

AMENDED IN SENATE MARCH 14, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 96

Introduced by Committee on Budget (Blumenfield (Chair), Alejo, Allen, Brownley, Buchanan, Butler, Cedillo, Chesbro, Dickinson, Feuer, Gordon, Huffman, Mitchell, Monning, and Swanson)

January 10, 2011

~~An act relating to the Budget Act of 2011. An act to amend Section 9205 of the Family Code, to amend Section 1417.2 of the Health and Safety Code, and to amend Sections 10533, 11253.5, 11265.2, 11266.5, 11320.15, 11320.3, 11320.32, 11322.63, 11325.71, 11329.5, 11450, 11450.02, 11454.5, 11487, 12301.3, 12301.4, 12302.25, 14132.97, 15525, and 17021 of, to amend and repeal Sections 11327.5 and 11454 of, to add Sections 11323.25, 11450.025, 11454.2, 12200.03, 12309.1, 14132.956, and 14132.957 to, to add and repeal Section 11334.8 of, to repeal Sections 11320.2 and 11322.64 of, to repeal Article 3.3 (commencing with Section 11330) of Chapter 2 of Part 3 of Division 9 of, to repeal and add Sections 12301.03 and 12301.05 of, and to repeal, amend, and add Section 11451.5 of, the Welfare and Institutions Code, relating to human services, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately, bill related to the budget.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 96, as amended, Committee on Budget. ~~Budget Act of 2011. Human services.~~

Existing law contains various provisions relating to the disclosure of personal information between adoptees and their biological siblings, the implementation of which is delayed until July 1, 2011.

This bill would delay implementation of these provisions, until July 1, 2012.

Existing law establishes the State Health Facilities Citation Penalties Account into which moneys derived from civil penalties for violations of state law are deposited. Moneys in this account may be used, upon appropriation by the Legislature, for the protection of health or property of residents of long-term health care facilities, as specified.

Existing law, the Mello-Granlund Older Californians Act, establishes the Office of the State Long-Term Care Ombudsman in the California Department of Aging. Existing law requires the department to allocate all federal and state funds for local ombudsman programs according to a specified schedule.

This bill, upon appropriation by the Legislature, would include the costs associated with the Long-Term Care Ombudsman Program among the uses of the moneys in the State Health Facilities Citation Penalties Account.

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 requires the State Department of Social Services, commencing July 1, 2011, to establish a CalWORKs county peer review process. Existing law requires the department to implement the process statewide no later than July 1, 2012.

This bill instead would require the department to establish the peer review process commencing July 1, 2013, and to implement the process statewide no later than July 1, 2014.

Existing law provides that a parent or caretaker relative shall not be eligible for CalWORKs aid when he or she has received aid for a cumulative total of 60 months. Existing law excludes any month in which certain conditions exist from being counted as a month of receipt of aid for these purposes.

This bill would revise the requirements for providing aid under the CalWORKs program, including reducing the existing time limits on receipt of aid with a 48-month limit for parents and caregiver relatives, except as specified. The bill would make conforming changes, including but not limited to eliminating self-sufficiency reviews, and revising

provisions relating to sanctions and general assistance, to reflect the shortened CalWORKs time limits. The bill would apply the revised time limits to all months of CalWORKs aid received on and after January 1, 1998, except as specified. The bill would make the time limit revisions operative on the first day of the first calendar month following 90 days after the effective date of the bill, or June 1, 2011, whichever is later.

This bill would require county welfare departments to provide a specified notice regarding the revised time limit requirements, thus imposing a state-mandated local program.

Existing law provides that when aid under the CalWORKs program is repaid to a county or recovered by a county, the state is entitled to a share of the amount received or recovered, proportionate to the amount of state funds paid. If funds advanced by the federal government were paid, existing law entitles the federal government to a share of the amount received or recovered, proportionate to the amount of federal funds paid. Existing law excepts from the above requirement designated payments from noncustodial parents for child or spousal support with respect to whom a specified assignment of support rights has been made, and requires those payments to be paid directly to the local child support agency and not to the family.

This bill would delete the exception for child and spousal support. It would entitle the state to the entire amount of any aid repaid to the state, except where federal and county funds were paid, in which case the federal government would remain entitled to a proportionate share of the amount received or recovered and the county would remain entitled to its proportionate share, except for county funds received or recovered during the 2011–12 fiscal year, which would be retained by the state.

Existing law requires the State Department of Social Services to administer a voluntary Temporary Assistance Program (TAP) to provide cash assistance and other benefits to specified current and future CalWORKs recipients who meet the exemption criteria for participation in welfare-to-work activities and are not single parents who have a child under one year of age. Existing law requires the TAP to commence no later than October 1, 2012.

This bill would delay the commencement date of the TAP until October 1, 2014.

Existing law makes specified findings and declarations with respect to the effect of decreased funding for CalWORKs for the 2009–10 and 2010–11 fiscal years. In connection with this decreased funding, existing

law extends certain exemptions from months counted as a month of receipt of aid, and allows counties to redirect funding between specified employment assistance and substance abuse treatment programs during the specified fiscal years.

This bill would extend the above provisions to apply to specified decreases in CalWORKs funding for the 2011–12 fiscal year. The bill would authorize a county to revise a specified welfare-to-work exemption in order to implement the county’s portion of this funding reduction.

Existing law requires recipients of aid under the CalWORKs program who are under 19 years of age who are pregnant or custodial parents to participate in certain educational programs, which are referred to as the Cal-Learn Program. Under existing law, a Cal-Learn Program participant is entitled to monetary supplements or bonuses, as specified, for maintaining satisfactory educational progress, and successfully completing high school or a California high school equivalency examination.

This bill would make the Cal-Learn Program inoperative from July 1, 2011, to June 30, 2012, inclusive, with the exception of the payment of supplements and bonuses to eligible participants. These provisions making the Cal-Learn Program inoperative would be repealed on July 1, 2012, as specified. The bill would repeal related inoperative provisions. This bill would authorize implementation of the Cal-Learn provisions by all-county letters or similar instructions from the department, pending the adoption, by July 1, 2012, of emergency regulations.

Existing law requires certain participants in the CalWORKs program to participate in certain welfare-to-work activities, which may include, but are not limited to, subsidized employment in either the public or private sector. Existing law requires the department to pay 50% of the wage subsidy to counties that include these activities within their welfare-to-work activities, subject to prescribed limitations. Existing law also requires the department, no later than January 10, 2011, to report to the Legislature on the outcomes of implementing these provisions.

This bill would revise the requirements relating to the state’s financial participation in subsidized employment programs, including requiring the department to pay 50%, less \$56, of the total wage costs, as defined, of an employee for whom a wage subsidy is paid, as opposed to a percentage of the wage subsidy alone. The bill would establish maximum

state contribution standards for subsidized wage program participants receiving CalWORKs benefits, for participants who have exceeded applicable time limits for receipt of aid, and for those who are participating in subsidized employment as a part of continuing welfare-to-work services provided by a county to former CalWORKs participants who have become employed, as specified.

This bill would specify applicable income exemption and work requirements when an assistance unit applies for CalWORKs benefits after a participant's subsidized employment ends.

Existing law establishes maximum aid grant amounts to be provided under the CalWORKs program, subject to specified adjustments. Existing law reduces the maximum aid payments in effect on September 1, 2007, by 4%, commencing July 1, 2009.

This bill would reduce the maximum aid payments in effect on July 1, 2009, by an additional 8%, and would authorize implementation of this reduction by all-county letters or similar instructions from the State Department of Social Services, pending the adoption of regulations, as specified. The bill would require 3 subsequent 5% reductions to the computed aid grants for assistance units that do not include an aided adult, in the 61st, 73rd, and 85th cumulative months of aid. The bill would exempt assistance units in which all parents or caretaker relatives in the assistance unit are disabled and receiving SSI/SSP benefits from these subsequent reductions.

Existing law provides that certain amounts are exempt from the calculation of income of the family for purposes of determining eligibility for benefits under the CalWORKs program. These exempt amounts include \$225 of disability-based unearned income, and an amount of otherwise exempt earned income that is determined based on the amount of disability-based unearned income, as specified.

This bill would revise the above earned income calculation when the amount of disability-based unearned income is less than \$225, to exempt the total amount of the disability-based unearned income plus the lesser of (1) \$112 of earned income that is not otherwise exempt, or (2) the amount of otherwise nonexempt earned income that represents the difference between the amount of unearned disability-based income and \$225, and 50% of any additional earned income.

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. State payment levels for SSI/SSP recipients are established in accordance with prescribed requirements. Existing law also establishes the Medi-Cal program, which is partially governed and funded pursuant to the federal Medicaid Program.

This bill would require SSI/SSP rates for individuals to be reduced to equal the minimum amount required by the federal Social Security Act in order to maintain the state's eligibility for federal Medicaid funding, subject to prescribed exceptions. The bill would make this reduction effective on the first day of the first month following 90 days after the effective date of the bill.

Existing law provides for the In-Home Supportive Services (IHSS) program, under which, either through employment by the recipient, or by or through contract by the county, qualified aged, blind, and disabled persons receive services enabling them to remain in their own homes. Counties are responsible for the administration of the IHSS program. Under the Medi-Cal program, similar services are provided to eligible individuals, with these services known as personal care option services.

Existing law, with certain exceptions, requires each county to appoint an IHSS advisory committee of 11 members, establishes the qualifications of its members, and sets forth its duties. Existing law makes counties eligible for state reimbursement of administrative costs of the committee. Existing law requires each county to consider the advice of the committee prior to making policy and IHSS funding decisions.

This bill would delete the provisions requiring establishment of the committee, would instead authorize appointment of an IHSS advisory committee, would delete provisions requiring state reimbursement for the costs of the committee, and would make conforming changes.

This bill would require the State Department of Health Care Services to establish a medication machine pilot project for certain at-risk Medi-Cal recipients, as specified, and would designate the duties of the department in this regard. The bill would require the Department of Finance to perform specified functions and make related notifications, in connection with determining and evaluating savings to the General Fund as a result of the implementation of the pilot project. The bill would authorize the State Department of Health Care Services to terminate the pilot project under designated circumstances.

Existing law authorized an individual who was eligible for IHSS services in the 1992–93 fiscal year, and who had his or her services

reduced pursuant to specified provisions, but who believed that he or she was at serious risk of out-of-home placement unless all or part of the reduced hours were restored, to apply for an IHSS Care Supplement, as specified.

This bill would recast and revise these provisions, to instead require, if the medication machine pilot project established pursuant to the bill does not result in specified General Fund savings, as determined by the Department of Finance, a reduction in authorized hours of service to all recipients of in-home supportive services, as specified, which would be operative on October 1, 2012, or the first day of the first month following 90 days after the effective date of the bill, whichever is later. The bill would authorize an individual whose services have been reduced, and who believes that he or she is at serious risk of out-of-home placement, to submit an IHSS Care Supplement application, in accordance specified provisions, in order to have all or part of the service hour reduction restored.

This bill would revise the definition of “waiver personal care services” received by certain recipients under the Medi-Cal program, to distinguish those services from other categories of personal care services provided under the Medi-Cal program, and would prohibit waiver personal care services from replacing any hours of services authorized or reduced pursuant to the other service categories.

This bill would require an applicant or recipient of in-home supportive services to obtain a certification from a licensed health care professional, as specified, as a condition of receiving those services. The bill would require the State Department of Social Services, in consultation with the State Department of Health Care Services, to develop a standard certification form for this purpose. The bill would delay implementation of these certification provisions until the receipt of specified federal approval, under prescribed circumstances. To the extent that implementation of the certification requirement would increase county duties in implementing the In-Home Supportive Services program, this bill would impose a state-mandated local program.

Existing federal law authorizes states to exercise an option to amend the state Medicaid plan to provide home- and community-based attendant services and supports, as specified.

This bill would require the department to assess and determine the cost efficiency of exercising the federal option to provide home- and community-based attendant services and supports. The bill would require the department, if the department determines that exercise of

the federal option would be cost efficient, to establish a development and implementation council, with specified membership, and to consult and collaborate with the council in exercising the federal option. This bill would authorize services and supports under the option to be rendered under the administrative direction of other state departments in accordance with the state plan amendment, as specified. This bill would authorize implementation of these provisions by all-county letters or similar instructions from the director, pending the adoption of emergency regulations, as specified.

Existing law requires the State Department of Social Services to establish a Work Incentive Nutritional Supplement (WINS) program, under which each county is required to provide a \$40 monthly additional food assistance benefit for each eligible food stamp household, as defined. The bill would require the state to pay the counties 100% of the cost of WINS benefits, using funds that qualify for the state's Temporary Assistance for Needy Families (TANF) program maintenance of effort requirements, as specified. Existing law prohibits WINS benefits from being paid before October 1, 2012, and requires full implementation of the program on or before April 1, 2013.

This bill would extend the time for payment of WINS benefits to commence to October 1, 2013, and the time for full implementation of the program to April 1, 2014.

Existing law authorizes the director to implement the WINS program by all-county letters by March 1, 2012, pending the adoption of emergency regulations.

This bill would extend the time for issuance of all-county letters to March 1, 2013.

Existing law requires the department to convene a workgroup on or before December 1, 2011, comprised of designated representatives, to consider the progress of the WINS automation effort in tandem with a preassistance employment readiness system (PAERS) program and any other program options that may provide offsetting benefits to the caseload reduction credit in the CalWORKs program. Existing law prohibits full implementation of the WINS program until the workgroup is convened.

This bill would extend the date by which the department is required to establish the WINS/PAERS workgroup to December 1, 2012, and would make conforming changes.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state.

Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

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 immediate effect as an urgency statute and a bill providing for appropriations related to the Budget Bill.

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

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

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

1 SECTION 1. Section 9205 of the Family Code is amended to
2 read:

3 9205. (a) Notwithstanding any other law, the department or
4 adoption agency that joined in the adoption petition shall release
5 the names and addresses of siblings to one another if both of the
6 siblings have attained 18 years of age and have filed the following
7 with the department or agency:

8 (1) A current address.

9 (2) A written request for contact with any sibling whose
10 existence is known to the person making the request.

11 (3) A written waiver of the person’s rights with respect to the
12 disclosure of the person’s name and address to the sibling, if the
13 person is an adoptee.

1 (b) Upon inquiry and proof that a person is the sibling of an
2 adoptee who has filed a waiver pursuant to this section, the
3 department or agency may advise the sibling that a waiver has
4 been filed by the adoptee. The department or agency may charge
5 a reasonable fee, not to exceed fifty dollars (\$50), for providing
6 the service required by this section.

7 (c) An adoptee may revoke a waiver filed pursuant to this section
8 by giving written notice of revocation to the department or agency.

9 (d) The department shall adopt a form for the request authorized
10 by this section. The form shall provide for an affidavit to be
11 executed by a person seeking to employ the procedure provided
12 by this section that, to the best of the person's knowledge, the
13 person is an adoptee or sibling of an adoptee. The form also shall
14 contain a notice of an adoptee's rights pursuant to subdivision (c)
15 and a statement that information will be disclosed only if there is
16 a currently valid waiver on file with the department or agency.
17 The department may adopt regulations requiring any additional
18 means of identification from a person making a request pursuant
19 to this section as it deems necessary.

20 (e) The department or agency may not solicit the execution of
21 a waiver authorized by this section. However, the department shall
22 announce the availability of the procedure authorized by this
23 section, utilizing a means of communication appropriate to inform
24 the public effectively.

25 (f) Notwithstanding the age requirement described in subdivision
26 (a), an adoptee or sibling who is under 18 years of age may file a
27 written waiver of confidentiality for the release of his or her name,
28 address, and telephone number pursuant to this section provided
29 that, if an adoptee, the adoptive parent consents, and, if a sibling,
30 the sibling's legal parent or guardian consents. If the sibling is
31 under the jurisdiction of the dependency court and has no legal
32 parent or guardian able or available to provide consent, the
33 dependency court may provide that consent.

34 (g) Notwithstanding subdivisions (a) and (e), an adoptee or
35 sibling who seeks contact with the other for whom no waiver is
36 on file may petition the court to appoint a confidential intermediary.
37 If the sibling being sought is the adoptee, the intermediary shall
38 be the department or licensed adoption agency that provided
39 adoption services as described in Section 8521 or 8533. If the
40 sibling being sought was formerly under the jurisdiction of the

1 juvenile court, but is not an adoptee, the intermediary shall be the
2 department, the county child welfare agency that provided services
3 to the dependent child, or the licensed adoption agency that
4 provided adoption services to the sibling seeking contact, as
5 appropriate. If the court finds that the licensed adoption agency
6 that conducted the adoptee's adoption is unable, due to economic
7 hardship, to serve as the intermediary, then the agency shall provide
8 all records related to the adoptee or the sibling to the court and the
9 court shall appoint an alternate confidential intermediary. The
10 court shall grant the petition unless it finds that it would be
11 detrimental to the adoptee or sibling with whom contact is sought.
12 The intermediary shall have access to all records of the adoptee
13 or the sibling and shall make all reasonable efforts to locate and
14 attempt to obtain the consent of the adoptee, sibling, or adoptive
15 or birth parent, as required to make the disclosure authorized by
16 this section. The confidential intermediary shall notify any located
17 adoptee, sibling, or adoptive or birth parent that consent is optional,
18 not required by law, and does not affect the status of the adoption.
19 If that individual denies the request for consent, the confidential
20 intermediary shall not make any further attempts to obtain consent.
21 The confidential intermediary shall use information found in the
22 records of the adoptee or the sibling for authorized purposes only,
23 and may not disclose that information without authorization. If
24 contact is sought with an adoptee or sibling who is under 18 years
25 of age, the confidential intermediary shall contact and obtain the
26 consent of that child's legal parent before contacting the child. If
27 the sibling is under 18 years of age, under the jurisdiction of the
28 dependency court, and has no legal parent or guardian able or
29 available to provide consent, the intermediary shall obtain that
30 consent from the dependency court. If the adoptee is seeking
31 information regarding a sibling who is known to be a dependent
32 child of the juvenile court, the procedures set forth in subdivision
33 (b) of Section 388 of the Welfare and Institutions Code shall be
34 utilized. If the adoptee is foreign born and was the subject of an
35 intercountry adoption as defined in Section 8527, the adoption
36 agency may fulfill the reasonable efforts requirement by utilizing
37 all information in the agency's case file, and any information
38 received upon request from the foreign adoption agency that
39 conducted the adoption, if any, to locate and attempt to obtain the
40 consent of the adoptee, sibling, or adoptive or birth parent. If that

1 information is neither in the agency's case file, nor received from
2 the foreign adoption agency, or if the attempts to locate are
3 unsuccessful, then the agency shall be relieved of any further
4 obligation to search for the adoptee or the sibling.

5 (h) For purposes of this section, "sibling" means a biological
6 sibling, half-sibling, or step-sibling of the adoptee.

7 (i) Implementation of the amendments made to this section by
8 Chapter 386 of the Statutes of 2006 shall be delayed until July 1,
9 ~~2011~~ 2012. It is the intent of the Legislature that implementation
10 of some or all of the changes made to Section 9205 of the Family
11 Code by Chapter 386 of the Statutes of 2006 shall continue, to the
12 extent possible.

13 *SEC. 2. Section 1417.2 of the Health and Safety Code is*
14 *amended to read:*

15 1417.2. (a) Notwithstanding Section 1428, moneys collected
16 as a result of state and federal civil penalties imposed under this
17 chapter or federal law shall be deposited into accounts that are
18 hereby established in the Special Deposit Fund created pursuant
19 to Section 16370 of the Government Code. These accounts are
20 titled the State Health Facilities Citation Penalties Account, into
21 which moneys derived from civil penalties for violations of state
22 law shall be deposited, and the Federal Health Facilities Citation
23 Penalties Account, into which moneys derived from civil penalties
24 for violations of federal law shall be deposited. Moneys from these
25 accounts shall be used, notwithstanding Section 16370 of the
26 Government Code, upon appropriation by the Legislature, in
27 accordance with state and federal law for the protection of health
28 or property of residents of long-term health care facilities,
29 including, but not limited to, the following:

30 (1) Relocation expenses incurred by the department, in the event
31 of a facility closure.

32 (2) Maintenance of facility operation pending correction of
33 deficiencies or closure, such as temporary management or
34 receivership, in the event that the revenues of the facility are
35 insufficient.

