

AMENDED IN SENATE JUNE 26, 2012

AMENDED IN SENATE JUNE 13, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 1471

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

January 10, 2012

~~An act to amend Sections 17311.5 and 17706 of the Family Code, to amend Sections 1522 and 1596.871 of the Health and Safety Code, to amend Section 6151 of the Revenue and Taxation Code, and to amend Sections 11329.5, 11462.04, 11464, 12301.06, 12305.87, 12306.6, 14124.93, 18285, 19704, 19705, and 19709 of, to amend the heading of Chapter 7 (commencing with Section 19700) of Part 2 of Division 10 of, to add Sections 11334.6, 19705.1, and 19710 to, to repeal Sections 12301.03, 12301.05, 14132.957, 19700, 19701, 19702, and 19706 of, to repeal Part 1.75 (commencing with Section 10200) of Division 9 of, and to repeal, add, and repeal Section 11334.8 of, the Welfare and Institutions Code, and to amend Section 72 of Chapter 32 of the Statutes of 2011, relating to human services, and making an appropriation therefor, to take effect immediately, bill related to the budget. An act to amend Sections 17311.5 and 17706 of the Family Code, to amend Sections 1522 and 1596.871 of the Health and Safety Code, to amend Section 6151 of the Revenue and Taxation Code, and to amend Sections 11320.1, 11320.3, 11325.71, 11329.5, 11462.04, 11464, 11487, 12301.06, 12305.87, 12306.6, 14124.93, 15525, 18285, 19704, 19705, and 19709 of, to amend the heading of Chapter 7 (commencing with Section 19700) of Part 2 of Division 10 of, to amend, repeal, and add~~

Sections 11322.63, 11322.8, 11451.5, and 11454.5 of, to add Sections 11265.45, 11265.46, 11265.47, 11265.48, 11322.85, 11322.86, 11322.87, 11334.6, 19705.1, and 19710 to, to repeal Sections 12301.03, 12301.05, 14132.957, 19700, 19701, 19702, and 19706 of, to repeal Part 1.75 (commencing with Section 10200) of Division 9 of, and to repeal, add, and repeal Section 11334.8 of, the Welfare and Institutions Code, and to amend Section 72 of Chapter 32 of the Statutes of 2011, relating to human services, and making an appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL'S DIGEST

AB 1471, as amended, Committee on Budget. Human services.

Under existing law, the parents of a minor child are responsible for supporting the child. Existing law establishes the Department of Child Support Services, which administers all federal and state laws and regulations relating to child support enforcement obligations. The Director of Child Support Services is also responsible for implementing and managing the statewide automated child support system, which includes the State Disbursement Unit. Existing law establishes the Child Support Payment Trust Fund in the State Treasury and authorizes the deposit of child support payments received by the State Disbursement Unit into that fund, including overpayments, for the purpose of processing and providing child support payments. Under existing law, the Department of Child Support Services may enter into a trust agreement with an intermediary to receive or disburse child support collections. A trust agreement under these provisions may create trust accounts held outside the State Treasury.

This bill, for the 2012–13 fiscal year only, would authorize money in those trust accounts to be invested in specified securities or alternatives that offer comparable security, including mutual funds and money market funds. The bill would not authorize an investment or transfer that would interfere with the objective of the Child Support Payment Trust Fund.

Existing law requires each county to provide cash assistance and other social services to needy families through the California Work Opportunity and Responsibility to Kids (CalWORKs) program, using federal Temporary Assistance to Needy Families (TANF) block grant program, state, and county funds.

Under existing law, the county is required to annually redetermine eligibility for CalWORKs benefits. Existing law additionally requires the county to redetermine recipient eligibility and grant amounts on a quarterly basis, using prospective budgeting, and to prospectively determine the grant amount that a recipient is entitled to receive for each month of the quarterly reporting period. Under existing law, a CalWORKs recipient is required to report to the county, orally or in writing, specified changes that could affect the amount of aid to which the recipient is entitled. Under existing law, the CalWORKs quarterly reporting system becomes inoperative on October 1, 2013. A semiannual reporting system becomes operative on April 1, 2013, and is required to be implemented by counties no later than October 1, 2013, as specified.

