

**Assembly Bill No. 30**

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Passed the Assembly September 6, 2011

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*Chief Clerk of the Assembly*

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Passed the Senate September 2, 2011

\_\_\_\_\_  
*Secretary of the Senate*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2011, at \_\_\_\_\_ o'clock \_\_\_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

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, Blumenfield. Budget Act of 2011: revisions.

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.

Appropriation: yes.

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

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

4280-101-0001—For local assistance, Managed Risk Medical Insurance Board, for the Healthy Families Program..... 234,959,000

Schedule:

- (1) 20-Access for Infants and Mothers Program..... 69,839,000
- (2) 40-Healthy Families Program..... 978,682,000
- (3) Amount payable from the Federal Trust Fund (Item 4280-101-0890)..... -705,983,000
- (4) Amount payable from the Children’s Health and Human Services Special Fund (Item 4280-101-3156)..... -107,579,000

Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4280-102-0001 in order to effectively administer the Healthy Families Program.
2. The Managed Risk Medical Insurance Board shall use all available, designated funds for the Healthy Families Program from the Children’s Health and Human Services Special Fund before General Funds are used, and advise the Department of Finance and the Joint Legislative Budget Committee, as part of the estimate submittals required in subdivision (h) of Section 10506 of the Welfare and Institutions Code, on how much revenue is available from the Children’s Health and Human Services Special Fund and its overall impact on General Fund appropriations and annual General Fund allocations.
3. The Department of Finance may authorize the transfer of expenditure authority from this item to Item 4260-101-0001 or 4260-113-0001, or both of those items, as it pertains to the transition of the Access for Infants and Mothers Program and the Healthy Families Program to the State Department of Health Care Services. Any transfer shall be consistent with the transition

plan, or components of a transition plan, as provided to the Legislature as required in state statute regarding these program transfers.

The Director of Finance shall provide notification in writing to the Joint Legislative Budget Committee of any transfer of expenditure authority approved under this provision not less than 30 days prior to the effective date of the approval. This notification shall include (a) a comprehensive description of the program transfer, including the number of children affected and plans affected, and (b) all assumptions used in calculating the amount of expenditure authority transferred.

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

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

Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for administration pursuant to Section 12201 of the Revenue and Taxation Code.
2. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4280-102-3156 in order to effectively administer the Healthy Families Program.
3. Provision 2 of Item 4280-101-0001 also applies to this item.
4. The Department of Finance may authorize the transfer of expenditure authority from this item to Item 4260-101-0001, 4260-101-3156, or 4260-113-0001, or any combination of those items, as it pertains to the transition of the Healthy Families Program to the State Department of Health Care Services. Any transfer shall be consistent with the transition plan, or components of a transition plan, as provided to the Legislature as

required in state statute regarding these program transfers.

The Director of Finance shall provide notification in writing to the Joint Legislative Budget Committee of any transfer of expenditure authority approved under this provision not less than 30 days prior to the effective date of the approval. This notification shall include (a) a comprehensive description of the program transfer, including the number of children affected and plans affected, and (b) all assumptions used in calculating the amount of expenditure authority transferred.

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

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|--|--------------|
| 4280-102-0001—For local assistance, Managed Risk Medical Insurance Board, for Healthy Families Program administrative contracts..... | 50,946,000   |
| Schedule:  |              |
| (1) 40-Healthy Families Program.....   | 170,251,000  |
| (2) Reimbursements.....  | -8,065,000   |
| (3) Amount payable from the Federal Trust Fund (Item 4280-102-0890).....   | -106,263,000 |
| (4) Amount payable from the Children’s Health and Human Services Special Fund (Item 4280-102-3156).....                              | -4,977,000   |

Provisions:

1. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4280-101-0001 in order to effectively administer the Healthy Families Program.
2. Provision 2 of Item 4280-101-0001 also applies to this item.
3. The Department of Finance may authorize the transfer of expenditure authority from this item to Item 4260-101-0001 or 4260-113-0001, or both of those items, as it pertains to the transition of the Access for Infants and Mothers Program and the Healthy Families Program to the State Department of Health Care Services. Any transfer shall be consistent with the transition

plan, or components of a transition plan, as provided to the Legislature as required in state statute regarding these program transfers.

The Director of Finance shall provide notification in writing to the Joint Legislative Budget Committee of any transfer of expenditure authority approved under this provision not less than 30 days prior to the effective date of the approval. This notification shall include (a) a comprehensive description of the program transfer, including the number of children affected and plans affected, and (b) all assumptions used in calculating the amount of expenditure authority transferred.

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

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|---|-----------|
| 4280-102-3156—For local assistance, Managed Risk Medical Insurance Board, for payment to Item 4280-102-0001, payable from the Children’s Health and Human Services Special Fund, for Healthy Families Program administrative contracts..... | 4,977,000 |
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Provisions:

1. Funds appropriated in this item are in lieu of the amounts that otherwise would have been appropriated for administration pursuant to Section 12201 of the Revenue and Taxation Code.
2. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4280-101-3156 in order to effectively administer the Healthy Families Program.
3. Provision 2 of Item 4280-101-0001 also applies to this item.

SEC. 5. Sections 1, 2, 3, and 4 of this act shall 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.

SEC. 6. This act addresses the fiscal emergency declared and reaffirmed by the Governor by proclamation on January 20, 2011,

pursuant to subdivision (f) of Section 10 of Article IV of the California Constitution.

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

Approved \_\_\_\_\_, 2011

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*Governor*