36 (3) Reimbursing residents for personal funds lost. In the event
37 that the loss is a result of the actions of a long-term health care
38 facility or its employees, the revenues of the facility shall first be
39 used.

1 (4) The costs associated with informational meetings required
2 under Section 1327.2.

3 (5) *Support for the Long-Term Care Ombudsman Program*
4 *established pursuant to Chapter 11 (commencing with Section*
5 *9700) of Division 8.5 of the Welfare and Institutions Code in an*
6 *amount appropriated from the State Health Facilities Citation*
7 *Penalties Account for this purpose in the annual Budget Act.*

8 (b) Notwithstanding subdivision (a), the balance in the State
9 Health Facilities Citation Penalties Account shall not, at any time,
10 exceed ten million dollars (\$10,000,000).

11 (c) Moneys from the Federal Health Facilities Citation Penalties
12 Account, in the amount not to exceed one hundred thirty thousand
13 dollars (\$130,000), may also be used, notwithstanding Section
14 16370 of the Government Code, upon appropriation by the
15 Legislature, in accordance with state and federal law for the
16 improvement of quality of care and quality of life for long-term
17 health care facilities residents pursuant to Section 1417.3.

18 (d) The department shall post on its Internet Web site, and shall
19 update on a quarterly basis, all of the following regarding the funds
20 in the State Health Facilities Citation Penalties Account and the
21 Federal Health Facilities Citation Penalties Account:

22 (1) The specific sources of funds deposited into the account.

23 (2) The amount of funds in the account that have not been
24 allocated.

25 (3) A detailed description of how funds in the account have
26 been allocated and expended, including, but not limited to, the
27 names of persons or entities that received the funds, the amount
28 of salaries paid to temporary managers, and a description of
29 equipment purchased with the funds. However, the description
30 shall not include the names of residents.

31 *SEC. 3. Section 10533 of the Welfare and Institutions Code is*
32 *amended to read:*

33 10533. Commencing July 1, ~~2011~~ 2013, the department shall
34 establish a CalWORKs county peer review process, which shall
35 be implemented on a statewide basis no later than July 1, ~~2012~~
36 2014. The peer review process shall include individual CalWORKs
37 data reviews of counties, based on existing data. Counties shall
38 receive programmatic technical assistance from teams made up of
39 state and peer-county administrators to assist with implementing
40 best practices to improve their performance and make progress

1 toward meeting established state performance goals, as specified
2 in Chapter 1.5 (commencing with Section 10540) and Section
3 15204.6.

4 *SEC. 4. Section 11253.5 of the Welfare and Institutions Code*
5 *is amended to read:*

6 11253.5. (a) All children in an assistance unit for whom school
7 attendance is compulsory, except individuals who are eligible for
8 the Cal-Learn program under Article 3.5 (commencing with Section
9 11331), *for any period during which that article is operative*, and
10 children subject to a county school attendance project under Article
11 2 (commencing with Section 18236) of Chapter 3.3 of Part 6, shall
12 be required to attend school.

13 (b) Applicants for and recipients of aid under this chapter shall
14 be informed of the attendance requirement and it shall be included
15 in the recipient’s welfare-to-work plan under Section 11325.21.

16 (c) A recipient shall cooperate in providing the county with
17 documentation routinely available from the school or school district
18 of regular attendance of all applicable children in the assistance
19 unit when the county determines it is appropriate.

20 (d) If it is determined by the county that any eligible child under
21 the age of 16 years is not regularly attending school as required,
22 the needs of all adults in the assistance unit shall not be considered
23 in computing the grant of the family under Section 11450 unless
24 it has been determined by the county that good cause exists.

25 (e) If it is determined by the county that any child in the
26 assistance unit who is age 16 years or older is not regularly
27 attending school as required, or participating pursuant to a
28 welfare-to-work plan, the needs of the child shall not be considered
29 in computing the grant of the family under Section 11450 unless
30 it has been determined by the county that good cause exists.

31 *SEC. 5. Section 11265.2 of the Welfare and Institutions Code*
32 *is amended to read:*

33 11265.2. (a) The grant amount a recipient shall be entitled to
34 receive for each month of the quarterly reporting period shall be
35 prospectively determined as provided by this section. If a recipient
36 reports that he or she does not anticipate any changes in income
37 during the upcoming quarter, compared to the income the recipient
38 reported actually receiving on the quarterly report form, the grant
39 shall be calculated using the actual income received. If a recipient
40 reports that he or she anticipates a change in income in one or more

1 months of the upcoming quarter, the county shall determine
2 whether the recipient's income is reasonably anticipated. The grant
3 shall be calculated using the income that the county determines is
4 reasonably anticipated in each of the three months of the upcoming
5 quarter.

6 (b) For the purposes of the quarterly reporting, prospective
7 budgeting system, income shall be considered to be "reasonably
8 anticipated" if the county is reasonably certain of the amount of
9 income and that the income will be received during the quarterly
10 reporting period. The county shall determine what income is
11 "reasonably anticipated" based on information provided by the
12 recipient and any other available information.

13 (c) If a recipient reports that their income in the upcoming
14 quarter will be different each month and the county needs
15 additional information to determine a recipient's reasonably
16 anticipated income for the following quarter, the county may
17 require the recipient to provide information about income for each
18 month of the prior quarter.

19 (d) Grant calculations pursuant to subdivision (a) may not be
20 revised to adjust the grant amount during the quarterly reporting
21 period, except as provided in Section 11265.3 and subdivisions
22 (e), (f), (g), and (h), and as otherwise established by the department.

23 (e) Notwithstanding subdivision (d), statutes and regulations
24 relating to (1) the *48-month or* 60-month time limit, (2) age
25 limitations for children under Section 11253, and (3) sanctions
26 and financial penalties affecting eligibility or grant amount shall
27 be applicable as provided in ~~such~~ *those* statutes and regulations.
28 Eligibility and grant amount shall be adjusted during the quarterly
29 reporting period pursuant to ~~such~~ *those* statutes and regulations
30 effective with the first monthly grant after timely and adequate
31 notice is provided.

32 (f) Notwithstanding Section 11056, if an applicant applies for
33 assistance for a child who is currently aided in another assistance
34 unit, and the county determines that the applicant has care and
35 control of the child, as specified by the department, and is
36 otherwise eligible, the county shall discontinue aid to the child in
37 the existing assistance unit and shall aid the child in the applicant's
38 assistance unit effective as of the first of the month following the
39 discontinuance of the child from the existing assistance unit.

1 (g) If the county is notified that a child for whom CalWORKs
2 assistance is currently being paid has been placed in a foster care
3 home, the county shall discontinue aid to the child at the end of
4 the month of placement. The county shall discontinue the case if
5 the remaining assistance unit members are not otherwise eligible.

6 (h) If the county determines that a recipient is no longer a
7 California resident, pursuant to Section 11100, the recipient shall
8 be discontinued. The county shall discontinue the case if the
9 remaining assistance unit members are not otherwise eligible.

10 *SEC. 6. Section 11266.5 of the Welfare and Institutions Code*
11 *is amended to read:*

12 11266.5. (a) Every applicant for aid under this chapter shall
13 be informed of the availability of lump-sum diversion services to
14 resolve the circumstances that require the family to apply for
15 assistance prior to the family's approval for aid.

16 (b) When an applicant is determined to be eligible for assistance
17 under this chapter, the county shall assess whether the applicant
18 would benefit from the lump-sum diversion program. The county
19 shall make this determination in its sole discretion. In making this
20 determination, the county shall consider whether the applicant is
21 likely to be able to avoid the need for extended assistance beyond
22 the diversion period if the family was provided one-time assistance.
23 In making this determination, the county may consider any of the
24 following:

25 (1) The applicant's employment history.

26 (2) The likelihood of the applicant obtaining immediate full-time
27 employment.

28 (3) The applicant's general prospect for obtaining full-time
29 employment.

30 (4) The applicant's need for cash assistance to pay for housing
31 or substantial and unforeseen expenses or work-related expenses.

32 (5) Housing stability.

33 (6) The adequacy of the applicant's child care arrangements, if
34 applicable.

35 (c) If the county determines, pursuant to subdivision (b), that
36 an applicant could benefit from a lump-sum diversion payment,
37 the county shall inform the applicant of its determination.

38 (d) An applicant for aid under this chapter may either participate
39 in the lump-sum diversion program or decline participation in

1 diversion and, instead, receive aid as otherwise provided for in
2 this chapter.

3 (e) Lump-sum diversion services provided under this section
4 may include any cash or noncash payment and shall be negotiated
5 by the county and the applicant in order to assist the applicant in
6 avoiding the need for aid under this chapter.

7 (f) If, after accepting a diversion payment pursuant to this
8 section, the individual reapplies for aid under this chapter within
9 the amount of time that corresponds with the number of months
10 of aid that would have been received under this chapter that was
11 received as a diversion payment, excluding a partial month, and
12 he or she is determined to be eligible for aid, the county shall, at
13 the option of the recipient, either recoup from the recipient's grant,
14 over a period of time to be determined by the county, the amount
15 of the diversion payment that the recipient received, or count the
16 period of time that corresponds to the number of months of aid
17 that would have been received, excluding a partial month of aid,
18 towards the ~~60-month~~ time ~~limit~~ *limits* on aid specified in
19 subdivision ~~(b)~~ (a) of Section 11454.

20 (g) To the extent permitted by federal law, lump-sum diversion
21 payments shall not be considered income for the purpose of
22 determining eligibility for food stamps.

23 (h) Any child support collected by the applicant or recovered
24 by the county shall not be used to offset the diversion payment.

25 (i) During the period of the diversion, the applicant family shall
26 be eligible for Medi-Cal and child care assistance pursuant to
27 Article 15.5 (commencing with Section 8350) of Chapter 2 of Part
28 6 of the Education Code, if otherwise eligible.

29 *SEC. 7. Section 11320.15 of the Welfare and Institutions Code*
30 *is amended to read:*

31 11320.15. After a participant has ~~received aid for a total of 60~~
32 ~~months, pursuant to Section 11454, he or she shall be removed~~
33 ~~from the assistance unit for the purposes of calculation of aid under~~
34 ~~Section 11450 and he or she shall no longer be required to~~
35 ~~participate in welfare-to-work activities. Additional~~ *been removed*
36 *from the assistance unit under subdivision (a) of Section 11454,*
37 *additional* welfare-to-work services may be provided to the
38 recipient, at the option of the county. If the county provides
39 services to the recipient after the *48-month or 60-month* limit has
40 been reached, the recipient shall participate in community service.

1 SEC. 8. *Section 11320.2 of the Welfare and Institutions Code*
2 *is repealed.*

3 ~~11320.2. (a) Commencing July 1, 2011, subject to subdivision~~
4 ~~(g), the county shall conduct self-sufficiency reviews with all aided~~
5 ~~caretaker relatives and the adult caretaker or minor parent~~
6 ~~head-of-household in child-only cases, except for individuals who~~
7 ~~are exempt from welfare-to-work activities pursuant to Section~~
8 ~~11320.3. Reviews shall be conducted every six months, except as~~
9 ~~otherwise provided in this subdivision. For an assistance unit~~
10 ~~determined to be eligible under this chapter on or after July 1,~~
11 ~~2011, reviews shall be conducted at the end of the assistance unit's~~
12 ~~second and fourth quarterly reporting periods. The review at the~~
13 ~~fourth quarterly reporting period shall be conducted with the annual~~
14 ~~redetermination, on the same day and in the same location. The~~
15 ~~notice, scheduling, and accommodation requirements used for the~~
16 ~~annual redetermination shall be utilized uniformly for the~~
17 ~~self-sufficiency reviews. For an assistance unit determined to be~~
18 ~~eligible under this chapter prior to July 1, 2011, reviews shall be~~
19 ~~conducted starting at the end of each assistance unit's second~~
20 ~~quarterly reporting period and with the next regularly scheduled~~
21 ~~redetermination, and then annually thereafter.~~

22 ~~(b) The county shall provide notification to individuals for whom~~
23 ~~a review has been scheduled, not less than 60 calendar days prior~~
24 ~~to the appointment, and provide for a process for rescheduling, if~~
25 ~~necessary, on a date not to exceed 20 calendar days beyond the~~
26 ~~scheduled review.~~

27 ~~(c) Self-sufficiency reviews shall be conducted by a county~~
28 ~~social worker or employment services worker.~~

29 ~~(d) The purposes of the self-sufficiency review are to determine~~
30 ~~barriers to participation, including those that may establish the~~
31 ~~basis for an exemption, to assess needed services and resources,~~
32 ~~and to provide tools to connect the recipient with the needed~~
33 ~~services and activities in order to increase his or her work or~~
34 ~~community service participation pursuant to Section 11320.~~

35 ~~(e) (1) If the recipient fails to attend the review, the county~~
36 ~~shall provide the recipient with a notice that the county shall reduce~~
37 ~~the recipient's benefits by 50 percent after 30 calendar days, unless~~
38 ~~the participant has complied or provided good cause. Prior to~~
39 ~~reducing benefits by 50 percent, the county shall attempt to make~~
40 ~~personal contact, consistent with current practice as exercised for~~

1 the annual redetermination, to remind the recipient that attending
2 the self-sufficiency review is required, or, if contact is not made,
3 shall send a reminder notice to the recipient no later than five days
4 prior to the end of the 30-calendar day period. The county may
5 determine at any time prior to reducing benefits by 50 percent for
6 failure to attend the self-sufficiency review, or after the sanction
7 has been imposed, that a recipient had good cause for failing to
8 attend the self-sufficiency review. A notice regarding a 50-percent
9 reduction in benefits shall be rescinded when the self-sufficiency
10 review is completed.

11 (2) If the participant is found to not comply with the requirement
12 to attend the self-sufficiency review, the benefits shall be reduced
13 by 50 percent.

14 (3) The county may determine, at any time prior to the end of
15 the 30-calendar day period following the reduction of benefits by
16 50 percent for failure to attend the self-sufficiency review, or after
17 the sanction has been imposed, that a recipient had good cause for
18 failing to attend the review. If the county finds a recipient had
19 good cause, it shall rescind the reduction in benefits notice. Good
20 cause exists only when the recipient cannot reasonably be expected
21 to fulfill his or her responsibilities, due to factors beyond the
22 recipient's control.

23 (f) Not later than January 1, 2013, the county shall provide the
24 department with an evaluation of the implementation of the
25 self-sufficiency reviews that addresses the effectiveness of the
26 reviews in meeting the goals stated in subdivision (d). Upon receipt
27 of all of the county evaluations, the department shall forward the
28 evaluations to the relevant fiscal and policy committees of the
29 Legislature for review.

30 (g) An aided adult who is fully meeting the hours of participation
31 required of CalWORKs recipients under applicable state law shall
32 not be subject to self-sufficiency reviews.

33 (h) A review conducted in accordance with this section that
34 occurs at either the 42nd or 54th month of aid pursuant to Section
35 11454 shall include all of the components specified in subdivision
36 (a), and shall also include information and a warning to the
37 individual regarding the upcoming consequences of reaching the
38 48-month or 60-month time limits, depending on the specific
39 circumstances of the case. The review shall occur six months before
40 the applicable time limit. However, if a recipient returns to aided

1 ~~status when fewer than six months remain before the 60-month~~
2 ~~time limit, he or she shall receive a review under this section within~~
3 ~~a reasonable time prior to the 60th month, as determined by the~~
4 ~~county.~~

5 ~~(i) This section shall become operative on July 1, 2011.~~

6 *SEC. 9. Section 11320.3 of the Welfare and Institutions Code*
7 *is amended to read:*

8 11320.3. (a) (1) Except as provided in subdivision (b) or if
9 otherwise exempt, every individual, as a condition of eligibility
10 for aid under this chapter, shall participate in welfare-to-work
11 activities under this article.

12 (2) Individuals eligible under Section 11331.5 shall be required
13 to participate in the Cal-Learn Program under Article 3.5
14 (commencing with Section 11331) during the time that article is
15 operative, in lieu of the welfare-to-work requirements, and
16 subdivision (b) shall not apply to that individual.

17 (b) The following individuals shall not be required to participate
18 for so long as the condition continues to exist:

19 (1) An individual under 16 years of age.

20 (2) (A) A child attending an elementary, secondary, vocational,
21 or technical school on a full-time basis.

22 (B) A person who is 16 or 17 years of age, or a person described
23 in subdivision (d) who loses this exemption, shall not requalify
24 for the exemption by attending school as a required activity under
25 this article.

26 (C) Notwithstanding subparagraph (B), a person who is 16 or
27 17 years of age who has obtained a high school diploma or its
28 equivalent and is enrolled or is planning to enroll in a
29 postsecondary education, vocational, or technical school training
30 program shall also not be required to participate for so long as the
31 condition continues to exist.

32 (D) For purposes of subparagraph (C), a person shall be deemed
33 to be planning to enroll in a postsecondary education, vocational,
34 or technical school training program if he or she, or his or her
35 parent, acting on his or her behalf, submits a written statement
36 expressing his or her intent to enroll in such a program for the
37 following term. The exemption from participation shall not
38 continue beyond the beginning of the term, unless verification of
39 enrollment is provided or obtained by the county.

40 (3) An individual who meets either of the following conditions:

1 (A) The individual is disabled as determined by a doctor's
2 verification that the disability is expected to last at least 30 days
3 and that it significantly impairs the recipient's ability to be
4 regularly employed or participate in welfare-to-work activities,
5 provided that the individual is actively seeking appropriate medical
6 treatment.

7 (B) The individual is of advanced age.

8 (4) A nonparent caretaker relative who has primary
9 responsibility for providing care for a child and is either caring for
10 a child who is a dependent or ward of the court or caring for a
11 child in a case in which a county determines the child is at risk of
12 placement in foster care, and the county determines that the
13 caretaking responsibilities are beyond those considered normal
14 day-to-day parenting responsibilities such that they impair the
15 caretaker relative's ability to be regularly employed or to participate
16 in welfare-to-work activities.

17 (5) An individual whose presence in the home is required
18 because of illness or incapacity of another member of the household
19 and whose caretaking responsibilities impair the recipient's ability
20 to be regularly employed or to participate in welfare-to-work
21 activities.

22 (6) A parent or other relative who meets the criteria in
23 subparagraph (A) or (B).

24 (A) (i) The parent or other relative has primary responsibility
25 for personally providing care to a child six months of age or under,
26 except that, on a case-by-case basis, and based on criteria
27 developed by the county, this period may be reduced to the first
28 12 weeks after the birth or adoption of the child, or increased to
29 the first 12 months after the birth or adoption of the child. An
30 individual may be exempt only once under this clause.

31 (ii) An individual who received an exemption pursuant to clause
32 (i) shall be exempt for a period of 12 weeks, upon the birth or
33 adoption of any subsequent children, except that this period may
34 be extended on a case-by-case basis to six months, based on criteria
35 developed by the county.

36 (iii) In making the determination to extend the period of
37 exception under clause (i) or (ii), the following may be considered:

- 38 (I) The availability of child care.
- 39 (II) Local labor market conditions.
- 40 (III) Other factors determined by the county.

1 (B) In a family eligible for aid under this chapter due to the
2 unemployment of the principal wage earner, the exemption criteria
3 contained in subparagraph (A) shall be applied to only one parent.

4 (7) (A) A parent or other relative who has primary responsibility
5 for personally providing care to one child who is from 12 to 23
6 months of age, inclusive, or two or more children who are under
7 six years of age.

8 (B) *The exemption provided for in subparagraph (A) shall be*
9 *extended to include a parent or other relative who has primary*
10 *responsibility for personally providing care to one child who is*
11 *from 24 to 35 months of age, inclusive, if the parent or caretaker*
12 *relative resides in a county that has made a finding that it is*
13 *necessary to extend the exemption in this manner in order to*
14 *implement its portion of the reduction to the CalWORKs program*
15 *single allocation, in accordance with Item No. 5180-101-0001 of*
16 *Section 2 of the Budget Act of 2011. The county may rescind a*
17 *finding made pursuant to this subparagraph if it determines the*
18 *extended age exemption is no longer necessary.*

19 (8) A woman who is pregnant and for whom it has been
20 medically verified that the pregnancy impairs her ability to be
21 regularly employed or participate in welfare-to-work activities or
22 the county has determined that, at that time, participation will not
23 readily lead to employment or that a training activity is not
24 appropriate.