This bill, notwithstanding existing law, would exempt a CalWORKs assistance unit that does not include an eligible adult from periodic reporting requirements other than the annual redetermination, and would specify grant calculation income reporting thresholds, recipient reporting duties, and other criteria applicable to these assistance units.

Under existing law, a parent or caretaker relative is ineligible for CalWORKs aid when he or she has received aid for a cumulative total of 48 months, as specified. Certain months are not counted as months of aid for purposes of calculating the 48-month time limit.

Under the CalWORKs program, certain recipients are required to participate in specified welfare-to-work activities, unless an applicable exemption applies. Exempted individuals include, until July 1, 2012, a parent or other relative who has primary responsibility for personally providing care to one child who is from 12 to 23 months of age, inclusive, or 2 or more children who are under 6 years of age.

This bill would make the caregiver exemption described above inoperative on January 1, 2013. The bill would require counties to reengage the exempted individuals in welfare-to-work activities, by October 1, 2014, except as specified. The bill also would create a similar, one-time exemption for caregivers of a child from birth to 23 months of age, inclusive, as specified, and would provide, effective January 1, 2013, that a month during which this exemption applies and a month during which a recipient was exempted under the prior exemption and has not been reengaged would not be counted as a month of receipt of aid for the recipient. By expanding eligibility for CalWORKs aid under some circumstances, this bill would make an

appropriation, and by expanding county duties, the bill also would impose a state-mandated local program.

Existing law requires a participant to participate for at least 20 hours per week in core activities, as specified.

This bill effective January 1, 2013, would modify the number of welfare-to-work participation hours to conform to certain federal requirements, and would eliminate the above-described requirement relating to core activities.

This bill would revise welfare-to-work requirements applicable to new CalWORKs recipients, on and after January 1, 2013. These recipients would receive 24 months of specified welfare-to-work services and activities, and would then be required to meet federal work participation requirements, as specified, unless they are exempted from participation, or receive an extension, as prescribed. By increasing county duties, the bill would impose a state-mandated local program.

Existing law gives counties, through the 2011–12 fiscal year, the option to redirect funding, both from and to the amounts appropriated for CalWORKs mental health employment assistance services and CalWORKs substance abuse treatment services, and from and to other CalWORKs employment services that are necessary for individuals to participate in welfare-to-work activities.

This bill would extend this county authority through the 2013–14 fiscal year.

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. Certain exempt amounts are calculated based on the amount of disability-based unearned income and earned income. State funds are continuously appropriated to pay for a share of costs under the CalWORKs program.

This bill would change the exempt amount described above by revising the calculation. To the extent that this bill would expand CalWORKs eligibility or increase grant amounts, the bill would make an appropriation. In addition, by increasing county administrative duties, the bill would impose a state-mandated local program.

Existing law provides that when aid under the CalWORKs program is repaid to the state by means of child support collections, the state is entitled to the entire amount of the aid repaid, except where federal and county funds were paid, in which case the federal government remains entitled to a proportionate share of the amount received or recovered and the county remains entitled to its proportionate share,

except for county funds received or recovered during the 2011–12 fiscal year, which are retained by the state.

This bill would extend the suspension of the county’s recovery of repaid funds under the above provisions, for the 2012–13 fiscal year, thus allowing the state to retain those funds.

Existing law provides that the 10 counties with the best performance standards shall receive an additional 5% of the state’s share of those counties’ collections that are used to reduce or repay aid that is paid under the California Work Opportunity and Responsibility to Kids (CalWORKs) program. Existing law requires these additional funds received by a county to be used for specified child support-related activities. Existing law suspends the payment of this additional 5% for the 2002–03 to 2011–12 fiscal years, inclusive.

This bill would extend the suspension of the additional 5% payments through the 2014–15 fiscal year.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, and under which qualified low-income persons receive health care services. Existing law requires the Department of Child Support Services to provide payments to the local child support agency of \$50 per case for obtaining 3rd-party health coverage or insurance of Medi-Cal beneficiaries, to the extent that funds are appropriated in the Budget Act. Under existing law, these payments are suspended for the 2003–04 to 2011–12 fiscal years, inclusive.

