280-102-3156 in order to
- 6 effectively administer the Healthy Families Program.
- 7 3. Provision 2 of Item 4280-101-0001 also applies to this
- 8 item.
- 9 4. The Department of Finance may authorize the transfer
- 10 of expenditure authority from this item to Item 4260-
- 11 101-0001, 4260-101-3156, or 4260-113-0001, or any
- 12 combination of those items, as it pertains to the transi-
- 13 tion of the Healthy Families Program to the State De-
- 14 partment of Health Care Services. Any transfer shall
- 15 be consistent with the transition plan, or components
- 16 of a transition plan, as provided to the Legislature as
- 17 required in state statute regarding these program
- 18 transfers.

19 The Director of Finance shall provide notification  
 20 in writing to the Joint Legislative Budget Committee  
 21 of any transfer of expenditure authority approved under  
 22 this provision not less than 30 days prior to the effec-  
 23 tive date of the approval. This notification shall include  
 24 (a) a comprehensive description of the program trans-  
 25 fer, including the number of children affected and  
 26 plans affected, and (b) all assumptions used in calcu-  
 27 lating the amount of expenditure authority transferred.

28  
 29 *SEC. 3. Item 4280-102-0001 of Section 2.00 of the Budget Act*  
 30 *of 2011 is amended to read:*

31

32	4280-102-0001—For local assistance, Managed Risk Medical	
33	Insurance Board, for Healthy Families Program administra-	
34	tive contracts.....	50,946,000
35	Schedule:	
36	(1) 40-Healthy Families Program.....	<del>167,968,000</del>
37		170,251,000
38	(2) Reimbursements.....	-8,065,000
39	(3) Amount payable from the Federal	
40	Trust Fund (Item 4280-102-0890).....	-106,263,000

1 (4) Amount payable from the Children’s  
 2 Health and Human Services Special  
 3 Fund (Item 4280-102-3156)..... -2,694,000  
 4 -4,977,000

5 Provisions:

- 6 1. Upon order of the Department of Finance, the Con-  
 7 troller shall transfer such funds as are necessary be-  
 8 tween this item and Item 4280-101-0001 in order to  
 9 effectively administer the Healthy Families Program.  
 10 2. Provision 2 of Item 4280-101-0001 also applies to this  
 11 item.  
 12 3. The Department of Finance may authorize the transfer  
 13 of expenditure authority from this item to Item 4260-  
 14 101-0001 or 4260-113-0001, or both of those items,  
 15 as it pertains to the transition of the Access for Infants  
 16 and Mothers Program and the Healthy Families Pro-  
 17 gram to the State Department of Health Care Services.  
 18 Any transfer shall be consistent with the transition  
 19 plan, or components of a transition plan, as provided  
 20 to the Legislature as required in state statute regarding  
 21 these program transfers.

22 The Director of Finance shall provide notification  
 23 in writing to the Joint Legislative Budget Committee  
 24 of any transfer of expenditure authority approved under  
 25 this provision not less than 30 days prior to the effec-  
 26 tive date of the approval. This notification shall include  
 27 (a) a comprehensive description of the program trans-  
 28 fer, including the number of children affected and  
 29 plans affected, and (b) all assumptions used in calcu-  
 30 lating the amount of expenditure authority transferred.

31  
 32 *SEC. 4. Item 4280-102-3156 of Section 2.00 of the Budget Act*  
 33 *of 2011 is amended to read:*

34  
 35 4280-102-3156—For local assistance, Managed Risk Medical  
 36 Insurance Board, for payment to Item 4280-102-0001,  
 37 payable from the Children’s Health and Human Services  
 38 Special Fund, for Healthy Families Program administrative  
 39 contracts..... 2,694,000  
 40 4,977,000

- 1 Provisions:
- 2 1. Funds appropriated in this item are in lieu of the
- 3 amounts that otherwise would have been appropriated
- 4 for administration pursuant to Section 12201 of the
- 5 Revenue and Taxation Code.
- 6 2. Upon order of the Department of Finance, the Con-
- 7 troller shall transfer such funds as are necessary be-
- 8 tween this item and Item 4280-101-3156 in order to
- 9 effectively administer the Healthy Families Program.
- 10 3. Provision 2 of Item 4280-101-0001 also applies to this
- 11 item.

12  
 13 *SEC. 5. Sections 1, 2, 3, and 4 of this act shall become*  
 14 *operative only if revenues, net of refunds, derived from an*  
 15 *imposition of tax, that is effective on and after July 1, 2011, and*  
 16 *before July 1, 2012, on Medi-Cal managed care plans are*  
 17 *deposited into the Children’s Health and Human Services Special*  
 18 *Fund.*

19 *SEC. 6. This act addresses the fiscal emergency declared and*  
 20 *reaffirmed by the Governor by proclamation on January 20, 2011,*  
 21 *pursuant to subdivision (f) of Section 10 of Article IV of the*  
 22 *California Constitution.*

23 *SEC. 7. This act is a Budget Bill within the meaning of*  
 24 *subdivision (e) of Section 12 of Article IV of the California*  
 25 *Constitution and shall take effect immediately.*

26 ~~SECTION 1. It is the intent of the Legislature to enact statutory~~  
 27 ~~changes relating to the Budget Act of 2011.~~

28 ~~SEC. 2. This act addresses the fiscal emergency declared and~~  
 29 ~~reaffirmed by the Governor by proclamation on January 20, 2011,~~  
 30 ~~pursuant to subdivision (f) of Section 10 of Article IV of the~~  
 31 ~~California Constitution.~~

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