25 (c) Any individual not required to participate may choose to
26 participate voluntarily under this article, and end that participation
27 at any time without loss of eligibility for aid under this chapter, if
28 his or her status has not changed in a way that would require
29 participation.

30 (d) (1) Notwithstanding subdivision (a), a custodial parent who
31 is under 20 years of age and who has not earned a high school
32 diploma or its equivalent, and who is not exempt or whose only
33 basis for exemption is ~~subparagraph (A) of paragraph (6)~~
34 *paragraph (1), (5), (6), (7), or (8) of subdivision (b)*, shall be
35 required to participate solely for the purpose of earning a high
36 school diploma or its equivalent. During the time that Article 3.5
37 (commencing with Section 11331) is operative, this subdivision
38 shall only apply to a custodial parent who is 19 years of age.

1 (2) Section 11325.25 shall apply to a custodial parent who is
2 18 or 19 years of age and who is required to participate under this
3 article.

4 (e) Notwithstanding paragraph (1) of subdivision (d), the county
5 may determine that participation in education activities for the
6 purpose of earning a high school diploma or equivalent is
7 inappropriate for an 18 or 19 year old custodial parent only if that
8 parent is reassigned pursuant to an evaluation under Section
9 11325.25, or, at appraisal is already in an educational or vocational
10 training program that is approvable as a self-initiated program as
11 specified in Section 11325.23. If that determination is made, the
12 parent shall be allowed to continue participation in the self-initiated
13 program subject to Section 11325.23. During the time that Article
14 3.5 (commencing with Section 11331) is operative, this subdivision
15 shall only apply to a custodial parent who is 19 years of age.

16 (f) A recipient shall be excused from participation for good
17 cause when the county has determined there is a condition or other
18 circumstance that temporarily prevents or significantly impairs
19 the recipient's ability to be regularly employed or to participate in
20 welfare-to-work activities. The county welfare department shall
21 review the good cause determination for its continuing
22 appropriateness in accordance with the projected length of the
23 condition, or circumstance, but not less than every three months.
24 The recipient shall cooperate with the county welfare department
25 and provide information, including written documentation, as
26 required to complete the review. Conditions that may be considered
27 good cause include, but are not limited to, the following:

28 (1) Lack of necessary supportive services.

29 (2) In accordance with Article 7.5 (commencing with Section
30 11495), the applicant or recipient is a victim of domestic violence,
31 but only if participation under this article is detrimental to or
32 unfairly penalizes that individual or his or her family.

33 (3) Licensed or license-exempt child care for a child 10 years
34 of age or younger is not reasonably available during the
35 individual's hours of training or employment including commuting
36 time, or arrangements for child care have broken down or have
37 been interrupted, or child care is needed for a child who meets the
38 criteria of subparagraph (C) of paragraph (1) of subdivision (a) of
39 Section 11323.2, but who is not included in the assistance unit.
40 For purposes of this paragraph, "reasonable availability" means

1 child care that is commonly available in the recipient's community
2 to a person who is not receiving aid and that is in conformity with
3 the requirements of Public Law 104-193. The choices of child care
4 shall meet either licensing requirements or the requirements of
5 Section 11324. This good cause criterion shall include the
6 unavailability of suitable special needs child care for children with
7 identified special needs, including, but not limited to, disabilities
8 or chronic illnesses.

9 (g) (1) Paragraph (7) of subdivision (b) shall be implemented
10 notwithstanding Sections 11322.4, 11322.7, 11325.6, and 11327,
11 and shall become inoperative on July 1, ~~2011~~ 2012.

12 (2) The State Department of Social Services, in consultation
13 with the County Welfare Directors Association of California, shall
14 develop a process prior to January 1, ~~2011~~ 2012, to assist clients
15 with reengagement in welfare-to-work activities by July 1, ~~2001~~
16 2012. Reengagement activities may include notifying clients of
17 the expiration of exemptions, potential reassessments, and
18 identifying necessary supportive services.

19 *SEC. 10. Section 11320.32 of the Welfare and Institutions Code*
20 *is amended to read:*

21 11320.32. (a) The department shall administer a voluntary
22 Temporary Assistance Program (TAP) for current and future
23 CalWORKs recipients who meet the exemption criteria for work
24 participation activities set forth in Section 11320.3, and are not
25 single parents who have a child under the age of one year.
26 Temporary Assistance Program recipients shall be entitled to the
27 same assistance payments and other benefits as recipients under
28 the CalWORKs program. The purpose of this program is to provide
29 cash assistance and other benefits to eligible families without any
30 federal restrictions or requirements and without any adverse impact
31 on recipients. The Temporary Assistance Program shall commence
32 no later than ~~October 1, 2012~~ *October 1, 2014*.

33 (b) CalWORKs recipients who meet the exemption criteria for
34 work participation activities set forth in subdivision (b) of Section
35 11320.3, and are not single parents with a child under the age of
36 one year, shall have the option of receiving grant payments, child
37 care, and transportation services from the Temporary Assistance
38 Program. The department shall notify all CalWORKs recipients
39 and applicants meeting the exemption criteria specified in
40 subdivision (b) of Section 11320.3, except for single parents with

1 a child under the age of one year, of their option to receive benefits
2 under the Temporary Assistance Program. Absent written
3 indication that these recipients or applicants choose not to receive
4 assistance from the Temporary Assistance Program, the department
5 shall enroll CalWORKs recipients and applicants into the program.
6 However, exempt volunteers shall remain in the CalWORKs
7 program unless they affirmatively indicate, in writing, their interest
8 in enrolling in the Temporary Assistance Program. A Temporary
9 Assistance Program recipient who no longer meets the exemption
10 criteria set forth in Section 11320.3 shall be enrolled in the
11 CalWORKs program.

12 (c) Funding for grant payments, child care, transportation, and
13 eligibility determination activities for families receiving benefits
14 under the Temporary Assistance Program shall be funded with
15 General Fund resources that do not count toward the state's
16 maintenance of effort requirements under clause (i) of subparagraph
17 (B) of paragraph (7) of subdivision (a) of Section 609 of Title 42
18 of the United States Code, up to the caseload level equivalent to
19 the amount of funding provided for this purpose in the annual
20 Budget Act.

21 (d) It is the intent of the Legislature that recipients shall have
22 and maintain access to the hardship exemption and the services
23 necessary to begin and increase participation in welfare-to-work
24 activities, regardless of their county of origin, and that the number
25 of recipients exempt under subdivision (b) of Section 11320.3 not
26 significantly increase due to factors other than changes in caseload
27 characteristics. All relevant state law applicable to CalWORKs
28 recipients shall also apply to families funded under this section.
29 Nothing in this section modifies the criteria for exemption in
30 Section 11320.3.

31 (e) To the extent that this section is inconsistent with federal
32 regulations regarding implementation of the Deficit Reduction Act
33 of 2005, the department may amend the funding structure for
34 exempt families to ensure consistency with these regulations, not
35 later than 30 days after providing written notification to the chair
36 of the Joint Legislative Budget Committee and the chairs of the
37 appropriate policy and fiscal committees of the Legislature.

38 *SEC. 11. Section 11322.63 of the Welfare and Institutions Code*
39 *is amended to read:*

1 11322.63. (a) For counties that implement a welfare-to-work
2 plan that includes activities pursuant to subdivisions (b) and (c)
3 of Section 11322.6, the State Department of Social Services shall
4 pay the county 50 percent of the participant's wage subsidy, subject
5 to both, less fifty-six dollars (\$56), of the total wage costs of an
6 employee for whom a wage subsidy is paid, subject to all of the
7 following conditions:

8 ~~(1) The state's share in wage subsidies shall not exceed 50~~
9 ~~percent of the maximum aid payment for the assistance unit, which~~
10 ~~includes the adult receiving the wage subsidy.~~

11 ~~(2) State participation in wage subsidies pursuant to this section~~
12 ~~shall be limited to those county programs that provide a maximum~~
13 ~~of six months of wage subsidies for each participant.~~

14 ~~(1) (A) For participants receiving CalWORKs aid, the maximum~~
15 ~~state contribution of the total wage cost shall not exceed 100~~
16 ~~percent of the computed grant for the assistance unit in the month~~
17 ~~prior to participation in subsidized employment.~~

18 ~~(B) For participants who have received aid in excess of the time~~
19 ~~limits provided in subdivision (a) of Section 11454, the maximum~~
20 ~~state contribution of the total wage cost, shall not exceed 100~~
21 ~~percent of the computed grant for the assistance unit in the month~~
22 ~~prior to participation in subsidized employment, with any reduction~~
23 ~~required by Section 11450.025.~~

24 ~~(C) In the case of an individual who participates in subsidized~~
25 ~~employment as a service provided by a county pursuant to Section~~
26 ~~11323.25, the maximum state contribution of the total wage cost~~
27 ~~shall not exceed 100 percent of the computed grant that the~~
28 ~~assistance unit received in the month prior to participation in the~~
29 ~~subsidized employment. For participants who have received aid~~
30 ~~in excess of the time limits provided in subdivision (a) of Section~~
31 ~~11454, the maximum state contribution under this subparagraph~~
32 ~~shall also be reduced as described in Section 11450.025.~~

33 ~~(D) The maximum state contribution, as defined in this~~
34 ~~paragraph, shall remain in effect until the end of the subsidy period~~
35 ~~as specified in paragraph (2), including with respect to subsidized~~
36 ~~employment participants whose wage results in the assistance unit~~
37 ~~no longer receiving a CalWORKs grant.~~

38 ~~(E) State funding provided for total wage costs shall only be~~
39 ~~used to fund wage and nonwage costs of the county's subsidized~~
40 ~~employment program.~~

1 (2) State participation in the total wage costs pursuant to this
2 section shall be limited to a maximum of six months of wage
3 subsidies for each participant. If the county finds that a longer
4 subsidy period is necessary in order to mutually benefit the
5 employer and the participant, state participation in a subsidized
6 wage may be offered for up to 12 months.

7 (3) Eligibility for entry into subsidized employment funded under
8 this section shall be limited to individuals who are not otherwise
9 employed at the time of entry into the subsidized job, and who are
10 current CalWORKs recipients, sanctioned individuals, or
11 individuals described in Section 11320.15 who have exceeded the
12 time limits specified in subdivision (a) of Section 11454. A county
13 may continue to provide subsidized employment funded under this
14 section to individuals who become ineligible for CalWORKs
15 benefits in accordance with Section 11323.25.

16 (b) Upon application for CalWORKs after a participant's
17 subsidized employment ends, if an assistance unit is otherwise
18 eligible within three calendar months of the date that subsidized
19 employment ended, the income exemption requirements contained
20 in Section 11451.5 and the work requirements contained in
21 subdivision (c) of Section 11201 shall apply. If aid is restored after
22 the expiration of that three-month period, the income exemption
23 requirements contained in Section 11450.12 and the work
24 requirements contained in subdivision (b) of Section 11201 shall
25 apply.

26 (c) The department, in conjunction with representatives of
27 county welfare offices and their directors and the Legislative
28 Analyst's Office, shall assess the cost neutrality of the subsidized
29 employment program pursuant to this section and make
30 recommendations to the Legislature, if necessary, to ensure cost
31 neutrality. The department shall testify regarding the cost neutrality
32 of the subsidized employment program during the 2012–13 fiscal
33 year legislative budget hearings.

34 (b)

35 (d) No later than January 10, ~~2011~~ 2013, the State Department
36 of Social Services shall submit a report to the Legislature on the
37 outcomes of implementing this section that shall include, but need
38 not be limited to, all of the following:

39 (1) The number of CalWORKs recipients that entered subsidized
40 employment.

1 (2) The number of CalWORKs recipients who found
2 nonsubsidized employment after the subsidy ends.

3 (3) The earnings of the program participants before and after
4 the subsidy.

5 (4) The impact of this program on the state’s work participation
6 rate.

7 (e)

8 (e) Payment of the state’s share in ~~wage subsidies~~ *total wage*
9 *costs* required by this section shall be made in addition to, and
10 independent of, the county allocations made pursuant to Section
11 15204.2.

12 (f) *For purposes of this section, “total wage costs” include the*
13 *actual wage paid directly to the participant that is allowable under*
14 *the Temporary Assistance for Needy Families program.*

15 *SEC. 12. Section 11322.64 of the Welfare and Institutions Code*
16 *is repealed.*

17 ~~11322.64. (a) Section 11322.63 shall be inoperative during~~
18 ~~the period commencing on the day the act that added this section~~
19 ~~takes effect until the date of the expiration of federal authority for~~
20 ~~the Emergency Contingency Fund, as provided in the American~~
21 ~~Recovery and Reinvestment Act of 2009 (Public Law 111-5) or~~
22 ~~subsequent federal legislation that extends subsidized employment~~
23 ~~funding under the Emergency Contingency Fund, inclusive, unless~~
24 ~~the State Department of Social Services determines that Section~~
25 ~~10545 is suspended, implementation of Section 10545 is~~
26 ~~significantly delayed, or counties are otherwise prevented by the~~
27 ~~state or federal government from receiving reimbursement for~~
28 ~~subsidized employment expenditures that are authorized and in~~
29 ~~compliance with Section 2101 of the American Recovery and~~
30 ~~Reinvestment Act of 2009 (Public Law 111-5), or subsequent~~
31 ~~federal legislation.~~

32 (b) ~~In accordance with subdivision (a), the deadline for the~~
33 ~~report required by subdivision (b) of Section 11322.63 shall be~~
34 ~~extended by two years.~~

35 *SEC. 13. Section 11323.25 is added to the Welfare and*
36 *Institutions Code, to read:*

37 *11323.25. In addition to its authority under subdivision (b) of*
38 *Section 11323.2, if provided in a county plan, the county may*
39 *continue to provide welfare-to-work services to former participants*
40 *who became ineligible for CalWORKs benefits because they*

1 *became employed under Section 11322.63. The county may provide*
2 *these services for up to the first 12 months of employment, to the*
3 *extent they are not available from other sources and are needed*
4 *for the individual to retain the subsidized employment.*

5 *SEC. 14. Section 11325.71 of the Welfare and Institutions Code*
6 *is amended to read:*

7 11325.71. (a) Notwithstanding subdivision (a) of Section
8 11325.7 and subdivision (e) of Section 11325.8, counties shall
9 have the option to redirect funding, both from and to, the amounts
10 appropriated for CalWORKs mental health employment assistance
11 services and CalWORKs substance abuse treatment services, from
12 and to other CalWORKs employment services that are necessary
13 for individuals to participate in welfare-to-work activities. This
14 section shall not be construed to limit a welfare-to-work
15 participant's access to mental health or substance abuse treatment
16 services that would otherwise be available under Section 11325.7
17 or 11325.8, to the extent the participant is not provided good cause
18 or determined to be exempt from welfare-to-work requirements.

19 (b) This section shall become inoperative on July 1, ~~2011~~ 2012,
20 and, as of January 1, ~~2012~~ 2013, is repealed, unless a later enacted
21 statute, which becomes effective on or before January 1, ~~2012~~
22 2013, deletes or extends that date on which it becomes inoperative
23 and is repealed.

24 *SEC. 15. Section 11327.5 of the Welfare and Institutions Code,*
25 *as amended by Section 2 of Chapter 8 of the Fourth Extraordinary*
26 *Session of the Statutes of 2009, is amended to read:*

27 11327.5. (a) Sanctions shall be imposed in accordance with
28 subdivision (b) or (c), as appropriate, if an individual has failed or
29 refused to comply with program requirements without good cause
30 and conciliation efforts, as described in Section 11327.4, have
31 failed.

32 (b) The sanctions provided for in subdivisions (c) and (d) shall
33 not apply to an individual who is exempt from the requirements
34 of this article but is voluntarily participating in the program. If that
35 individual engages in conduct that would bring about the actions
36 provided for in subdivisions (c) and (d), except for his or her status
37 as a voluntary program participant, the individual shall not be
38 given priority so long as other individuals are actively seeking to
39 participate.

1 (c) Financial sanctions for failing or refusing to comply with
2 program requirements without good cause shall cause a reduction
3 in the family's grant by removing the noncomplying family
4 member from the assistance unit for a period of time specified in
5 subdivision (d).

6 (1) For families that qualify for aid due to unemployment of the
7 family's primary wage earner, the sanctioned parent shall be
8 removed from the assistance unit. Unless the spouse or the family's
9 second parent meets the provisions of subparagraph (A) of
10 paragraph (2), if the sanctioned parent's spouse or the family's
11 second parent is not participating in the program, both the
12 sanctioned parent and the spouse or second parent shall be removed
13 from the assistance unit. The county shall notify the spouse of the
14 noncomplying participant or second parent in writing at the
15 commencement of conciliation of his or her own opportunity to
16 participate and the impact on sanctions of that participation.

17 (2) (A) Except as provided in subparagraph (B), exemption
18 criteria specified in Section 11320.3, conciliation specified in
19 Section 11327.4, and good cause criteria specified in Section
20 11320.31 and subdivision (f) of Section 11320.3 shall apply to the
21 sanctioned parent's spouse or the family's second parent.

22 (B) Exemption criteria specified in paragraphs (5) and (6) of
23 subdivision (b) of Section 11320.3 do not apply to a spouse or
24 second parent who is participating to avoid the sanction of the
25 noncomplying parent.

26 (C) If the sanctioned parent's spouse or the family's second
27 parent chooses to participate to avoid the noncomplying parent's
28 sanction, subsequently fails or refuses to participate without good
29 cause, and does not conciliate, he or she shall be removed from
30 the assistance unit for a period of time specified in subdivision
31 (d).

32 (D) If the sanctioned parent's spouse or the family's second
33 parent is under his or her own sanction at the time of the first
34 parent's sanction, the spouse or second parent shall not be provided
35 the opportunity to avoid the first parent's sanction until the spouse
36 or second parent's sanction is completed.

37 (3) For families that qualify due to the absence or incapacity of
38 a parent, only the noncomplying parent shall be removed from the
39 assistance unit.

1 (4) If the noncomplying individual is the only dependent child
2 in the family, his or her needs shall not be taken into account in
3 determining the family's need for assistance and the amount of
4 the assistance payment.

5 (5) If the noncomplying individual is one of several dependent
6 children in the family, his or her needs shall not be taken into
7 account in determining the family's need for assistance and the
8 amount of the assistance payment.

9 (d) An instance of noncompliance without good cause shall
10 result in a financial sanction. This sanction shall terminate at any
11 point if the noncomplying participant performs the activity or
12 activities he or she previously refused to perform.

13 (e) Sanctions shall become effective on the first day of the first
14 payment-month that the sanctioned individual's needs are removed
15 from aid under this chapter.

16 (f) In the event this section conflicts with federal law, the
17 department shall adopt regulations to conform to federal law.

18 ~~(g) This section shall remain in effect only until July 1, 2011,~~
19 ~~and as of that date is repealed.~~

20 *SEC. 16. Section 11327.5 of the Welfare and Institutions Code,*
21 *as added by Section 3 of Chapter 8 of the Fourth Extraordinary*
22 *Session of the Statutes of 2009, is repealed.*

23 ~~11327.5. (a) Sanctions shall be imposed in accordance with~~
24 ~~subdivision (b) or (c), as appropriate, if an individual has failed or~~
25 ~~refused to comply with program requirements without good cause~~
26 ~~and conciliation efforts, as described in Section 11327.4, have~~
27 ~~failed.~~

28 ~~(b) The sanctions provided for in subdivisions (c) and (d) shall~~
29 ~~not apply to an individual who is exempt from the requirements~~
30 ~~of this article but is voluntarily participating in the program. If that~~
31 ~~individual engages in conduct that would bring about the actions~~
32 ~~provided for in subdivisions (c) and (d), except for his or her status~~
33 ~~as a voluntary program participant, the individual shall not be~~
34 ~~given priority so long as other individuals are actively seeking to~~
35 ~~participate.~~

36 ~~(c) Financial sanctions for failing or refusing to comply with~~
37 ~~program requirements without good cause shall cause a reduction~~
38 ~~in the family's grant, in accordance with subdivision (d).~~

39 ~~(1) For families that qualify for aid due to unemployment of the~~
40 ~~family's primary wage earner, the sanctioned parent shall be~~

1 removed from the assistance unit. Unless the spouse or the family's
2 second parent meets the provisions of subparagraph (A) of
3 paragraph (2), if the sanctioned parent's spouse or the family's
4 second parent is not participating in the program, both the
5 sanctioned parent and the spouse or second parent shall be removed
6 from the assistance unit. The county shall notify the spouse of the
7 noncomplying participant or second parent in writing at the
8 commencement of conciliation of his or her own opportunity to
9 participate and the impact on sanctions of that participation.