This bill would extend the suspension of the above-described payments to local child support agencies through the 2014–15 fiscal year.

Existing law requires the State Department of Social Services, before issuing a license or special permit to any person to operate or manage a community care facility or a day care facility, to secure from an appropriate law enforcement agency a criminal record to determine whether the applicant or any other specified person has ever been convicted of various crimes. Existing law, except during the 2003–04 to the 2011–12 fiscal years, inclusive, prohibits the Department of Justice and the State Department of Social Services from charging a fee for the fingerprinting of an applicant for a license to operate a community care facility that will provide nonmedical board, room, and care for 6 or fewer children, the fingerprinting of a day care facility applicant that will serve 6 or fewer children, or any family day care applicant, or for obtaining a criminal record of these applicants.

This bill would extend this authorization through the 2012–13 fiscal year.

Under existing law, one of the methods by which Medi-Cal program services are provided is pursuant to contracts with various types of managed care plans. Existing federal law provides for the federal Medicare Program, which is a public health insurance program for persons 65 years of age and older and specified persons with disabilities who are under 65 years of age. Existing law also provides for the county-administered In-Home Supportive Services (IHSS) program, under which, either through employment by the recipient, by or through contract by the county, by the creation of a public authority, or pursuant to a contract with a nonprofit consortium, qualified aged, blind, and disabled persons receive services enabling them to remain in their own homes.

Existing law requires the State Department of Health Care Services to establish a medication machine pilot project for certain at-risk Medi-Cal recipients, as specified, and designates the duties of the department in this regard. Existing law requires the State Department of Social Services, if the Department of Finance makes a specified determination, to implement, with some exceptions, a reduction in authorized hours of service to each IHSS recipient, as prescribed.

This bill would delete these latter provisions.

Existing law makes specified findings and declarations with respect to the effect of decreased funding for CalWORKs for the 2009–10 to 2011–12 fiscal years, inclusive. 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, and to revise a specified welfare-to-work exemption in order to implement the county's portion of specified funding reductions.

This bill would extend the above provisions indefinitely to apply to specified decreases in CalWORKs funding.

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. Existing law makes the Cal-Learn Program inoperative until July 1, 2012, except as specified.

This bill would provide that from July 1, 2012, to March 31, 2013, inclusive, counties be provided full or partial year funding, depending

on the pace of their progression to full implementation of the Cal-Learn Program by April 1, 2013. By increasing the duties of counties, this bill would impose a state-mandated local program.

This bill would require the State Department of Social Services to submit a report to the budget committees of the Legislature with specified information relating to the Cal-Learn Program.

Existing law prohibits the establishment of a new group home rate or change to an existing rate under the AFDC-FC program for a prescribed period, except for exemptions granted on a case-by-case basis, and repeals this prohibition on January 1, 2013.

This bill would limit exceptions for any program with a rate classification level (RCL) below 10 to exceptions associated with a program change.

Existing law also requires the State Department of Social Services to implement a 3.6% reduction in service hours to each IHSS recipient, until July 1, 2012.

This bill would extend this reduction in service hours through July 1, 2013.

Existing law, the Sales and Use Tax Law, imposes a sales tax on retailers for the privilege of selling tangible personal property at retail, measured by the gross receipts from the sale of tangible personal property sold at retail in this state. A violation of specified provisions of this law is a crime. Existing law similarly imposes a sales tax on providers of support services for the privilege of selling support services at retail, measured by the gross receipts from the sale of those services in this state at a specified rate of those gross receipts.

Existing law creates the Personal Care IHSS Quality Assurance Revenue Fund in the State Treasury, and requires the revenue from the tax, less refunds, to be deposited in the fund. The fund is continuously appropriated to the State Department of Social Services for purposes of providing specified supplementary payments to providers of in-home supportive services. Existing law requires the IHSS provider tax and related supplementary payments to be implemented no earlier than July 1, 2010.

This bill would extend the earliest implementation date for the provider tax and supplementary payment provisions to January 1, 2012.