10 (2) (A) Except as provided in subparagraph (B), exemption
11 criteria specified in Section 11320.3, conciliation specified in
12 Section 11327.4, and good cause criteria specified in Section
13 11320.31 and subdivision (f) of Section 11320.3 shall apply to the
14 sanctioned parent's spouse or the family's second parent.

15 (B) Exemption criteria specified in paragraphs (5) and (6) of
16 subdivision (b) of Section 11320.3 do not apply to a spouse or
17 second parent who is participating to avoid the sanction of the
18 noncomplying parent.

19 (C) If the sanctioned parent's spouse or the family's second
20 parent chooses to participate to avoid the noncomplying parent's
21 sanction, subsequently fails or refuses to participate without good
22 cause, and does not conciliate, he or she shall be removed from
23 the assistance unit for a period of time specified in subdivision
24 (d).

25 (D) If the sanctioned parent's spouse or the family's second
26 parent is under his or her own sanction at the time of the first
27 parent's sanction, the spouse or second parent shall not be provided
28 the opportunity to avoid the first parent's sanction until the spouse
29 or second parent's sanction is completed.

30 (3) For families that qualify due to the absence or incapacity of
31 a parent, only the noncomplying parent shall be removed from the
32 assistance unit.

33 (4) If the noncomplying individual is the only dependent child
34 in the family, his or her needs shall not be taken into account in
35 determining the family's need for assistance and the amount of
36 the assistance payment.

37 (5) If the noncomplying individual is one of several dependent
38 children in the family, his or her needs shall not be taken into
39 account in determining the family's need for assistance and the
40 amount of the assistance payment.

1 ~~(d) (1) An instance of noncompliance without good cause shall~~
2 ~~result in a financial sanction, consisting of removing the~~
3 ~~noncomplying family member from the assistance unit, after the~~
4 ~~noncompliance persists for three cumulative months. The~~
5 ~~conciliation process described in Section 11327.4 shall occur~~
6 ~~during the first 30 days of this three-month period. A sanction~~
7 ~~under this section shall terminate at any point if the noncomplying~~
8 ~~participant performs the activity or activities he or she previously~~
9 ~~refused to perform.~~

10 ~~(2) (A) If the instance of noncompliance persists for three~~
11 ~~cumulative months, the county shall review and assess the~~
12 ~~circumstances of the noncomplying individual in order to determine~~
13 ~~and identify potential barriers to participation, assess the need for~~
14 ~~services or resources, and provide tools to connect the individual~~
15 ~~with services and activities. The review and assessment shall be~~
16 ~~conducted by a social worker or employment services worker. The~~
17 ~~county shall make a good faith effort to remediate any barriers that~~
18 ~~are identified. If barriers relating to substance abuse, mental health,~~
19 ~~or domestic violence are suspected, the county shall schedule~~
20 ~~assessments with an employment specialist or social worker for~~
21 ~~the individual in order to assess and review for treatment. This~~
22 ~~review shall occur within 30 days after the grant reduction made~~
23 ~~pursuant to paragraph (1).~~

24 ~~(B) If the county fails to conduct a review or remediate any~~
25 ~~issues pursuant to this paragraph, or if the county determines that~~
26 ~~the individual is in compliance pursuant to paragraph (1), or is~~
27 ~~exempt from welfare-to-work requirements, the sanction shall~~
28 ~~terminate. If failure to conduct a review or remediate an issue is~~
29 ~~the result of the recipient's noncompliance, the sanction shall~~
30 ~~continue.~~

31 ~~(3) (A) If the instance of noncompliance persists for an~~
32 ~~additional three cumulative months after a grant reduction is made~~
33 ~~pursuant to paragraph (1), the grant shall be decreased by an~~
34 ~~amount equal to 25 percent of the child-only grant, which already~~
35 ~~reflects the removal of the parent.~~

36 ~~(B) If the instance of noncompliance persists for an additional~~
37 ~~three cumulative months after the family's grant is reduced under~~
38 ~~subparagraph (A), a second review and assessment shall be~~
39 ~~conducted in accordance with the requirements of paragraph (2).~~
40 ~~The second review and assessment shall be conducted within 30~~

1 days of the most recent grant reduction pursuant to subparagraph
2 (A). After the review and assessment conducted under this
3 paragraph, if the instance of noncompliance persists for an
4 additional three cumulative months after the most recent reduction,
5 the family's aid grant shall be decreased by an amount equal to 50
6 percent of the child-only grant level that existed prior to the
7 25-percent reduction.

8 (C) At any time, if the noncomplying member is determined to
9 be exempt, or comes into compliance with applicable CalWORKs
10 work requirements, the sanction shall terminate and the full aid
11 grant amount shall be restored.

12 (4) (A) With respect to an assistance unit from which the adult's
13 share of the grant has been terminated due to the expiration of the
14 60-month period provided for pursuant to Section 11454, the
15 county shall impose the sanctions provided for in this section only
16 if the county makes available to the adult necessary child care
17 services, and all applicable exemptions. If the Legislature has made
18 a specific appropriation for transportation services for families
19 who have exceeded the 60-month time limit and the county has
20 not made this service available to the adult, as necessary, a sanction
21 shall not be imposed. These cases shall receive a review pursuant
22 to subdivision (g) of Section 11320.2 at the 42nd or 54th month
23 of aid in preparation for this assessment by the county, including
24 reviewing possible exemptions and discussing possible grant
25 reductions if the family is not in compliance after the 60 months
26 with the state participation requirements, as determined by the
27 county. The individual shall receive notice of the review, which
28 shall include informing the individual of the risk of having the
29 grant further reduced by 25 percent if the parent does not comply
30 with CalWORKs requirements after the 48th or 60th month on
31 aid, as well as opportunities to come into compliance and services
32 that may be available from the county.

33 (B) If the county determines after the 48th or 60th month on
34 aid that the adult is not in compliance and does not otherwise meet
35 exemption criteria, such as SSI eligibility or being an elderly
36 caregiver, and the service requirements of the county as specified
37 in subparagraph (A) have been met, then the aid grant shall be
38 decreased by an amount equal to 25 percent of the child-only
39 portion of the grant, thus resulting in a grant level equal to 75
40 percent of the child-only grant level in the 47th or 59th month, or

1 the month prior to entering the safety net. Review and assessment
2 pursuant to paragraph (2) shall be scheduled with the adult in this
3 assistance unit at this time.

4 (C) If the noncompliance persists for three cumulative months
5 after the grant reduction pursuant to subparagraph (B) the review
6 and assessment conducted pursuant to paragraph (2), and the county
7 has met the service requirements specified in subparagraph (A);
8 then the aid grant shall be decreased by an amount equal to 50
9 percent of the child-only aid grant thus resulting in a grant level
10 equal to 50 percent of the child-only grant level in the 47th or 59th
11 month, or the month prior to entering the safety net.

12 (D) At any time, if the noncomplying member is determined to
13 be exempt from welfare-to-work activities, or comes into
14 compliance with applicable CalWORKs work requirements, the
15 sanction shall terminate and the full aid grant amount shall be
16 restored.

17 (5) (A) After 60 full months of aid, with respect to an assistance
18 unit for which there is no adult share due to the adult being (i) not
19 lawfully present in the United States, (ii) a person described by
20 Section 608(a)(9)(A) of Title 42 of the United States Code, or (iii)
21 convicted of any offense classified as a felony by the law of the
22 jurisdiction involved and that has as an element of the possession,
23 use, or distribution of a controlled substance, as defined in Section
24 802(6) of Title 21 of the United States Code, the county shall apply
25 the sanction provisions contained in subparagraph (B) to the
26 assistance unit allowing for all applicable exemptions. If the county
27 makes available to the adult, at county expense or pursuant to a
28 specific General Fund appropriation, necessary supportive services
29 of child care and transportation, in addition to community service
30 opportunities, and the family is in compliance with work
31 requirements the family shall receive the full child-only grant.
32 These cases shall receive a self-sufficiency review pursuant to
33 subdivision (g) of Section 11320.2 at the 54th month of aid, in
34 preparation for this assessment by the county, including reviewing
35 possible exemptions, and discussing possible grant reductions if
36 the family is not in compliance with the state participation
37 requirements after 60 months, as determined by the county.

38 (B) If the county determines after the 60 months of aid that the
39 adult does not otherwise meet exemption criteria, including those
40 that acknowledge the adult's inability to work, such as SSI

1 eligibility or being an elderly caregiver, and the service
2 requirements of the county as specified in subparagraph (A) have
3 been met, then the aid grant shall be decreased by an amount equal
4 to 25 percent of the child-only portion of the grant amount, thus
5 resulting in a grant level equal to 75 percent of the child-only grant
6 level in the 59th month or the month prior to entering the safety
7 net. Review and assessment pursuant to paragraph (2) shall be
8 scheduled with the adult in this assistance unit at this time.

9 (C) If the noncompliance persists for three cumulative months
10 after the review and assessment conducted pursuant to paragraph
11 (2), and the service requirements of the county as specified in
12 subparagraph (A) have been met, the family's aid grant shall be
13 decreased to an amount equal to 50 percent of the child-only
14 portion of the grant amount, thus resulting in a grant level equal
15 to 50 percent of the child-only grant level in the 59th month prior
16 to entering the safety net.

17 (D) At any time, if the noncomplying member is determined to
18 be exempt from welfare-to-work activities, or comes into
19 compliance with applicable CalWORKs work requirements, the
20 sanction shall terminate and the full aid grant amount shall be
21 restored.

22 (e) Sanctions shall become effective on the first day of the first
23 payment month that the sanctioned individual's needs are removed
24 or further reductions are made to aid under this chapter.

25 (f) The additional monetary sanctions imposed in subdivision
26 (d) shall not apply if the only sanctioned individual in the family
27 is a dependent child.

28 (g) The county shall send individuals subject to sanction a notice
29 by the end of their second cumulative month on sanction, and a
30 notice by the end of their fifth cumulative month on sanction,
31 reminding them that their aid will further decrease if the sanction
32 is not cured by the end of the third or sixth month, respectively.

33 (h) In addition to the notice required pursuant to subdivision
34 (d), counties shall attempt to contact the noncompliant individual
35 prior to imposing a sanction reducing the family's aid. This contact
36 may be achieved through telephone calls, letters, home visits, or
37 some combination of these methods.

38 (i) The review and assessment described in paragraph (2) of
39 subdivision (d) shall be deemed to satisfy the requirements for a
40 self-sufficiency review pursuant to Section 11320.2 if the review

1 and assessment occurs within the same month that a
2 self-sufficiency review under Section 11320.2 would have been
3 scheduled. If failure to conduct the review or assessment is the
4 result of the recipient's noncompliance, the sanction or further
5 reduction shall become effective under this chapter.

6 ~~(j) Any review or assessment required under this section may
7 be conducted through face-to-face meetings or home visits.~~

8 ~~(k) This section shall become operative on July 1, 2011.~~

9 *SEC. 17. Section 11329.5 of the Welfare and Institutions Code*
10 *is amended to read:*

11 11329.5. With respect to paragraph (7) of subdivision (b) of
12 Section 11320.3 and Section 11325.71, ~~as added by the act that~~
13 ~~adds this section~~, the Legislature finds and declares all of the
14 following, but only for the operative period of these added
15 provisions:

16 (a) Due to the significant General Fund revenue decline for the
17 2009–10 fiscal year, funding has been reduced for the CalWORKs
18 program.

19 (b) Due to the federal funding available under the American
20 Recovery and Reinvestment Act of 2009 (Public Law 111-5)
21 (ARRA) for CalWORKs grants, reductions in 2009–10 are being
22 achieved in the county single allocation.

23 (c) Reduced funding, including a three hundred seventy-five
24 million dollar (\$375,000,000) reduction to the county single
25 allocation in the 2009–10 ~~Budget Act and 2010–11 Budget Acts~~,
26 and increased caseload for CalWORKs will result in insufficient
27 resources to provide the full range of welfare-to-work services in
28 the 2009–10 and 2010–11 fiscal years.

29 *(d) Reduced funding, including a*
30 *four-hundred-twenty-seven-million-dollar (\$427,000,000) reduction*
31 *to the county single allocation in the 2011–12 Budget Act, will*
32 *result in insufficient resources to provide the full range of*
33 *welfare-to-work services in the 2011–12 fiscal year.*

34 ~~(d)~~

35 (e) It is the intent of the Legislature that the limited resources
36 for CalWORKs services be effectively utilized, as established in
37 paragraph (7) of subdivision (b) of Section 11320.3.

38 ~~(e)~~

39 (f) It is the further intent of the Legislature to provide additional
40 flexibility to address funding constraints, as established in Section

1 11325.71, in addition to the existing flexibility provided under
2 subdivision (f) of Section 11320.3.

3 ~~(f)~~

4 (g) It is the further intent of the Legislature to minimize
5 disruption of welfare-to-work services for individuals already
6 participating, and prioritize exemptions and good cause for
7 applicants.

8 ~~(g)~~

9 (h) Funding and caseload factors will result in circumstances
10 beyond the control of the counties in the 2009–10 and 2010–11,
11 2010–11, and 2011–12 fiscal years, and that relief should be
12 provided for federal penalties that may result.

13 *SEC. 18. Article 3.3 (commencing with Section 11330) of*
14 *Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions*
15 *Code is repealed.*

16 *SEC. 19. Section 11334.8 is added to the Welfare and*
17 *Institutions Code, to read:*

18 *11334.8. (a) Except as provided in subdivision (b), this article*
19 *shall be inoperative from July 1, 2011, to June 30, 2012, inclusive.*

20 *(b) Notwithstanding subdivision (a), bonuses and supplements*
21 *shall continue to be paid to eligible participants pursuant to*
22 *subdivisions (a), (c), and (e) of Section 11333.7, and related*
23 *requirements pursuant to Sections 11334.2 and 11334.5 shall also*
24 *be operative, during the period that the remainder of this article*
25 *is inoperative pursuant to subdivision (a).*

26 *(c) This section shall remain in effect only until July 1, 2012,*
27 *and as of that date is repealed, unless a later enacted statute, that*
28 *is enacted before July 1, 2012, deletes or extends that date.*

29 *SEC. 20. Section 11450 of the Welfare and Institutions Code*
30 *is amended to read:*

31 *11450. (a) (1) Aid shall be paid for each needy family, which*
32 *shall include all eligible brothers and sisters of each eligible*
33 *applicant or recipient child and the parents of the children, but*
34 *shall not include unborn children, or recipients of aid under Chapter*
35 *3 (commencing with Section 12000), qualified for aid under this*
36 *chapter. In determining the amount of aid paid, and notwithstanding*
37 *the minimum basic standards of adequate care specified in Section*
38 *11452, the family’s income, exclusive of any amounts considered*
39 *exempt as income or paid pursuant to subdivision (e) or Section*
40 *11453.1, averaged for the prospective quarter pursuant to Sections*

1 11265.2 and 11265.3, and then calculated pursuant to Section
 2 11451.5, shall be deducted from the sum specified in the following
 3 table, as adjusted for cost-of-living increases pursuant to Section
 4 11453 and paragraph (2). In no case shall the amount of aid paid
 5 for each month exceed the sum specified in the following table,
 6 as adjusted for cost-of-living increases pursuant to Section 11453
 7 and paragraph (2), plus any special needs, as specified in
 8 subdivisions (c), (e), and (f):

10 Number of 11 eligible needy 12 persons in 13 the same home	Maximum aid
14 1.....	\$ 326
15 2.....	535
16 3.....	663
17 4.....	788
18 5.....	899
19 6.....	1,010
20 7.....	1,109
21 8.....	1,209
22 9.....	1,306
23 10 or more.....	1,403

24
 25 If, when, and during those times that the United States
 26 government increases or decreases its contributions in assistance
 27 of needy children in this state above or below the amount paid on
 28 July 1, 1972, the amounts specified in the above table shall be
 29 increased or decreased by an amount equal to that increase or
 30 decrease by the United States government, provided that no
 31 increase or decrease shall be subject to subsequent adjustment
 32 pursuant to Section 11453.

33 (2) The sums specified in paragraph (1) shall not be adjusted
 34 for cost of living for the 1990–91, 1991–92, 1992–93, 1993–94,
 35 1994–95, 1995–96, 1996–97, and 1997–98 fiscal years, and through
 36 October 31, 1998, nor shall that amount be included in the base
 37 for calculating any cost-of-living increases for any fiscal year
 38 thereafter. Elimination of the cost-of-living adjustment pursuant
 39 to this paragraph shall satisfy the requirements of Section 11453.05,
 40 and no further reduction shall be made pursuant to that section.

1 (b) When the family does not include a needy child qualified
2 for aid under this chapter, aid shall be paid to a pregnant mother
3 for the month in which the birth is anticipated and for the
4 three-month period immediately prior to the month in which the
5 birth is anticipated in the amount that would otherwise be paid to
6 one person, as specified in subdivision (a), if the mother, and child,
7 if born, would have qualified for aid under this chapter. Verification
8 of pregnancy shall be required as a condition of eligibility for aid
9 under this subdivision. ~~Aid~~

10 (1) *Aid* shall also be paid to a pregnant woman with no other
11 children in the amount which would otherwise be paid to one
12 person under subdivision (a) at any time after verification of
13 pregnancy if the pregnant woman is also eligible for the Cal-Learn
14 Program described in Article 3.5 (commencing with Section 11331)
15 and if the mother, and child, if born, would have qualified for aid
16 under this chapter.

17 (2) *Paragraph (1) shall apply only when the Cal-Learn Program*
18 *is operative.*

19 (c) The amount of forty-seven dollars (\$47) per month shall be
20 paid to pregnant mothers qualified for aid under subdivision (a)
21 or (b) to meet special needs resulting from pregnancy if the mother,
22 and child, if born, would have qualified for aid under this chapter.
23 County welfare departments shall refer all recipients of aid under
24 this subdivision to a local provider of the Women, Infants and
25 Children program. If that payment to pregnant mothers qualified
26 for aid under subdivision (a) is considered income under federal
27 law in the first five months of pregnancy, payments under this
28 subdivision shall not apply to persons eligible under subdivision
29 (a), except for the month in which birth is anticipated and for the
30 three-month period immediately prior to the month in which
31 delivery is anticipated, if the mother, and the child, if born, would
32 have qualified for aid under this chapter.

33 (d) For children receiving AFDC-FC under this chapter, there
34 shall be paid, exclusive of any amount considered exempt as
35 income, an amount of aid each month which, when added to the
36 child's income, is equal to the rate specified in Section 11460,
37 11461, 11462, 11462.1, or 11463. In addition, the child shall be
38 eligible for special needs, as specified in departmental regulations.

39 (e) In addition to the amounts payable under subdivision (a)
40 and Section 11453.1, a family shall be entitled to receive an

1 allowance for recurring special needs not common to a majority
2 of recipients. These recurring special needs shall include, but not
3 be limited to, special diets upon the recommendation of a physician
4 for circumstances other than pregnancy, and unusual costs of
5 transportation, laundry, housekeeping services, telephone, and
6 utilities. The recurring special needs allowance for each family
7 per month shall not exceed that amount resulting from multiplying
8 the sum of ten dollars (\$10) by the number of recipients in the
9 family who are eligible for assistance.

10 (f) After a family has used all available liquid resources, both
11 exempt and nonexempt, in excess of one hundred dollars (\$100),
12 with the exception of funds deposited in a restricted account
13 described in subdivision (a) of Section 11155.2, the family shall
14 also be entitled to receive an allowance for nonrecurring special
15 needs.

16 (1) An allowance for nonrecurring special needs shall be granted
17 for replacement of clothing and household equipment and for
18 emergency housing needs other than those needs addressed by
19 paragraph (2). These needs shall be caused by sudden and unusual
20 circumstances beyond the control of the needy family. The
21 department shall establish the allowance for each of the
22 nonrecurring special need items. The sum of all nonrecurring
23 special needs provided by this subdivision shall not exceed six
24 hundred dollars (\$600) per event.