Existing law establishes the Aid to Families with Dependent Children-Foster Care (AFDC-FC) program, under which counties provide payments to foster care providers, including group homes, on behalf of qualified children in foster care, according to a schedule of

basic foster care rates. The program is funded by a combination of federal, state, and county funds. Under existing law, the basic AFDC-FC rates are adjusted annually on July 1 by the annual percentage change in the California Necessities Index applicable to the calendar year within which that July 1 occurs.

Existing law declares the need to provide enhanced reimbursement to address the extraordinary care and supervision needs of children who are consumers of regional center services and also receiving AFDC-FC, Kinship Guardianship Assistance Payment Program (Kin-GAP), or Adoption Assistance Program (AAP) benefits, at a rate that is higher than the average rate they would otherwise receive through the foster care system and higher than the rate other children with medical and other significant special needs receive. Existing law requires that if the schedule of foster care basic rates is increased on or after January 1, 2008, these enhanced rates shall be similarly adjusted.

This bill would revise the requirements relating to the adjustment of the enhanced rates payable for children who are dually eligible, as described above, to instead require those rates to be annually adjusted by the percentage change in the California Necessities Index, beginning with the 2011–12 fiscal year.

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. Under existing law, the WINS program, in tandem with a preassistance employment readiness system (PAERS) program, are required to be implemented by the department on specified dates.

This bill would reduce the amount of the WINS benefit to \$10 per month and would revise the various dates applicable to the implementation of the programs.

Existing law creates the Child Health and Safety Fund, consisting of revenues from a specified license plate program and civil penalties imposed on child day care facility providers. Upon appropriation by the Legislature, 50% of those moneys in the fund derived from the license plate program are required to be expended to address various child health and safety concerns, as specified.

This bill would include an additional \$501,000 allocation, upon appropriation by the Legislature, for these purposes.

Existing law vests in the Department of Rehabilitation the responsibility and authority for the provision of vocational rehabilitation services to individuals with physical or mental disabilities. Existing law provides for the Rehabilitation Appeals Board within the department to hear appeals, as prescribed, that have been filed with the board by any applicant for, or client of, the department. Existing law provides that any applicant for, or client of, the department, upon filing a request, as prescribed, has the right to a fair hearing before the board that is required to be held within 45 days of the date the written request is received by the board.

This bill would eliminate the Rehabilitation Appeals Board, provide that a fair hearing will be held before an impartial hearing officer within 60 days of a written request for a hearing, and make related changes.

Existing law requires the State Department of Social Services, in consultation with designated stakeholders in the In-Home Supportive Services program, to develop a new ratesetting methodology for public authority administrative costs, to go into effect commencing with the 2012–13 fiscal year.

This bill would delay the effective date of the new ratesetting methodology to the 2013–14 fiscal year.

Existing law requires the State Department of Social Services to implement a single statewide Child Welfare Services Case Management System (CWS/CMS) to administer and evaluate the state’s child welfare services and foster care programs. Existing law also requires the department, in partnership with the Office of Systems Integration (OSI) and designated stakeholders, to perform various activities regarding the effectiveness and operation of the CWS/CMS, and to report on these activities to the Legislature, by January 10, 2012.

This bill would require the State Department of Social Services to use funding included in the Budget Act of 2012 related to replacement of the CWS/CMS for the next steps necessary to move forward with the recommendation of the Child Welfare Automation Study Team (CAST) to proceed toward procuring a new system, as specified. The bill would require the OSI and the department to report the results of these activities, in addition to key milestones and anticipated timelines, to the Legislature by March 1, 2013, for review during the 2013 budget hearings.

This bill would require the State Department of Social Services and the Office of Systems Integration to have a qualified 3rd party conduct

a cost-reasonableness assessment of the costs proposed by the vendor to migrate the Consortium-IV counties to the newly developed Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Replacement System, in order to determine whether the proposed overall costs are within range of reasonableness, based on specified factors.

This bill would require the State Department of Social Services, in consultation with stakeholders, including counties advocates, and legislative staff, to convene a work group to identify best practices and other strategies to improve early welfare-to-work engagement and barrier removal efforts, to maximize a recipient's welfare-to-work opportunities, as specified. The bill would require the work group to report its findings to the Legislature by January 10, 2013.