25 (2) Homeless assistance is available to a homeless family
26 seeking shelter when the family is eligible for aid under this
27 chapter. Homeless assistance for temporary shelter is also available
28 to homeless families which are apparently eligible for aid under
29 this chapter. Apparent eligibility exists when evidence presented
30 by the applicant, or which is otherwise available to the county
31 welfare department, and the information provided on the
32 application documents indicate that there would be eligibility for
33 aid under this chapter if the evidence and information were verified.
34 However, an alien applicant who does not provide verification of
35 his or her eligible alien status, or a woman with no eligible children
36 who does not provide medical verification of pregnancy, is not
37 apparently eligible for purposes of this section.

38 A family is considered homeless, for the purpose of this section,
39 when the family lacks a fixed and regular nighttime residence; or
40 the family has a primary nighttime residence that is a supervised

1 publicly or privately operated shelter designed to provide temporary
2 living accommodations; or the family is residing in a public or
3 private place not designed for, or ordinarily used as, a regular
4 sleeping accommodation for human beings. A family is also
5 considered homeless for the purpose of this section if the family
6 has received a notice to pay rent or quit. The family shall
7 demonstrate that the eviction is the result of a verified financial
8 hardship as a result of extraordinary circumstances beyond their
9 control, and not other lease or rental violations, and that the family
10 is experiencing a financial crisis that could result in homelessness
11 if preventative assistance is not provided.

12 (A) (i) A nonrecurring special need of sixty-five dollars (\$65)
13 a day shall be available to families of up to four members for the
14 costs of temporary shelter, subject to the requirements of this
15 paragraph. The fifth and additional members of the family shall
16 each receive fifteen dollars (\$15) per day, up to a daily maximum
17 of one hundred twenty-five dollars (\$125). County welfare
18 departments may increase the daily amount available for temporary
19 shelter as necessary to secure the additional bedspace needed by
20 the family.

21 (ii) This special need shall be granted or denied immediately
22 upon the family's application for homeless assistance, and benefits
23 shall be available for up to three working days. The county welfare
24 department shall verify the family's homelessness within the first
25 three working days and if the family meets the criteria of
26 questionable homelessness established by the department, the
27 county welfare department shall refer the family to its early fraud
28 prevention and detection unit, if the county has such a unit, for
29 assistance in the verification of homelessness within this period.

30 (iii) After homelessness has been verified, the three-day limit
31 shall be extended for a period of time which, when added to the
32 initial benefits provided, does not exceed a total of 16 calendar
33 days. This extension of benefits shall be done in increments of one
34 week and shall be based upon searching for permanent housing
35 which shall be documented on a housing search form; good cause;
36 or other circumstances defined by the department. Documentation
37 of a housing search shall be required for the initial extension of
38 benefits beyond the three-day limit and on a weekly basis thereafter
39 as long as the family is receiving temporary shelter benefits. Good
40 cause shall include, but is not limited to, situations in which the

1 county welfare department has determined that the family, to the
2 extent it is capable, has made a good faith but unsuccessful effort
3 to secure permanent housing while receiving temporary shelter
4 benefits.

5 (B) A nonrecurring special need for permanent housing
6 assistance is available to pay for last month's rent and security
7 deposits when these payments are reasonable conditions of securing
8 a residence, or to pay for up to two months of rent arrearages, when
9 these payments are a reasonable condition of preventing eviction.

10 The last month's rent or monthly arrearage portion of the
11 payment (i) shall not exceed 80 percent of the family's total
12 monthly household income without the value of food stamps or
13 special needs for a family of that size and (ii) shall only be made
14 to families that have found permanent housing costing no more
15 than 80 percent of the family's total monthly household income
16 without the value of food stamps or special needs for a family of
17 that size.

18 However, if the county welfare department determines that a
19 family intends to reside with individuals who will be sharing
20 housing costs, the county welfare department shall, in appropriate
21 circumstances, set aside the condition specified in clause (ii) of
22 the preceding paragraph.

23 (C) The nonrecurring special need for permanent housing
24 assistance is also available to cover the standard costs of deposits
25 for utilities which are necessary for the health and safety of the
26 family.

27 (D) A payment for or denial of permanent housing assistance
28 shall be issued no later than one working day from the time that a
29 family presents evidence of the availability of permanent housing.
30 If an applicant family provides evidence of the availability of
31 permanent housing before the county welfare department has
32 established eligibility for aid under this chapter, the county welfare
33 department shall complete the eligibility determination so that the
34 denial of or payment for permanent housing assistance is issued
35 within one working day from the submission of evidence of the
36 availability of permanent housing, unless the family has failed to
37 provide all of the verification necessary to establish eligibility for
38 aid under this chapter.

39 (E) (i) Except as provided in clauses (ii) and (iii), eligibility
40 for the temporary shelter assistance and the permanent housing

1 assistance pursuant to this paragraph shall be limited to one period
2 of up to 16 consecutive calendar days of temporary assistance and
3 one payment of permanent assistance. Any family that includes a
4 parent or nonparent caretaker relative living in the home who has
5 previously received temporary or permanent homeless assistance
6 at any time on behalf of an eligible child shall not be eligible for
7 further homeless assistance. Any person who applies for homeless
8 assistance benefits shall be informed that the temporary shelter
9 benefit of up to 16 consecutive days is available only once in a
10 lifetime, with certain exceptions, and that a break in the consecutive
11 use of the benefit constitutes permanent exhaustion of the
12 temporary benefit.

13 (ii) A family that becomes homeless as a direct and primary
14 result of a state or federally declared natural disaster shall be
15 eligible for temporary and permanent homeless assistance.

16 (iii) A family shall be eligible for temporary and permanent
17 homeless assistance when homelessness is a direct result of
18 domestic violence by a spouse, partner, or roommate; physical or
19 mental illness that is medically verified that shall not include a
20 diagnosis of alcoholism, drug addiction, or psychological stress;
21 or, the uninhabitability of the former residence caused by sudden
22 and unusual circumstances beyond the control of the family
23 including natural catastrophe, fire, or condemnation. These
24 circumstances shall be verified by a third-party governmental or
25 private health and human services agency, except that domestic
26 violence may also be verified by a sworn statement by the victim,
27 as provided under Section 11495.25. Homeless assistance payments
28 based on these specific circumstances may not be received more
29 often than once in any 12-month period. In addition, if the domestic
30 violence is verified by a sworn statement by the victim, the
31 homeless assistance payments shall be limited to two periods of
32 not more than 16 consecutive calendar days of temporary assistance
33 and two payments of permanent assistance. A county may require
34 that a recipient of homeless assistance benefits who qualifies under
35 this paragraph for a second time in a 24-month period participate
36 in a homelessness avoidance case plan as a condition of eligibility
37 for homeless assistance benefits. The county welfare department
38 shall immediately inform recipients who verify domestic violence
39 by a sworn statement pursuant to clause (iii) of the availability of

1 domestic violence counseling and services, and refer those
2 recipients to services upon request.

3 (iv) If a county requires a recipient who verifies domestic
4 violence by a sworn statement to participate in a homelessness
5 avoidance case plan pursuant to clause (iii), the plan shall include
6 the provision of domestic violence services, if appropriate.

7 (v) If a recipient seeking homeless assistance based on domestic
8 violence pursuant to clause (iii) has previously received homeless
9 avoidance services based on domestic violence, the county shall
10 review whether services were offered to the recipient and consider
11 what additional services would assist the recipient in leaving the
12 domestic violence situation.

13 (vi) The county welfare department shall report to the
14 department through a statewide homeless assistance payment
15 indicator system, necessary data, as requested by the department,
16 regarding all recipients of aid under this paragraph.

17 (F) The county welfare departments, and all other entities
18 participating in the costs of the AFDC program, have the right in
19 their share to any refunds resulting from payment of the permanent
20 housing. However, if an emergency requires the family to move
21 within the 12-month period specified in subparagraph (E), the
22 family shall be allowed to use any refunds received from its
23 deposits to meet the costs of moving to another residence.

24 (G) Payments to providers for temporary shelter and permanent
25 housing and utilities shall be made on behalf of families requesting
26 these payments.

27 (H) The daily amount for the temporary shelter special need for
28 homeless assistance may be increased if authorized by the current
29 year's Budget Act by specifying a different daily allowance and
30 appropriating the funds therefor.

31 (I) No payment shall be made pursuant to this paragraph unless
32 the provider of housing is a commercial establishment, shelter, or
33 person in the business of renting properties who has a history of
34 renting properties.

35 (g) The department shall establish rules and regulations ensuring
36 the uniform application statewide of this subdivision.

37 (h) The department shall notify all applicants and recipients of
38 aid through the standardized application form that these benefits
39 are available and shall provide an opportunity for recipients to
40 apply for the funds quickly and efficiently.

1 (i) Except for the purposes of Section 15200, the amounts
2 payable to recipients pursuant to Section 11453.1 shall not
3 constitute part of the payment schedule set forth in subdivision
4 (a).

5 The amounts payable to recipients pursuant to Section 11453.1
6 shall not constitute income to recipients of aid under this section.

7 (j) For children receiving Kin-GAP pursuant to Article 4.5
8 (commencing with Section 11360) or Article 4.7 (commencing
9 with Section 11385) there shall be paid, exclusive of any amount
10 considered exempt as income, an amount of aid each month, which,
11 when added to the child's income, is equal to the rate specified in
12 Sections 11364 and 11387.

13 *SEC. 21. Section 11450.02 of the Welfare and Institutions Code*
14 *is amended to read:*

15 11450.02. (a) Notwithstanding any other provision of law,
16 commencing July 1, 2009, the maximum aid payments in effect
17 September 1, 2007, as specified in paragraph (1) of subdivision
18 (a) of Section 11450, shall be reduced by 4 percent.

19 (b) *Notwithstanding any other law, the maximum aid payments*
20 *in effect on July 1, 2009, as specified in subdivision (a), shall be*
21 *reduced by 8 percent, effective on June 1, 2011, or on the first day*
22 *of the first month following 90 days after the effective date of the*
23 *act that added this subdivision, whichever is later.*

24 *SEC. 22. Section 11450.025 is added to the Welfare and*
25 *Institutions Code, to read:*

26 11450.025. (a) *Notwithstanding any other law, effective on*
27 *June 1, 2011, or on the first day of the first month following 90*
28 *days after the effective date of the act that added this section,*
29 *whichever is later, for all assistance units that do not include an*
30 *aided adult, the computed aid grant of the assistance unit, as*
31 *reduced by subdivision (b) of Section 11450.02, shall be further*
32 *reduced pursuant to this section as follows:*

33 (1) *Commencing with the 61st cumulative month on aid, 5*
34 *percent.*

35 (2) *Commencing with the 73rd cumulative month on aid, 5*
36 *percent, for a total reduction of 10 percent of the computed aid*
37 *grant.*

38 (3) *Commencing with the 85th cumulative month on aid, 5*
39 *percent, for a total reduction of 15 percent of the computed aid*
40 *grant.*

1 (b) Notwithstanding subdivision (a), the reductions provided
2 for in this section shall not be applied when all of the parents or
3 caretaker relatives of the aided child living in the home of the
4 aided child are disabled and receiving benefits under Section
5 12200.

6 (c) All months of aid received on and after January 1, 1998,
7 shall be counted for purposes of this section and shall be computed
8 based on the cumulative time on aid of the member of the assistance
9 unit who has received aid for the longest period.

10 SEC. 23. Section 11451.5 of the Welfare and Institutions Code,
11 as amended by Section 4 of Chapter 933 of the Statutes of 2000,
12 is repealed.

13 ~~11451.5.—(a) Notwithstanding Section 11008 and except as~~
14 ~~provided by subdivision (f) of Section 11322.6, the following~~
15 ~~amounts shall be exempt from the calculation of the income of the~~
16 ~~family for purposes of subdivision (a) of Section 11450:~~

17 ~~(1) If disability-based unearned income does not exceed two~~
18 ~~hundred twenty-five dollars (\$225), both of the following amounts:~~

19 ~~(A) All disability-based unearned income plus any amount of~~
20 ~~not otherwise exempt earned income equal to the amount of the~~
21 ~~difference between the amount of disability-based unearned income~~
22 ~~and two hundred twenty-five dollars (\$225).~~

23 ~~(B) Fifty percent of all not otherwise exempt earned income in~~
24 ~~excess of the amount applied to meet the differential applied in~~
25 ~~subparagraph (A).~~

26 ~~(2) If disability-based unearned income exceeds two hundred~~
27 ~~twenty-five dollars (\$225), both of the following amounts:~~

28 ~~(A) All of the first two hundred twenty-five dollars (\$225) in~~
29 ~~disability-based unearned income.~~

30 ~~(B) Fifty percent of all earned income.~~

31 ~~(b) For purposes of this section:~~

32 ~~(1) Earned income means gross income received as wages,~~
33 ~~salary, employer provided sick leave benefits, commissions, or~~
34 ~~profits from activities such as a business enterprise or farming in~~
35 ~~which the recipient is engaged as a self-employed individual or as~~
36 ~~an employee.~~

37 ~~(2) Disability-based unearned income means State Disability~~
38 ~~Insurance benefits, private disability insurance benefits, Temporary~~
39 ~~Workers' Compensation benefits, and social security disability~~
40 ~~benefits.~~

1 ~~(3) Unearned income means any income not described in~~
2 ~~paragraph (1) or (2).~~

3 *SEC. 24. Section 11451.5 of the Welfare and Institutions Code,*
4 *as amended by Section 329 of Chapter 62 of the Statutes of 2003,*
5 *is amended to read:*

6 11451.5. (a) Except as provided by subdivision (f) of Section
7 11322.6, the following income, averaged over the quarter pursuant
8 to Sections 11265.2 and 11265.3, shall be exempt from the
9 calculation of the income of the family for purposes of subdivision
10 (a) of Section 11450:

11 (1) If disability-based unearned income does not exceed two
12 hundred twenty-five dollars (\$225), both of the following amounts:

13 (A) All disability-based unearned income plus any amount of
14 not otherwise exempt earned income equal to the amount of the
15 difference between the amount of disability-based unearned income
16 and two hundred twenty-five dollars (\$225).

17 (B) Fifty percent of all not otherwise exempt earned income in
18 excess of the amount applied to meet the differential applied in
19 subparagraph (A).

20 (2) If disability-based unearned income exceeds two hundred
21 twenty-five dollars (\$225), both of the following amounts:

22 (A) All of the first two hundred twenty-five dollars (\$225) in
23 disability-based unearned income.

24 (B) Fifty percent of all earned income.

25 (b) For purposes of this section:

26 (1) Earned income means gross income received as wages,
27 salary, employer provided sick leave benefits, commissions, or
28 profits from activities such as a business enterprise or farming in
29 which the recipient is engaged as a self-employed individual or as
30 an employee.

31 (2) Disability-based unearned income means state disability
32 insurance benefits, private disability insurance benefits, temporary
33 workers' compensation benefits, and social security disability
34 benefits.

35 (3) Unearned income means any income not described in
36 paragraph (1) or (2).

37 (c) *This section shall become inoperative on the first day of the*
38 *first month following 90 days after the effective date of the act that*
39 *added this subdivision, or June 1, 2011, whichever is later, and*
40 *as of the inoperative date is repealed.*

1 SEC. 25. Section 11451.5 is added to the Welfare and
2 Institutions Code, to read:

3 11451.5. (a) Except as provided by subdivision (f) of Section
4 11322.6, the following income, averaged over the quarter pursuant
5 to Sections 11265.2 and 11265.3, shall be exempt from the
6 calculation of the income of the family for purposes of subdivision
7 (a) of Section 11450:

8 (1) If disability-based unearned income does not exceed two
9 hundred twenty-five dollars (\$225), both of the following amounts:

10 (A) All disability-based unearned income, plus any amount of
11 not otherwise exempt earned income not in excess of the lesser of
12 the following:

13 (i) One hundred twelve dollars (\$112).

14 (ii) The amount of the difference between the amount of
15 disability-based unearned income and two hundred twenty-five
16 dollars (\$225).

17 (B) Fifty percent of all not otherwise exempt earned income in
18 excess of the amount applied to meet the differential applied in
19 subparagraph (A).

20 (2) If disability-based unearned income exceeds two hundred
21 twenty-five dollars (\$225), both of the following amounts:

22 (A) All of the first two hundred twenty-five dollars (\$225) in
23 disability-based unearned income.

24 (B) Fifty percent of all earned income.

25 (b) For purposes of this section:

26 (1) Earned income means gross income received as wages,
27 salary, employer provided sick leave benefits, commissions, or
28 profits from activities such as a business enterprise or farming in
29 which the recipient is engaged as a self-employed individual or
30 as an employee.

31 (2) Disability-based unearned income means state disability
32 insurance benefits, private disability insurance benefits, temporary
33 workers' compensation benefits, and social security disability
34 benefits.

35 (3) Unearned income means any income not described in
36 paragraph (1) or (2).

37 (c) This section shall become operative on the first day of the
38 first month following 90 days after the effective date of the act that
39 added this section, or June 1, 2011, whichever is later.

1 *SEC. 26. Section 11454 of the Welfare and Institutions Code,*
2 *as amended by Section 5 of Chapter 8 of the Fourth Extraordinary*
3 *Session of the Statutes of 2009, is amended to read:*

4 11454. (a) A parent or caretaker relative shall not be eligible
5 for aid under this chapter when he or she has received aid under
6 this chapter ~~or for a cumulative total of 48 months, or when he or~~
7 ~~she has received aid~~ from any state under the Temporary
8 Assistance for Needy Families program (Part A (commencing with
9 Section 401) of Title IV of the federal Social Security Act (42
10 U.S.C. Sec. 601 et seq.) ~~seq.~~) for a cumulative total of 60 months.

11 ~~(b) No month in which aid has been received prior to January~~
12 ~~1, 1998, shall be taken into consideration in computing the~~
13 ~~60-month limitation provided for in subdivision (a).~~

14 ~~(b) (1) Except as otherwise specified in subdivision (c), Section~~
15 ~~11454.5, or other provisions of law, all months of aid received~~
16 ~~under this chapter from January 1, 1998, to the operative date of~~
17 ~~this section, inclusive, shall be applied to the 48-month time limit~~
18 ~~described in subdivision (a).~~

19 ~~(2) All months of aid received from September 1, 1996, to the~~
20 ~~operative date of this section, inclusive, in any state pursuant to~~
21 ~~the Temporary Assistance for Needy Families program (Part A~~
22 ~~(commencing with Section 401) of Title IV of the federal Social~~
23 ~~Security Act (42 U.S.C. Sec. 601 et seq.)), shall be applied to the~~
24 ~~60-month time limit described in subdivision (a).~~

25 (c) Subdivision (a) and paragraph (1) of subdivision (b) shall
26 not be applicable when all ~~parent~~ parents or caretaker relatives of
27 the aided child who are living in the home of the child meet any
28 of the following requirements:

29 (1) They are 60 years of age or older.

30 (2) They meet one of the conditions specified in paragraph (4)
31 or (5) of subdivision (b) of Section 11320.3.

32 (3) They are not included in the assistance unit.

33 (4) They are receiving benefits under Section 12200 or Section
34 12300, State Disability Insurance benefits or Workers'
35 Compensation Temporary Disability Insurance, if the disability
36 significantly impairs the recipient's ability to be regularly employed
37 or participate in welfare-to-work activities.

38 (5) They are incapable of maintaining employment or
39 participating in welfare-to-work activities, as determined by the
40 county, based on the assessment of the individual and the individual

1 has a history of participation and full cooperation in
2 welfare-to-work activities.

3 ~~(d) This section shall remain in effect only until July 1, 2011,
4 and as of that date is repealed.~~

5 *SEC. 27. Section 11454 of the Welfare and Institutions Code,
6 as added by Section 6 of Chapter 8 of the Fourth Extraordinary
7 Session of the Statutes of 2009, is repealed.*

8 ~~11454. (a) A parent or caretaker relative shall not be eligible
9 for aid under this chapter when he or she has received aid under
10 this chapter or from any state under the Temporary Assistance for
11 Needy Families program (Part A (commencing with Section 401)
12 of Title IV of the federal Social Security Act (42 U.S.C. Sec. 601
13 et seq.) for a cumulative total of 60 months.~~

14 ~~(b) No month in which aid has been received prior to January
15 1, 1998, shall be taken into consideration in computing the
16 60-month limitation provided for in subdivision (a), or the
17 48-month limitation provided for in subdivision (c).~~

18 ~~(c) Subdivision (a) shall not be applicable when all parent or
19 caretaker relatives of the aided child who are living in the home
20 of the child meet any of the following requirements:~~

21 ~~(1) They are 60 years of age or older.~~

22 ~~(2) They meet one of the conditions specified in paragraph (4)
23 or (5) of subdivision (b) of Section 11320.3.~~

24 ~~(3) They are not included in the assistance unit.~~

25 ~~(4) They are receiving benefits under Section 12200 or Section
26 12300, State Disability Insurance benefits or Workers'
27 Compensation Temporary Disability Insurance, if the disability
28 significantly impairs the recipient's ability to be regularly employed
29 or participate in welfare-to-work activities.~~

30 ~~(5) They are incapable of maintaining employment or
31 participating in welfare-to-work activities, as determined by the
32 county, based on the assessment of the individual and the individual
33 has a history of participation and full cooperation in
34 welfare-to-work activities.~~

35 ~~(d) A month in which an individual is under sanction for
36 noncompliance pursuant to Section 11327.5 shall be taken into
37 consideration in computing the 60-month time limit on receipt of
38 cash assistance pursuant to subdivision (a), but shall not be counted
39 for purposes of the receipt of welfare-to-work services pursuant
40 to Section 11320.~~

1 ~~(e) The 60-month benefit limit provided for in subdivision (a)~~
 2 ~~shall apply, except that aid may not be received for more than 48~~
 3 ~~cumulative months in any 60-month period. The adult may return~~
 4 ~~to the assistance unit 12 months after receiving aid for the 48~~
 5 ~~cumulative months. In the absence of a sanction pursuant to Section~~
 6 ~~11327.5, the full grant shall be restored at the time the adult returns~~
 7 ~~to the assistance unit.~~

8 ~~(f) This section shall become operative on July 1, 2011.~~

9 ~~(g) Counties shall notify families of the reduction in time~~
 10 ~~limitations specified in this section, within a reasonable time~~
 11 ~~following the effective date of this section.~~

12 *SEC. 28. Section 11454.2 is added to the Welfare and*
 13 *Institutions Code, to read:*

14 *11454.2. For purposes of making the transition to the*
 15 *requirements of the act that added this section, county welfare*
 16 *departments shall provide any assistance unit that includes a*
 17 *member who will reach the 48-month time limit described in*
 18 *subdivision (a) of Section 11454 before January 1, 2012, and any*
 19 *assistance unit that will receive a grant reduction pursuant to*
 20 *Section 11450.025 before January 1, 2012, a notice of action 30*
 21 *days prior to the date upon which the grant of the assistance unit*
 22 *will be reduced. This notice shall include a statement of the rights*
 23 *granted pursuant to Chapter 7 (commencing with Section 10950)*
 24 *of Part 2.*

25 *SEC. 29. Section 11454.5 of the Welfare and Institutions Code*
 26 *is amended to read:*

27 *11454.5. (a) Any month in which the following conditions*
 28 *exist shall not be counted as a month of receipt of aid for the*
 29 *purposes of subdivision (a) of, and paragraph (1) of subdivision*
 30 *(b) of, Section 11454:*

31 *(1) The recipient is exempt from participation under Article 3.2*
 32 *(commencing with Section 11320) due to disability, or advanced*
 33 *age in accordance with paragraph (3) of subdivision (b) of Section*
 34 *11320.3, or due to caretaking responsibilities that impair the*
 35 *recipient's ability to be regularly employed, in accordance with*
 36 *paragraph (4) or (5) of subdivision (b) of Section 11320.3.*

37 *(2) The recipient is eligible for, participating in, or exempt from,*
 38 *the Cal-Learn Program provided for pursuant to Article 3.5*
 39 *(commencing with Section 11331), for any period during which*
 40 *the Cal-Learn Program is operative, is participating in another*

1 teen parent program approved by the department, or, on or after
2 January 1, 2012, is a nonminor dependent under the supervision
3 of the county welfare or probation department who is placed in an
4 approved relative's home and is eligible for aid under this section
5 because he or she satisfies the conditions described in Section
6 11403.

7 (3) The cost of the cash aid provided to the recipient for the
8 month is fully reimbursed by child support, whether collected in
9 that month or any subsequent month.

10 (4) The family is a former recipient of cash aid under this chapter
11 and currently receives only child care, case management, or
12 supportive services pursuant to Section 11323.2 or Article 15.5
13 (commencing with Section 8350) of Chapter 2 of Part 6 of the
14 Education Code.

15 (5) To the extent provided by federal law, the recipient lived in
16 Indian country, as defined by federal law, or an Alaskan native
17 village in which at least 50 percent of the adults living in the Indian
18 country or in the village are not employed.

19 (6) The recipient has been excused from participation for good
20 cause pursuant to paragraph (1) of subdivision (f) of Section
21 11320.3. This paragraph shall become inoperative on July 1, ~~2011~~
22 2012.

23 (7) The recipient is exempt from participation due to caretaking
24 responsibilities that impair the recipient's ability to be regularly
25 employed, or is otherwise exempt, in accordance with paragraph
26 (7) of subdivision (b) of Section 11320.3. This paragraph shall
27 become inoperative on July 1, ~~2011~~ 2012.

28 (b) In cases where a lump-sum diversion payment is provided
29 in lieu of cash aid under Section 11266.5, the month in which the
30 payment is made or the months calculated pursuant to subdivision
31 (f) of Section 11266.5 shall count against the limits specified in
32 Section 11454.

33 *SEC. 30. Section 11487 of the Welfare and Institutions Code*
34 *is amended to read:*

35 ~~11487. Except as provided in Section 11457, whenever~~
36 ~~11487. (a) Whenever any aid under this chapter is repaid to a~~
37 ~~county or recovered by a county the state, the state shall be entitled~~
38 ~~to a share of the amount received or recovered, proportionate to~~
39 ~~the amount of state funds paid, and, if funds except to the extent~~
40 ~~that county and federal funds were expended. If funds advanced~~

1 by the federal government were paid, the federal government shall
 2 be entitled to a share of the amount received or recovered,
 3 proportionate to the amount of federal funds paid. *Except as*
 4 *provided in subdivision (b), if funds were paid by a county, the*
 5 *county shall be entitled to a share of the amount received or*
 6 *recovered, proportionate to the amount of county funds paid.*

7 (b) *For the 2011–12 fiscal year, the county share of funds*
 8 *received or recovered pursuant to subdivision (a) shall instead be*
 9 *suspended and these funds shall be retained by the state.*

10 SEC. 31. *Section 12200.03 is added to the Welfare and*
 11 *Institutions Code, to read:*

12 12200.03. (a) *Notwithstanding any other law, and subject to*
 13 *subdivision (b), on the first day of the first month following 90*
 14 *days after the effective date of the act that adds this section, the*
 15 *maximum aid payment for an individual, as specified in Section*
 16 *12200, except subdivisions (e), (g), and (h) of that section, shall*
 17 *be reduced to equal the minimum amount required by the federal*
 18 *Social Security Act in order to maintain eligibility for federal*
 19 *funding under Title XIX of the federal Social Security Act,*
 20 *contained in Subchapter 19 (commencing with Section 1396) of*
 21 *Chapter 7 of Title 42 of the United States Code.*

22 (b) *Notwithstanding subdivision (a), in no event shall the*
 23 *payment schedules be reduced below the level of the state's March*
 24 *1983 payment standards, as adjusted by the federal Social Security*
 25 *Administration pursuant to Section 416.2096(b) of Title 20 of the*
 26 *Code of Federal Regulations.*

27 SEC. 31.1. *Section 12301.03 of the Welfare and Institutions*
 28 *Code is repealed.*

29 ~~12301.03. (a) Notwithstanding any other provision of law,~~
 30 ~~effective October 1, 1992, and for the remainder of the 1992–93~~
 31 ~~fiscal year, unless additional funds become available earlier for~~
 32 ~~HSS from the personal care option, the department shall~~
 33 ~~implement a 12 percent reduction in hours of service to each~~
 34 ~~recipient of services under this article. For those recipients who~~
 35 ~~have a documented unmet need because of the limitations contained~~
 36 ~~in Section 12303.4, this reduction shall be applied first to the unmet~~
 37 ~~need before being applied to the hours to be authorized. If the~~
 38 ~~recipient believes he or she will be at serious risk of out-of-home~~
 39 ~~placement as a consequence of the reduction, the recipient may~~
 40 ~~apply for a restoration of reduction pursuant to Section 12301.05.~~

1 ~~(b) It is the intent of the Legislature to encourage counties, to~~
2 ~~the extent possible, to achieve reductions in a manner that least~~
3 ~~disrupts the continuity of services to recipients. Counties are further~~
4 ~~encouraged, to the extent possible, to assist recipients in locating~~
5 ~~supplemental services, such as congregate or home-delivered~~
6 ~~meals, and to assist providers in obtaining additional hours of~~
7 ~~employment to mitigate the impact of reductions upon them.~~

8 ~~(c) Notice of the reduction required by subdivision (a) shall be~~
9 ~~provided to each recipient and shall include the following~~
10 ~~information:~~

11 ~~(1) The amount of hours the recipient received prior to the~~
12 ~~reduction and the amount of hours the recipient is to receive as a~~
13 ~~result of the reduction.~~

14 ~~(2) The reason for the reduction.~~

15 ~~(3) A statement that the reduction shall be effective through~~
16 ~~June 30, 1993, unless additional funds become available earlier~~
17 ~~for IHSS as a result of provision of Personal Care services.~~

18 ~~(4) How all or part of the reduction may be restored as set forth~~
19 ~~in Section 12301.05 if the recipient believes he or she will be at~~
20 ~~serious risk of out-of-home placement as a consequence of the~~
21 ~~reduction.~~

22 ~~(d) Notice of the reduction shall be provided to providers as~~
23 ~~expeditiously as possible by the Controller, in consultation with~~
24 ~~the department.~~

25 ~~(e) Notwithstanding Section 11004, in any proceeding pursuant~~
26 ~~to Section 10950 where it has been determined that the sole issue~~
27 ~~was the reduction required by this section, any aid paid pending~~
28 ~~the hearing shall be recoverable as an overpayment.~~

29 *SEC. 31.2. Section 12301.03 is added to the Welfare and*
30 *Institutions Code, to read:*

31 *12301.03. (a) (1) Notwithstanding any other provision of law,*
32 *if the Department of Finance determines that a reduction in*
33 *authorized hours of service is necessary, pursuant to subdivision*
34 *(d) of Section 14132.957, the department shall implement a*
35 *reduction in authorized hours of service to each in-home supportive*
36 *services recipient as specified in this section, which shall be*
37 *applied to the recipient's hours as authorized pursuant to his or*
38 *her most recent assessment.*

39 *(2) The reduction required by this section shall not preclude*
40 *any reassessment to which a recipient would otherwise be entitled.*

1 *However, hours authorized pursuant to a reassessment shall be*
2 *subject to the reduction required by this section.*

3 (3) *For those recipients who have a documented unmet need,*
4 *excluding protective supervision, because of the limitations*
5 *contained in Section 12303.4, this reduction shall be applied first*
6 *to the unmet need before being applied to the authorized hours. If*
7 *the recipient believes he or she will be at serious risk of*
8 *out-of-home placement as a consequence of the reduction, the*
9 *recipient may apply for a restoration of the reduction of authorized*
10 *service hours, pursuant to Section 12301.05.*

11 (4) *A recipient of services under this article may direct the*
12 *manner in which the reduction of hours is applied to the recipient's*
13 *previously authorized services.*

14 (b) *The department shall work with the counties to develop a*
15 *process to allow for counties to preapprove IHSS Care*
16 *Supplements described in Section 12301.05, to the extent that the*
17 *process is permissible under federal law. The preapproval process*
18 *shall be subject to the following conditions:*

19 (1) *The preapproval process shall rely on the criteria for*
20 *assessing IHSS Supplemental Care applications, developed*
21 *pursuant to Section 12301.05.*

22 (2) *Preapproval shall be granted only to individuals who would*
23 *otherwise be granted a full restoration of their hours pursuant to*
24 *Section 12301.05.*

25 (3) *With respect to existing recipients as of the effective date of*
26 *this section, all efforts shall be made to ensure that counties*
27 *complete the process on or before a specific date, as determined*
28 *by the department, in consultation with counties in order to allow*
29 *for the production, printing, and mailing of notices to be issued*
30 *to remaining recipients who are not granted preapproval and who*
31 *thereby are subject to the reduction pursuant to this section.*

32 (4) *The department shall work with counties to determine how*
33 *to apply a preapproval process with respect to new applicants to*
34 *the IHSS program who apply after the effective date of this section.*

35 (c) *The notice of action informing each recipient who is not*
36 *preapproved for an IHSS Care Supplement pursuant to subdivision*
37 *(b) shall be mailed at least 15 days prior to the reduction going*
38 *into effect. The notice of action shall be understandable to the*
39 *recipient and translated into all languages spoken by a substantial*
40 *number of the public served by the In-Home Supportive Services*

1 program, in accordance with Section 7295.2 of the Government
2 Code. The notice shall not contain any recipient financial or
3 confidential identifying information other than the recipient's
4 name, address, and Case Management Information and Payroll
5 System (CMIPS) client identification number, and shall include,
6 but not be limited to, all of the following information:

7 (1) The aggregate number of authorized hours before the
8 reduction pursuant to subdivision (a) and the aggregate number
9 of authorized hours after the reduction.

10 (2) That the recipient may direct the manner in which the
11 reduction of authorized hours is applied to the recipient's
12 previously authorized services.

13 (3) How all or part of the reduction may be restored, as set forth
14 in Section 12301.05, if the recipient believes he or she will be at
15 serious risk of out-of-home placement as a consequence of the
16 reduction.

17 (d) The department shall inform providers of any reduction to
18 recipient hours through a statement on provider timesheets, after
19 consultation with counties.

20 (e) The IHSS Care Supplement application process described
21 in Section 12301.05 shall be completed before a request for a state
22 hearing is submitted. If the IHSS Care Supplement application is
23 filed within 15 days of the notice of action required by subdivision
24 (c), or before the effective date of the reduction, the recipient shall
25 be eligible for aid paid pending. A revised notice of action shall
26 be issued by the county following evaluation of the IHSS Care
27 Supplement application.

28 (f) (1) Notwithstanding the rulemaking provisions of the
29 Administrative Procedure Act (Chapter 3.5 (commencing with
30 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
31 Code), the department may implement and administer this section
32 through all-county letters or similar instruction from the
33 department until regulations are adopted. The department shall
34 adopt emergency regulations implementing this section no later
35 than October 1, 2013. The department may readopt any emergency
36 regulation authorized by this section that is the same as or
37 substantially equivalent to an emergency regulation previously
38 adopted under this section.

39 (2) The initial adoption of emergency regulations implementing
40 this section and the one readoption of emergency regulations

1 authorized by this subdivision shall be deemed an emergency and
2 necessary for the immediate preservation of the public peace,
3 health, safety, or general welfare. Initial emergency regulations
4 and the one readoption of emergency regulations authorized by
5 this section shall be exempt from review by the Office of
6 Administrative Law. The initial emergency regulations and the
7 one readoption of emergency regulations authorized by this section
8 shall be submitted to the Office of Administrative Law for filing
9 with the Secretary of State and each shall remain in effect for no
10 more than 180 days, by which time final regulations may be
11 adopted.

12 (g) This section shall become operative on the first day of the
13 first month following 90 days after the effective date of the act that
14 added this section, or October 1, 2012, whichever is later.

15 SEC. 31.3. Section 12301.05 of the Welfare and Institutions
16 Code is repealed.

17 ~~12301.05. Any aged, blind, or disabled individual who is~~
18 ~~eligible for services under this chapter who has had his or her~~
19 ~~services reduced under subdivision (a) of Section 12301.03 but~~
20 ~~who believes he or she is at serious risk of out-of-home placement~~
21 ~~unless all or part of the reduction is restored may apply for an IHSS~~
22 ~~care supplement. Where there is such an application within 10~~
23 ~~days of receiving the reduction notice or prior to the~~
24 ~~implementation of the reduction, the IHSS shall continue until the~~
25 ~~county finds that the recipient does or does not require restoration~~
26 ~~of any hours through the IHSS care supplement. If the recipient~~
27 ~~disagrees with the county's determination concerning the need for~~
28 ~~the IHSS care supplement, the recipient may request a hearing on~~
29 ~~that determination. However, there will be no aid paid pending in~~
30 ~~that case.~~

31 ~~(b) For purposes of subdivision (a), an individual is in serious~~
32 ~~risk of out-of-home placement only if (1) the individual meets the~~
33 ~~criteria for long-term care services as set forth in the Manual of~~
34 ~~Criteria for Medi-Cal Authorization published by the State~~
35 ~~Department of Health Services (January 1, 1982, last amended~~
36 ~~September, 1991), or (2) the individual cannot summon emergency~~
37 ~~assistance.~~

38 ~~(c) The county shall give a high priority to prompt screening of~~
39 ~~these persons to determine their need for IHSS Care Supplement.~~

1 *SEC. 31.4. Section 12301.05 is added to the Welfare and*
2 *Institutions Code, to read:*

3 *12301.05. (a) Any aged, blind, or disabled individual who is*
4 *eligible for services under this chapter who receives a notice of*
5 *action indicating that his or her services will be reduced under*
6 *subdivision (a) of Section 12301.03 but who believes he or she is*
7 *at serious risk of out-of-home placement unless all or part of the*
8 *reduction is restored may submit an IHSS Care Supplement*
9 *application. When a recipient submits an IHSS Care Supplement*
10 *application within 15 days of receiving the reduction notice or*
11 *prior to the implementation of the reduction, the recipient's*
12 *in-home supportive services shall continue at the level authorized*
13 *by the most recent assessment, prior to any reduction, until the*
14 *county finds that the recipient does or does not require restoration*
15 *of any hours through the IHSS Care Supplement. If the recipient*
16 *disagrees with the county's determination concerning the need for*
17 *the IHSS Care Supplement, the recipient may request a hearing*
18 *on that determination.*

19 *(b) The department shall develop an assessment tool, in*
20 *consultation with stakeholders, to be used by the counties to*
21 *determine if a recipient is at serious risk of out-of-home placement*
22 *as a consequence of the reduction of services pursuant to section*
23 *12301.03. The assessment tool shall be developed utilizing standard*
24 *of care criteria for relevant out-of-home placements that serve*
25 *individuals who are aged, blind, or who have disabilities and who*
26 *would qualify for IHSS if living at home, including, but not limited*
27 *to, criteria set forth in Chapter 7.0 of the Manual of Criteria for*
28 *Medi-Cal Authorization published by the State Department of*
29 *Health Care Services, as amended April 15, 2004, and the IHSS*
30 *uniform assessment guidelines.*

31 *(c) Counties shall give a high priority to prompt screening of*
32 *persons specified in this section to determine their need for an*
33 *IHSS Care Supplement.*

34 *(d) (1) Notwithstanding the rulemaking provisions of the*
35 *Administrative Procedure Act (Chapter 3.5 (commencing with*
36 *Section 11340) of Part 1 of Division 3 of Title 2 of the Government*
37 *Code), the department may implement and administer this section*
38 *through all-county letters or similar instruction from the*
39 *department until regulations are adopted. The department shall*
40 *adopt emergency regulations implementing this section no later*

1 *than October 1, 2013. The department may readopt any emergency*
2 *regulation authorized by this section that is the same as or*
3 *substantially equivalent to an emergency regulation previously*
4 *adopted under this section.*

5 *(2) The initial adoption of emergency regulations implementing*
6 *this section and the one readoption of emergency regulations*
7 *authorized by this subdivision shall be deemed an emergency and*
8 *necessary for the immediate preservation of the public peace,*
9 *health, safety, or general welfare. Initial emergency regulations*
10 *and the one readoption of emergency regulations authorized by*
11 *this section shall be exempt from review by the Office of*
12 *Administrative Law. The initial emergency regulations and the*
13 *one readoption of emergency regulations authorized by this section*
14 *shall be submitted to the Office of Administrative Law for filing*
15 *with the Secretary of State, and each shall remain in effect for no*
16 *more than 180 days, by which time final regulations may be*
17 *adopted.*

18 *(e) If the Director of Health Care Services determines that*
19 *federal approval is needed to implement this section, this section*
20 *shall not be implemented until after any state plan amendments,*
21 *pursuant to Section 14132.95, are received.*

22 *(f) This section shall become operative on the first day of the*
23 *first month following 90 days after the effective date of the act that*
24 *added this section, or October 1, 2012, whichever is later.*

25 *SEC. 32. Section 12301.3 of the Welfare and Institutions Code*
26 *is amended to read:*

27 *12301.3. (a) Each county—shall may appoint an in-home*
28 *supportive services advisory committee that shall be comprised*
29 *of not more than 11 individuals. No less than 50 percent of the*
30 *membership of the advisory committee shall be individuals who*
31 *are current or past users of personal assistance services paid for*
32 *through public or private funds or as recipients of services under*
33 *this article.*

34 *(1) (A) In counties with fewer than 500 recipients of services*
35 *provided pursuant to this article or Section 14132.95, at least one*
36 *member of the advisory committee shall be a current or former*
37 *provider of in-home supportive services.*

38 *(B) In counties with 500 or more recipients of services provided*
39 *pursuant to this article or Section 14132.95, at least two members*

1 of the advisory committee shall be a current or former provider of
2 in-home supportive services.