This bill would require the State Department of Social Services to annually update the Legislature regarding the changes made by the bill to the CalWORKs program, and contract with an independent, research-based institution for an evaluation and written report, with specified contents, which would be provided to the Legislature by October 1, 2017.

This bill would authorize the State Department of Social Services to implement certain of its provisions by all-county letters or similar instructions, pending the adoption of emergency regulations by July 1, 2014.

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.

This bill would appropriate \$1,000 from the General Fund to the California Health and Human Services Agency for administration.

This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

~~Under existing law, the parents of a minor child are responsible for supporting the child. Existing law establishes the Department of Child Support Services, which administers all federal and state laws and regulations relating to child support enforcement obligations. The Director of Child Support Services is also responsible for implementing~~

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~~This bill, for the 2012–13 fiscal year only, would authorize money in those trust accounts to be invested in specified securities or alternatives that offer comparable security, including mutual funds and money market funds. The bill would not authorize an investment or transfer that would interfere with the objective of the Child Support Payment Trust Fund.~~

~~Existing law provides that the 10 counties with the best performance standards shall receive an additional 5% of the state’s share of those counties’ collections that are used to reduce or repay aid that is paid under the California Work Opportunity and Responsibility to Kids (CalWORKs) program. Existing law requires these additional funds received by a county to be used for specified child support-related activities. Existing law suspends the payment of this additional 5% for the 2002–03 to 2011–12 fiscal years, inclusive.~~

~~This bill would extend the suspension of the additional 5% payments through the 2014–15 fiscal year.~~

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~~This bill would extend this authorization through the 2012–13 fiscal year.~~

~~Existing law requires the State Department of Health Care Services and the State Department of Social Services to develop a statewide eligibility and enrollment determination process for the California Work Opportunity and Responsibility to Kids (CalWORKs) program, the Medi-Cal program, and the Supplemental Nutrition Assistance Program (SNAP), and designates the powers and duties of the departments with respect to the development of the centralized eligibility and enrollment process, including the development of a comprehensive plan, and authorizes the departments to implement the plan, subsequent to receiving statutory authorization and an appropriation, as specified.~~

~~This bill would repeal the provisions relating to the development and implementation of this eligibility and enrollment determination process.~~

~~Under existing law, one of the methods by which Medi-Cal program services are provided is pursuant to contracts with various types of managed care plans. Existing federal law provides for the federal Medicare Program, which is a public health insurance program for persons 65 years of age and older and specified persons with disabilities who are under 65 years of age. Existing law also provides for the county-administered In-Home Supportive Services (IHSS) program, under which, either through employment by the recipient, by or through contract by the county, by the creation of a public authority, or pursuant to a contract with a nonprofit consortium, qualified aged, blind, and disabled persons receive services enabling them to remain in their own homes.~~

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department in this regard. Existing law requires the State Department of Social Services, if the Department of Finance makes a specified determination, to implement, with some exceptions, a reduction in authorized hours of service to each IHSS recipient, as prescribed.

This bill would delete these latter provisions.

Existing law makes specified findings and declarations with respect to the effect of decreased funding for CalWORKs for the 2009–10 to 2011–12 fiscal years, inclusive. 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, and to revise a specified welfare-to-work exemption in order to implement the county's portion of specified funding reductions.

This bill would extend the above provisions indefinitely to apply to specified decreases in CalWORKs funding.

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. Existing law makes the Cal-Learn Program inoperative until July 1, 2012, except as specified.

This bill would provide that from July 1, 2012, to March 31, 2013, inclusive, counties be provided full or partial year funding, depending on the pace of their progression to full implementation of the Cal-Learn Program by April 1, 2013. By increasing the duties of counties, this bill would impose a state-mandated local program.

This bill would require the State Department of Social Services to submit a report to the budget committees of the Legislature with specified information relating to the Cal-Learn Program.

Existing law prohibits the establishment of a new group home rate or change to an existing rate under the AFDC-FC program for a prescribed period, except for exemptions granted on a case-by-case basis, and repeals this prohibition on January 1, 2013.