3 (2) Individuals who represent organizations that advocate for
4 people with disabilities or seniors may be appointed to committees
5 under this section.

6 (3) Individuals from community-based organizations that
7 advocate on behalf of home care employees may be appointed to
8 committees under this section.

9 (4) A county board of supervisors shall not appoint more than
10 one county employee as a member of the advisory committee, but
11 may designate any county employee to provide ongoing advice
12 and support to the advisory committee.

13 (b) Prior to the appointment of members to a committee ~~required~~
14 *authorized* by subdivision (a), the county board of supervisors
15 shall solicit recommendations for qualified members through a
16 fair and open process that includes the provision of reasonable
17 written notice to, and reasonable response time by, members of
18 the general public and interested persons and organizations.

19 (c) The advisory committee shall submit recommendations to
20 the county board of supervisors on the preferred mode or modes
21 of service to be utilized in the county for in-home supportive
22 services.

23 (d) Any county that has established a governing body, as
24 provided in subdivision (b) of Section 12301.6, prior to July 1,
25 2000, shall not be required to comply with the composition
26 requirements of subdivision (a) and shall be deemed to be in
27 compliance with this section.

28 *SEC. 33. Section 12301.4 of the Welfare and Institutions Code*
29 *is amended to read:*

30 12301.4. ~~(a)~~—Each advisory committee established pursuant
31 to Section 12301.3 or 12301.6 shall provide ongoing advice and
32 recommendations regarding in-home supportive services to the
33 county board of supervisors, any administrative body in the county
34 that is related to the delivery and administration of in-home
35 supportive services, and the governing body and administrative
36 agency of the public authority, nonprofit consortium, contractor,
37 and public employees.

38 ~~(b) Each county shall be eligible to receive state reimbursements~~
39 ~~of administrative costs for only one advisory committee and shall~~

1 ~~comply with the requirements of subdivision (c) of Section~~
2 ~~12302.25.~~

3 *SEC. 34. Section 12302.25 of the Welfare and Institutions Code*
4 *is amended to read:*

5 12302.25. (a) On or before January 1, 2003, each county shall
6 act as, or establish, an employer for in-home supportive service
7 providers under Section 12302.2 for the purposes of Chapter 10
8 (commencing with Section 3500) of Division 4 of Title 1 of the
9 Government Code and other applicable state or federal laws. Each
10 county may utilize a public authority or nonprofit consortium as
11 authorized under Section 12301.6, the contract mode as authorized
12 under Sections 12302 and 12302.1, county administration of the
13 individual provider mode as authorized under Sections 12302 and
14 12302.2 for purposes of acting as, or providing, an employer under
15 Chapter 10 (commencing with Section 3500) of Division 4 of Title
16 1 of the Government Code, county civil service personnel as
17 authorized under Section 12302, or mixed modes of service
18 authorized pursuant to this article and may establish regional
19 agreements in establishing an employer for purposes of this
20 subdivision for providers of in-home supportive services. Within
21 30 days of the effective date of this section, the department shall
22 develop a timetable for implementation of this subdivision to
23 ensure orderly compliance by counties. Recipients of in-home
24 supportive services shall retain the right to choose the individuals
25 that provide their care and to recruit, select, train, reject, or change
26 any provider under the contract mode or to hire, fire, train, and
27 supervise any provider under any other mode of service. Upon
28 request of a recipient, and in addition to a county's selected method
29 of establishing an employer for in-home supportive service
30 providers pursuant to this subdivision, counties with an IHSS
31 caseload of more than 500 shall be required to offer an individual
32 provider employer option.

33 (b) Nothing in this section shall prohibit any negotiations or
34 agreement regarding collective bargaining or any wage and benefit
35 enhancements.

36 (c) Nothing in this section shall be construed to affect the state's
37 responsibility with respect to the state payroll system,
38 unemployment insurance, or workers' compensation and other
39 provisions of Section 12302.2 for providers of in-home supportive
40 services.

1 (d) Prior to implementing subdivision (a), a county ~~shall~~ *may*
2 establish an advisory committee as ~~required~~ *authorized* by Section
3 12301.3 and solicit recommendations from the advisory committee
4 on the preferred mode or modes of service to be utilized in the
5 county for in-home supportive services.

6 (e) ~~Each~~ *If a county shall take into account the advice and*
7 ~~recommendations of the~~ *establishes an* in-home supportive services
8 advisory committee, ~~as established~~ pursuant to Section 12301.3,
9 *the county shall take into account the advice and recommendations*
10 *of the committee* prior to making policy and funding decisions
11 about the program on an ongoing basis.

12 (f) In implementing and administering this section, no county,
13 public authority, nonprofit consortium, contractor, or a combination
14 thereof, that delivers in-home supportive services shall reduce the
15 hours of service for any recipient below the amount determined
16 to be necessary under the uniform assessment guidelines
17 established by the department.

18 (g) Any agreement between a county and an entity acting as an
19 employer under subdivision (a) shall include a provision that
20 requires that funds appropriated by the state for wage increases
21 for in-home supportive services providers be used exclusively for
22 that purpose. Counties or the state may undertake audits of the
23 entities acting as employers under the terms of subdivision (a) to
24 verify compliance with this subdivision.

25 (h) On or before January 15, 2003, each county shall provide
26 the department with documentation that demonstrates compliance
27 with the January 1, 2003, deadline specified in subdivision (a).
28 The documentation shall include, but is not limited to, any of the
29 following:

30 (1) The public authority ordinance and employee relations
31 procedures.

32 (2) The invitations to bid and requests for proposal for contract
33 services for the contract mode.

34 (3) An invitation to bid and request for proposal for the operation
35 of a nonprofit consortium.

36 (4) A county board of supervisors' resolution resolving that the
37 county has chosen to act as the employer required by subdivision
38 (a) either by utilizing county employees, as authorized by Section
39 12302, to provide in-home supportive services or through county
40 administration of individual providers.

1 (5) Any combination of the documentation required under
 2 paragraphs (1) to (4), inclusive, that reflects the decision of a
 3 county to provide mixed modes of service as authorized under
 4 subdivision (a).

5 (i) Any county that is unable to provide the documentation
 6 required by subdivision (h) by January 15, 2003, may provide, on
 7 or before that date, a written notice to the department that does all
 8 of the following:

9 (1) Explains the county’s failure to provide the required
 10 documentation.

11 (2) Describes the county’s plan for coming into compliance
 12 with the requirements of this section.

13 (3) Includes a timetable for the county to come into compliance
 14 with this section, but in no case shall the timetable extend beyond
 15 March 31, 2003.

16 (j) Any county that fails to provide the documentation required
 17 by subdivision (h) and also fails to provide the written notice as
 18 allowed under subdivision (i), shall be deemed by operation of
 19 law to be the employer of IHSS individual providers for purposes
 20 of Chapter 10 (commencing with Section 3500) of Division 4 of
 21 Title 1 of the Government Code as of January 15, 2003.

22 (k) Any county that provides a written notice as allowed under
 23 subdivision (i), but fails to provide the documentation required
 24 under subdivision (h) by March 31, 2003, shall be deemed by
 25 operation of law to be the employer of IHSS individual providers
 26 for purposes of Chapter 10 (commencing with Section 3500) of
 27 Division 4 of Title 1 of the Government Code as of April 1, 2003.

28 (l) Any county deemed by operation of law, pursuant to
 29 subdivision (j) or (k), to be the employer of IHSS individual
 30 providers for purposes of Chapter 10 (commencing with Section
 31 3500) of Division 4 of Title 1 of the Government Code shall
 32 continue to act in that capacity until the county notifies the
 33 department that it has established another employer as permitted
 34 by this section, and has provided the department with the
 35 documentation required under subdivision (h) demonstrating the
 36 change.

37 ~~(m) Section 10605 may be applied in each county that has not~~
 38 ~~complied with this section by January 1, 2003.~~

39 *SEC. 35. Section 12309.1 is added to the Welfare and*
 40 *Institutions Code, to read:*

1 12309.1. (a) As a condition of receiving services under this
2 article, or Section 14132.95 or 14132.952, an applicant for or
3 recipient of services shall obtain a certification from a licensed
4 health care professional, including, but not limited to, a physician,
5 physician assistant, regional center clinician or clinician
6 supervisor, occupational therapist, physical therapist, psychiatrist,
7 psychologist, optometrist, ophthalmologist, or public health nurse,
8 declaring that the applicant or recipient is unable to perform some
9 activities of daily living independently, and that without services
10 to assist him or her with activities of daily living, the applicant or
11 recipient is at risk of placement in out-of-home care.

12 (1) For purposes of this section, a licensed health care
13 professional means an individual licensed in California by the
14 appropriate California regulatory agency, acting within the scope
15 of his or her license or certificate as defined in the Business and
16 Professions Code.

17 (2) Except as provided in subparagraph (A) or (B) or subdivision
18 (c), the certification shall be received prior to service
19 authorization, and services shall not be authorized in the absence
20 of the certification.

21 (A) Services may be authorized prior to receipt of the
22 certification when the services have been requested on behalf of
23 an individual being discharged from a hospital or nursing home
24 and services are needed to enable the individual to return safely
25 to their home or into the community.

26 (B) Services may be authorized prior to receipt of the
27 certification when the deterioration of the recipient's health or
28 mental health is likely to result in eviction from home,
29 homelessness, or a hazardous living environment.

30 (3) The county shall consider the certification as one indicator
31 of the need for in-home supportive services, but the certification
32 shall not be the sole determining factor.

33 (4) The health care professional's certification shall include,
34 at a minimum, both of the following:

35 (A) A statement by the professional, as defined in subdivision
36 (a), that the individual is unable to independently perform one or
37 more activities of daily living, and that one or more of the services
38 available under the IHSS program is recommended for the
39 applicant or recipient, in order to prevent the need for out-of-home
40 care.

1 (B) A description of any condition or functional limitation that
2 has resulted in, or contributed to, the applicant's or recipient's
3 need for assistance.

4 (b) The department, in consultation with the State Department
5 of Health Care Services and with stakeholders, including, but not
6 limited to, representatives of program recipients, providers, and
7 counties, shall develop a standard certification form for use in all
8 counties that includes, but is not limited to, all of the conditions
9 in paragraph (4) of subdivision (a). The form shall include a
10 description of the In-Home Supportive Services program and the
11 services the program can provide when authorized after a social
12 worker's assessment of eligibility. The form shall not, however,
13 require health care professionals to certify the applicant's or
14 recipient's need for each individual service.

15 (c) The department, in consultation with the State Department
16 of Health Care Services and stakeholders, as defined in subdivision
17 (b), shall identify alternative documentation that shall be accepted
18 by counties to meet the requirements of this section, including, but
19 not limited to, hospital or nursing facility discharge plans,
20 minimum data set forms, individual program plans, or other
21 documentation that contains the necessary information, consistent
22 with the requirements specified in subdivision (a).

23 (d) The department shall develop a letter for use by counties to
24 inform recipients of the requirements of subdivision (a). The letter
25 shall be understandable to the recipient, and shall be translated
26 into all languages spoken by a substantial number of the public
27 served by the In-Home Supportive Services program, in accordance
28 with Section 7295.2 of the Government Code.

29 (e) This section shall not apply to a recipient who is receiving
30 services in accordance with this article or Section 14132.95 or
31 14132.952 on the operative date of this section until the date of
32 the recipient's first reassessment following the operative date of
33 this section, as provided in subdivision (f).

34 (1) The recipient shall be notified of the certification
35 requirement before or at the time of the reassessment, and shall
36 submit the certification within 45 days following the reassessment
37 in order to continue to be authorized for receipt of services.

38 (2) A county may extend the 45-day period for a recipient to
39 submit the medical certification on a case-by-case basis, if the
40 county determines that good cause for the delay exists.

1 (f) *This section shall become operative on the first day of the*
2 *first month following 90 days after the effective date of the act that*
3 *added this section, or July 1, 2011, whichever is later.*

4 (g) *The State Department of Health Care Services shall provide*
5 *notice to all Medi-Cal managed care plans, directing the plans to*
6 *assess all Medi-Cal recipients applying for or receiving in-home*
7 *supportive services, in order to make the certifications required*
8 *by this section.*

9 (h) *If the Director of Health Care Services determines that a*
10 *Medicaid State Plan amendment is necessary to implement*
11 *subdivision (b) of Section 14132.95, this section shall not be*
12 *implemented until federal approval is received.*

13 SEC. 36. *Section 14132.956 is added to the Welfare and*
14 *Institutions Code, to read:*

15 14132.956. (a) *The department shall assess and determine*
16 *whether it would be cost-efficient for the state to exercise the option*
17 *made available under Section 1915(k) of the federal Social Security*
18 *Act (42 U.S.C. Sec. 1396n(k)). When performing this assessment,*
19 *the department shall collaborate and consult with the State*
20 *Department of Social Services, the State Department of*
21 *Developmental Services, the California Department of Aging, and*
22 *any other state agency that the department believes can assist in*
23 *its determination whether it would be cost efficient for the state to*
24 *exercise this option. If the department determines that it would be*
25 *cost efficient for the state to exercise the federal option, it shall*
26 *seek a Medi-Cal State Plan amendment to provide home- and*
27 *community-based attendant services and supports that include*
28 *assistance with activities of daily living (ADLs), instrumental*
29 *activities of daily living (IADLs), and health-related tasks pursuant*
30 *to Section 1915(k) of the federal Social Security Act (42 U.S.C.*
31 *Sec. 1396n(k)).*

32 (b) *If the department determines that it would be cost efficient*
33 *to exercise the option made available under Section 1915(k) of the*
34 *federal Social Security Act (42 U.S.C. Sec. 1396n(k)), the*
35 *department shall establish a development and implementation*
36 *council that shall include, as a majority of its members, persons*
37 *with disabilities and elderly individuals, and their representatives.*
38 *The department shall consult and collaborate with the council*
39 *when developing and implementing a Medi-Cal State Plan*
40 *amendment to exercise this option.*

1 (c) Services and supports pursuant to this section may be
2 rendered under the administrative direction of other state
3 departments in accordance with the Medi-Cal State Plan
4 amendment and subject to the department's authority as the
5 designated single state agency for the administration or supervision
6 of the administration of the Medi-Cal program.

7 (d) (1) Notwithstanding the Administrative Procedure Act
8 (Chapter 3.5 (commencing with Section 11340) of Part 1 of
9 Division 3 of Title 2 of the Government Code) the department, and
10 any other state department pursuant to subdivision (c), may
11 implement this section through all-county letters or similar
12 instructions from the director, until regulations are adopted.

13 (2) The department, and any other state department rendering
14 services and supports pursuant to subdivision (c), shall adopt
15 emergency regulations implementing this section within 24 months
16 from the date federal approval pursuant to this section is received.
17 The adoption of regulations implementing this section shall be
18 deemed an emergency and necessary for the immediate
19 preservation of the public peace, health, safety, or general welfare.
20 The emergency regulations authorized by this section shall be
21 exempt from review and approval by the Office of Administrative
22 Law. Any emergency regulations authorized by this section shall
23 be submitted to the Office of Administrative Law for filing with
24 the Secretary of State and shall remain in effect for no more than
25 18 months by which time final regulations shall be adopted.

26 SEC. 37. Section 14132.957 is added to the Welfare and
27 Institutions Code, to read:

28 14132.957. (a) (1) It is the intent of the Legislature to adopt
29 measures that will assist individuals who are living in the
30 community to remain within their home environment and avoid
31 unnecessary emergency room usage and hospital and nursing
32 facility admissions due to those individuals not taking medications
33 as prescribed.

34 (2) The Legislature finds and declares that certain seniors,
35 persons with disabilities, and other Medi-Cal recipients are at
36 high risk of not taking medications as prescribed and that measures
37 to assist them in taking prescribed medications will advance the
38 state's objectives to save lives, reduce health care costs, and assist
39 individuals to continue living independently in their homes.

1 (3) *The Legislature has determined that the achievement of*
2 *these objectives will result in a net annual savings of one hundred*
3 *forty million dollars (\$140,000,000) to the General Fund, after*
4 *fully offsetting costs for implementing and administrating the pilot*
5 *project.*

6 (4) *The Legislature therefore authorizes the establishment of*
7 *the Home and Community Based Medication Dispensing Machine*
8 *Pilot Project for utilization of an automated medication dispensing*
9 *machine with associated monitoring and telephonic reporting*
10 *services to assist Medi-Cal recipients with taking prescribed*
11 *medications. All Medi-Cal recipients who participate in the pilot*
12 *project shall do so voluntarily and shall be selected using criteria*
13 *that demonstrates their susceptibility to not taking their*
14 *medications as prescribed without monitoring or assistance.*

15 (b) *On and after the effective date of this section, the department,*
16 *in consultation with the State Department of Social Services, shall*
17 *begin implementation of the pilot project described in subdivision*
18 *(a) and shall do all of the following:*

19 (1) *Establish criteria to identify at-risk Medi-Cal recipients who*
20 *demonstrate susceptibility to not taking medications as prescribed.*
21 *These criteria shall be based on Medi-Cal, In-Home Supportive*
22 *Services program and Medicare data and may include factors such*
23 *as age, disability, multiple prescribed medications, and experience*
24 *with or a high risk of experience with, numerous emergency*
25 *department visits or hospital or nursing facility admissions within*
26 *a specified time period as a result of not taking medications as*
27 *prescribed.*

28 (2) *Identify an at-risk portion of Medi-Cal recipients of a*
29 *sufficient number to achieve the intended savings. Recipients*
30 *identified for this pilot project shall be limited to individuals who*
31 *obtain Medi-Cal benefits through fee for service, who are not*
32 *required to be enrolled on a mandatory basis in a Medi-Cal*
33 *managed care health plan, and who are able to manage the*
34 *medication dispensing machine independently or with the*
35 *assistance of a family member or care provider and have a home*
36 *environment capable of supporting the machine and associated*
37 *telephonic reporting service that includes an active telephone line.*

38 (3) *To the extent necessary, the department shall do all of the*
39 *following:*

1 (A) Select and procure the automated medication dispensing
2 machines, including costs for installation in a participant's home,
3 as well as monitoring and repair services associated with operation
4 of the machines.

5 (B) Provide an in-home, automated medication dispensing
6 machine with telephonic reporting service for monitoring and
7 assisting with taking medication, including installation,
8 maintenance, alerts, training, and supplies at no cost to the
9 recipient.

10 (4) Seek federal funding from the Centers for Medicare and
11 Medicaid Services Innovation Center for the cost of the
12 demonstration and other expenses, and to receive Medicare shared
13 savings realized from the pilot project.

14 (5) Assess the potential for federal financial participation for
15 these machines and any other expenses associated with this pilot
16 project as well as receipt of federal reimbursement for savings
17 accrued to the Medicare program. If the department determines
18 that federal financial participation is available under Title XI or
19 XIX of the federal Social Security Act, the department shall seek
20 a waiver or other federal approval, or submit a Medicaid State
21 Plan Amendment to implement the pilot project.

22 (c) (1) The department shall provide quarterly reports,
23 beginning October 1, 2011, to the Department of Finance and the
24 appropriate fiscal and policy committees of the Legislature,
25 describing the number of recipients participating in the pilot
26 project, the number of medication dispensing machines in use,
27 costs of implementing and administering the pilot project, and any
28 available data regarding medical and pharmacy utilization.

29 (2) The department shall also conduct an evaluation of the pilot
30 project, including effects on service utilization, spending, outcomes,
31 projected savings to the Medi-Cal program and the federal
32 Medicare program, recommendations for improving the pilot
33 project and maximizing savings to the state, and identification of
34 other means of General Fund savings related to improving quality
35 and cost-effectiveness of care, and shall report the evaluation to
36 the appropriate policy and fiscal committees of the Legislature by
37 December 31, 2013.

38 (3) (A) If the Department of Finance determines that the
39 quarterly reports do not demonstrate the ability of the pilot project
40 to achieve at least the estimated net annual savings of one hundred

1 *forty million dollars (\$140,000,000) to the General Fund, after*
2 *fully offsetting implementation and administrative costs, the*
3 *Director of Finance shall notify the Chair of the Senate Committee*
4 *on Budget and Fiscal Review and the Chair of the Assembly*
5 *Committee on Budget of this determination, in writing, by April*
6 *10, 2012. Within 10 days following this notification, the*
7 *Department of Finance shall convene a meeting with legislative*
8 *staff to review the estimates related to its determination.*

9 (B) *Subsequent to the meeting pursuant to subparagraph (A),*
10 *the Department of Finance shall request that the Legislature enact*
11 *legislation on or before July 1, 2012, to either modify the pilot*
12 *project, if necessary, or provide alternative options to achieve the*
13 *balance of the net annual savings of one hundred forty million*
14 *dollars (\$140,000,000) to the General Fund, after fully offsetting*
15 *implementation and administrative costs, or both.*

16 (d) (1) *Notwithstanding any other provision of law, if the*
17 *Department of Finance determines after July 1, 2012, that the*
18 *actions pursuant to subdivisions (b) and (c) will fail to achieve the*
19 *net annual savings of one hundred forty million dollars*
20 *(\$140,000,000) to the General Fund, after fully offsetting*
21 *implementation and administrative costs, the Department of*
22 *Finance shall notify the State Department of Social Services and*
23 *the department, and the State Department of Social Services, in*
24 *consultation with the department, shall implement a reduction in*
25 *authorized hours for in-home supportive services recipients*
26 *beginning October 1, 2012, in accordance with Section 12301.03,*
27 *to achieve a net annual savings of one hundred forty million dollars*
28 *(\$140,000,000) to the General Fund, after fully offsetting*
29 *implementation and administrative costs of the pilot project and*
30 *after taking into account any savings achieved pursuant to*
31 *subdivisions (b) and (c).*

32 (2) *No earlier than 30 days after submission of the evaluation*
33 *required by paragraph (2) of subdivision (c), the Department of*
34 *Finance may adjust the amount of the reduction to meet net annual*
35 *savings of one hundred forty million dollars (\$140,000,000) to the*
36 *General Fund after fully offsetting implementation and*
37 *administrative costs and after taking into account any savings*
38 *achieved pursuant to subdivisions (b) and (c). The calculations*
39 *shall be based on updated data contained in the evaluation.*

1 (e) For the purpose of implementing this section, the director
2 may enter into exclusive or nonexclusive contracts on a bid or
3 negotiated basis, or utilize existing provider enrollment or payment
4 mechanisms. Any contract, contract amendment, or change order
5 entered into for the purpose of implementing this section shall be
6 exempt from Chapter 5.6 (commencing with Section 11545) of
7 Part 1 of Division 3 of Title 2 of the Government Code, the Public
8 Contract Code, and any associated policies, procedures, or
9 regulations under these provisions, and shall be exempt from
10 review or approval by any division of the Department of General
11 Services and the California Technology Agency.

12 (f) Notwithstanding Chapter 3.5 (commencing with Section
13 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
14 the department may implement this section through all-county
15 letters, provider bulletins, or similar instructions, without taking
16 regulatory action.

17 (g) (1) Notwithstanding paragraph (2) of subdivision (c), the
18 department may terminate operation of the pilot project if and to
19 the extent that any of the following events occurs:

20 (A) Funding to implement and administer the pilot project is
21 not appropriated in the 2012–13 fiscal year or annually thereafter.

22 (B) The Director of Finance notifies the Legislature that the
23 pilot project is not projected to achieve a net annual savings or
24 results in an overall increased cost.

25 (C) The pilot project conflicts with one or more provisions of
26 state or federal law necessary to implement the pilot project.

27 (D) The department is unable to obtain from the Medicare
28 program the data necessary to implement this pilot project, and
29 the high-risk Medi-Cal only population is insufficient to conduct
30 the pilot project.

31 (E) The department receives substantiated reports of adverse
32 clinical outcomes indicating that continuing the pilot project poses
33 unacceptable health risks to participants.

34 (2) Termination of the pilot project pursuant to paragraph (1)
35 does not provide the department or the State Department of Social
36 Services with authority to implement a reduction in authorized
37 hours pursuant to Section 12301.03. Any reduction in authorized
38 hours pursuant to Section 12301.03 shall comply with the
39 requirements of subdivision (d).

1 (3) *The department shall notify the appropriate fiscal and policy*
2 *committees of the Legislature 30 days prior to terminating the*
3 *pilot project.*

4 *SEC. 38. Section 14132.97 of the Welfare and Institutions Code*
5 *is amended to read:*

6 14132.97. (a) (1) For purposes of this section, “waiver
7 personal care services” means personal care services authorized
8 by the department for persons who are eligible for either nursing
9 or model nursing facility waiver services. ~~Waiver personal care~~
10 ~~services shall be defined in these respective waivers, shall differ~~
11 ~~in scope from personal care services that may be authorized in~~
12 ~~Section 14132.95, and shall not replace any hours of services~~
13 ~~authorized or that may be authorized under Section 14132.95.~~

14 (2) *Waiver personal care services shall satisfy all of the*
15 *following criteria:*

16 (A) *The services shall be defined in the nursing and model*
17 *nursing facility waivers.*

18 (B) *The services shall differ in scope from services that may be*
19 *authorized under Section 14132.95 or 14132.952.*

20 (C) *The services shall not replace any hours of services*
21 *authorized or that may be authorized under Section 14132.95 or*
22 *14132.952.*

23 (D) *The services shall not replace any hours of service reduced*
24 *under Sections 12301.03 and 12301.06, or any other state law that*
25 *reduces hours of service under Section 14132.95 or 14132.952.*

26 (b) An individual may receive waiver personal care services if
27 all of the following conditions are met:

28 (1) The individual has been approved by the department to
29 receive services in accordance with a waiver approved under
30 Section 1915(c) of the federal Social Security Act (42 U.S.C. Sec.
31 1396n(c)) for persons who would otherwise require care in a
32 nursing facility.

33 (2) The individual has doctor’s orders that specify that he or
34 she requires waiver personal care services in order to remain in
35 his or her own home.

36 (3) The individual chooses, either personally or through a
37 substitute decisionmaker who is recognized under state law for
38 purposes of giving consent for medical treatment, to receive waiver
39 personal care services, as well as medically necessary skilled
40 nursing services, in order to remain in his or her own home.

1 (4) The waiver personal care services and all other waiver
2 services for the individual do not result in costs that exceed the
3 fiscal limit established under the waiver.

4 (c) The department shall notify the administrator of the in-home
5 supportive services program in the county of residence of any
6 individual who meets all requirements of subdivision (b) and has
7 been authorized by the department to receive waiver personal care
8 services. The county of residence shall then do the following:

9 (1) Inform the department of the ~~personal care~~ services that the
10 individual is authorized to receive under Section 14132.95 *or*
11 *14132.952* at the time he or she becomes eligible for waiver
12 personal care services.

13 (2) Determine the individual's eligibility for ~~personal care~~
14 services under Section 14132.95 *or 14132.952* if he or she is not
15 currently authorized to receive those services and if he or she has
16 not been previously determined eligible for those services.

17 (3) Implement the department's authorization for waiver
18 personal care services for the individual at the quantity and scope
19 authorized by the department.

20 (d) (1) Waiver personal care services approved by the
21 department for individuals who meet the requirements of
22 subdivision (b) may be provided in either of the following ways,
23 or a combination of both:

24 (A) By a licensed and certified home health agency participating
25 in the Medi-Cal program.

26 (B) By one or more providers of personal care services under
27 Article 7 (commencing with Section 12300) of Chapter 3 and
28 subdivision (d) of Section 14132.95, when the individual elects,
29 in writing, to utilize these service providers.

30 (2) The department shall approve waiver personal care services
31 for individuals who meet the requirements of subdivision (b) only
32 when the department finds that the individual's receipt of waiver
33 personal care services is necessary in order to enable the individual
34 to be maintained safely in his or her own home and community.

35 (3) When waiver personal care services are provided by a
36 licensed and certified home health agency, the home health agency
37 shall receive payment in the manner by which it would receive
38 payment for any other service approved by the department.

39 (4) When waiver personal care services are provided by one or
40 more providers of personal care services under Article 7

1 (commencing with Section 12300) of Chapter 3 and subdivision
2 (d) of Section 14132.95, the providers shall receive payment on a
3 schedule and in a manner by which providers of personal care
4 services receive payment. The State Department of Social Services
5 shall commence making payments for waiver personal care services
6 when its payment system has been modified to accommodate those
7 payments. No county shall be obligated to administer waiver
8 personal care services until the State Department of Social Services
9 payment system has been modified to accommodate those
10 payments. However, any county or public authority or nonprofit
11 consortium that administers the in-home supportive services
12 program and personal care services program may pay providers
13 for the delivery of waiver personal care services if it chooses to
14 do so. In such a case, the county, public authority, or nonprofit
15 consortium shall be reimbursed by the department for the waiver
16 personal care services authorized by the department and provided
17 to an individual upon submittal of documentation as required by
18 the waiver, and in accordance with the requirements of the
19 department.

20 (e) Waiver personal care services shall not count as alternative
21 resources in a county's determination of the amount of services
22 an individual may receive under Section 14132.95 *or* 14132.952.

23 (f) Any administrative costs to the State Department of Social
24 Services, a county, or a public authority or nonprofit consortium
25 associated with implementing this section shall be considered
26 administrative costs under the waiver and shall be reimbursed by
27 the department.

28 (g) Two hundred fifty thousand dollars (\$250,000) is
29 appropriated from the General Fund to the State Department of
30 Social Services for the 1998–99 fiscal year for the purpose of
31 making changes to the case management, information, and
32 payrolling system that are necessary for the implementation of this
33 section.

34 (h) This section shall not be implemented until the department
35 has obtained federal approval of any necessary amendments to the
36 existing nursing facility and model nursing facility waivers and
37 the state plan under Title 19 of the federal Social Security Act (42
38 U.S.C. Sec. 1396 et seq.). Any amendments to the existing nursing
39 facility and model nursing facility waivers and the state plan which

1 are deemed to be necessary by the director shall be submitted to
2 the federal Health Care Financing Administration by April 1, 1999.

3 (i) The department shall implement this section only to the
4 extent that its implementation results in fiscal neutrality, as required
5 under the terms of the waivers.

6 *SEC. 39. Section 15525 of the Welfare and Institutions Code*
7 *is amended to read:*

8 15525. (a) The State Department of Social Services shall
9 establish a Work Incentive Nutritional Supplement (WINS)
10 program pursuant to this section.

11 (b) Under the WINS program established pursuant to subdivision
12 (a), each county shall provide a forty dollar (\$40) per month
13 additional food assistance benefit for each eligible food stamp
14 household, as defined in subdivision (d).

15 (c) The state shall pay to the counties 100 percent of the cost
16 of WINS benefits, using funds that qualify for the state's
17 maintenance of effort requirements under Section 609(a)(7)(B)(i)
18 of Title 42 of the United States Code.

19 (d) For purposes of this section, an "eligible food stamp
20 household" is a household that meets all of the following criteria:

21 (1) Receives benefits pursuant to Chapter 10 (commencing with
22 Section 18900) of Part 6.

23 (2) Has no household member receiving CalWORKs benefits
24 pursuant to Chapter 2 (commencing with Section 11200).

25 (3) Contains at least one child under 18 years of age, unless the
26 household contains a child who meets the requirements of Section
27 11253.

28 (4) Has at least one parent or caretaker relative determined to
29 be "work eligible" as defined in Section 261.2(n) of Title 45 of
30 the Code of Federal Regulations and Section 607 of Title 42 of
31 the United States Code.

32 (5) Meets the federal work participation hours requirement set
33 forth in Section 607 of Title 42 of the United States Code for
34 subsidized or unsubsidized employment, and provides
35 documentation that the household has met the federal work
36 requirements.

37 (e) (1) In accordance with federal law, federal food stamp
38 benefits (Chapter 10 (commencing with Section 18900) of Part
39 6), federal supplemental security income benefits, state
40 supplemental security program benefits, public social services, as

1 defined in Section 10051, and county aid benefits (Part 5
2 (commencing with Section 17000)), shall not be reduced as a
3 consequence of the receipt of the WINS benefit paid under this
4 chapter.

5 (2) Benefits paid under this chapter shall not count toward the
6 federal 60-month time limit on aid as set forth in Section
7 608(a)(7)(A) of Title 42 of the United States Code. Payment of
8 WINS benefits shall not commence before October 1, ~~2012~~ 2013,
9 and full implementation of the program shall be achieved on or
10 before April 1, ~~2013~~ 2014.

11 (f) (1) Notwithstanding the rulemaking provisions of the
12 Administrative Procedure Act (Chapter 3.5 (commencing with
13 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
14 Code and Section 10554), until emergency regulations are filed
15 with the Secretary of State pursuant to paragraph (2), the State
16 Department of Social Services may implement this section through
17 all-county letters or similar instructions from the director. The
18 director may provide for individual county phase-in of this section
19 to allow for the orderly implementation based upon standards
20 established by the director, including the operational needs and
21 requirements of the counties. Implementation of the automation
22 process changes shall include issuance of an all-county letter or
23 similar instructions to counties by March 1, ~~2012~~ 2013.

24 (2) The department may adopt regulations to implement this
25 chapter. The initial adoption, amendment, or repeal of a regulation
26 authorized by this section is deemed to address an emergency, for
27 purposes of Sections 11346.1 and 11349.6 of the Government
28 Code, and the department is hereby exempted for that purpose
29 from the requirements of subdivision (b) of Section 11346.1 of
30 the Government Code. After the initial adoption, amendment, or
31 repeal of an emergency regulation pursuant to this paragraph, the
32 department may request approval from the Office of Administrative
33 Law to readopt the regulation as an emergency regulation pursuant
34 to Section 11346.1 of the Government Code.

35 (g) (1) The department shall not fully implement this section
36 until the department convenes a workgroup of advocates, legislative
37 staff, county representatives, and other stakeholders to consider
38 the progress of the WINS automation effort in tandem with a
39 pre-assistance employment readiness system (PAERS) program
40 and any other program options that may provide offsetting benefits

1 to the caseload reduction credit in the CalWORKs program. The
2 department shall convene this workgroup on or before December
3 1, ~~2011~~ 2012.

4 (2) A PAERS program shall be considered in light of current
5 and potential federal Temporary Assistance for Needy Families
6 (TANF) statutes and regulations and how other states with
7 pre-assistance or other caseload offset options are responding to
8 federal changes.

9 (3) The consideration of program options shall include, but not
10 necessarily be limited to, the potential impacts on helping clients
11 to obtain self-sufficiency, increasing the federal work participation
12 rate, increasing the caseload reduction credit, requirements and
13 efficiency of county administration, and the well-being of
14 CalWORKs recipients.

15 (4) If the workgroup concludes that adopting a PAERS program
16 or other program option pursuant to this section would, on balance,
17 be favorable for California and its CalWORKs recipients, the
18 department, in consultation with the workgroup, shall prepare a
19 proposal by March 31, ~~2012~~ 2013, for consideration during the
20 regular legislative budget subcommittee process in ~~2012~~ 2013.

21 (5) To meet the requirements of this subdivision, the department
22 may use its TANF reauthorization workgroups.

23 *SEC. 40. Section 17021 of the Welfare and Institutions Code*
24 *is amended to read:*

25 17021. (a) Any individual who is not eligible for aid under
26 Chapter 2 (commencing with Section 11200) of Part 3 as a result
27 of the 48- or 60-month limitation specified in subdivision (a) of
28 Section 11454 shall not be eligible for aid or assistance under this
29 part until all of the children of the individual on whose behalf aid
30 was received, whether or not currently living in the home with the
31 individual, are 18 years of age or older.

32 (b) Any individual who is receiving aid under Chapter 2
33 (commencing with Section 11200) of Part 3 on behalf of an eligible
34 child, but who is either ineligible for aid or whose needs are not
35 otherwise taken into account in determining the amount of aid to
36 the family pursuant to Section 11450 due to the imposition of a
37 sanction or penalty, shall not be eligible for aid or assistance under
38 this part.

39 (c) This section shall not apply to health care benefits provided
40 under this part.

1 *SEC. 41. Notwithstanding any other law, and except as*
2 *otherwise specified in this act, Sections 5 to 7, inclusive, and 9,*
3 *15, 26, 29, and 40, shall become operative on the first day of the*
4 *first calendar month following 90 days after the effective date of*
5 *this act or June 1, 2011, whichever is later, unless the amended*
6 *or added section specifies a date on which the section becomes*
7 *operative.*

8 *SEC. 42. (a) Notwithstanding the rulemaking provisions of*
9 *the Administrative Procedure Act (Chapter 3.5 (commencing with*
10 *Section 11340) of Part 1 of Division 3 of Title 2 of the Government*
11 *Code), the department may implement and administer the changes*
12 *to Sections 11265.2, 11266.5, 11320.15, 11320.3, 11322.63,*
13 *11323.25, 11450, 11450.02, 11450.025, 11451.5, 11454, 11454.5,*
14 *12309.1, and 17021 of the Welfare and Institutions Code, as*
15 *contained in this act, through all-county letters or similar*
16 *instructions from the department until regulations are adopted.*
17 *The department shall adopt emergency regulations implementing*
18 *these provisions no later than July 1, 2012. The department may*
19 *readopt any emergency regulation authorized by this section that*
20 *is the same as or substantially equivalent to an emergency*
21 *regulation previously adopted under this section.*

22 *(b) The initial adoption of emergency regulations pursuant to*
23 *this section and one readoption of emergency regulations shall be*
24 *deemed an emergency and necessary for the immediate*
25 *preservation of the public peace, health, safety, or general welfare.*
26 *Initial emergency regulations and the one readoption of emergency*
27 *regulations authorized by this section shall be exempt from review*
28 *by the Office of Administrative Law. The initial emergency*
29 *regulations and the one readoption of emergency regulations*
30 *authorized by this section shall be submitted to the Office of*
31 *Administrative Law for filing with the Secretary of State and each*
32 *shall remain in effect for no more than 180 days, by which time*
33 *final regulations may be adopted.*

34 *SEC. 43. If any portion of this act is held unconstitutional or*
35 *unenforceable by a court of law, that decision shall not affect the*
36 *validity of any other portion of this act. The Legislature hereby*
37 *declares that it would have passed this act, and each portion*
38 *thereof, irrespective of the fact that any other portion be declared*
39 *unconstitutional or unenforceable.*

1 *SEC. 44. If the Commission on State Mandates determines that*
 2 *this act contains costs mandated by the state, reimbursement to*
 3 *local agencies and school districts for those costs shall be made*
 4 *pursuant to Part 7 (commencing with Section 17500) of Division*
 5 *4 of Title 2 of the Government Code.*

6 *SEC. 45. The sum of one thousand dollars (\$1,000) is hereby*
 7 *appropriated from the General Fund to the State Department of*
 8 *Social Services for administration.*

9 *SEC. 46. This act addresses the fiscal emergency declared and*
 10 *reaffirmed by the Governor by proclamation on January 20, 2011,*
 11 *pursuant to subdivision (f) of Section 10 of Article IV of the*
 12 *California Constitution.*

13 *SEC. 47. This act is a bill providing for appropriations related*
 14 *to the Budget Bill within the meaning of subdivision (e) of Section*
 15 *12 of Article IV of the California Constitution, has been identified*
 16 *as related to the budget in the Budget Bill, and shall take effect*
 17 *immediately.*

18 *SEC. 48. This act is an urgency statute necessary for the*
 19 *immediate preservation of the public peace, health, or safety within*
 20 *the meaning of Article IV of the Constitution and shall go into*
 21 *immediate effect. The facts constituting the necessity are:*

22 *In order to make changes necessary for implementation of the*
 23 *Budget Act of 2011, it is necessary for this act to take effect*
 24 *immediately.*

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