This bill would limit exceptions for any program with a rate classification level (RCL) below 10 to exceptions associated with a program change.

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~~Existing law creates the Personal Care IHSS Quality Assurance Revenue Fund in the State Treasury, and requires the revenue from the tax, less refunds, to be deposited in the fund. The fund is continuously appropriated to the State Department of Social Services for purposes of providing specified supplementary payments to providers of in-home supportive services. Existing law requires the IHSS provider tax and related supplementary payments to be implemented no earlier than July 1, 2010.~~

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~~Existing law declares the need to provide enhanced reimbursement to address the extraordinary care and supervision needs of children who are consumers of regional center services and also receiving AFDC-FC, Kinship Guardianship Assistance Payment Program (Kin-GAP), or Adoption Assistance Program (AAP) benefits, at a rate that is higher than the average rate they would otherwise receive through the foster care system and higher than the rate other children with medical and other significant special needs receive. Existing law requires that if the schedule of foster care basic rates is increased on or after January 1, 2008, these enhanced rates shall be similarly adjusted.~~

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~~This bill would include an additional \$501,000 allocation, upon appropriation by the Legislature, for these purposes.~~

~~Existing law vests in the Department of Rehabilitation the responsibility and authority for the provision of vocational rehabilitation services to individuals with physical or mental disabilities. Existing law provides for the Rehabilitation Appeals Board within the department to hear appeals, as prescribed, that have been filed with the board by any applicant for, or client of, the department. Existing law provides that any applicant for, or client of, the department, upon filing a request, as prescribed, has the right to a fair hearing before the board that is required to be held within 45 days of the date the written request is received by the board.~~

~~This bill would eliminate the Rehabilitation Appeals Board, provide that a fair hearing will be held before an impartial hearing officer within 60 days of a written request for a hearing, and make related changes.~~

~~Existing law requires the State Department of Social Services, in consultation with designated stakeholders in the In-Home Supportive Services program, to develop a new ratesetting methodology for public authority administrative costs, to go into effect commencing with the 2012–13 fiscal year.~~

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effectiveness and operation of the CWS/CMS, and to report on these activities to the Legislature, by January 10, 2012.

~~This bill would require the State Department of Social Services to use funding included in the Budget Act of 2012 related to replacement of the CWS/CMS for the next steps necessary to move forward with the recommendation of the Child Welfare Automation Study Team (CAST) to proceed toward procuring a new system, as specified. The bill would require the OSI and the department to report the results of these activities, in addition to key milestones and anticipated timelines, to the Legislature by March 1, 2013, for review during the 2013 budget hearings.~~

~~This bill would require the State Department of Social Services and the Office of Systems Integration to have a qualified 3rd party conduct a cost-reasonableness assessment of the costs proposed by the vendor to migrate the Consortium-IV counties to the newly developed Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Replacement System, in order to determine whether the proposed overall costs are within range of reasonableness, based on specified factors.~~

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~~This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.~~

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: yes.

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

- 1 SECTION 1. Section 17311.5 of the Family Code is amended
- 2 to read:
- 3 17311.5. (a) The department may enter into a trust agreement
- 4 with a trustee or fiscal intermediary to receive or disburse child
- 5 support collections. The trust agreement may contain provisions

1 the department deems reasonable and proper for the security of
2 the child support payments. Any trust accounts created by the trust
3 agreements may be held outside the State Treasury.

4 *(b) For the 2012–13 fiscal year only, trust account moneys may*
5 *be invested in any of the types of securities listed in Section 16430*
6 *of the Government Code or alternatives offering comparable*
7 *security, including, but not limited to, mutual funds and money*
8 *market funds. This subdivision does not authorize investments or*
9 *transfers that would interfere with carrying out the objective for*
10 *which the Child Support Payment Trust Fund was created.*

11 *SEC. 2. Section 17706 of the Family Code is amended to read:*

12 17706. (a) It is the intent of the Legislature to encourage
13 counties to elevate the visibility and significance of the child
14 support enforcement program in the county. To advance this goal,
15 effective July 1, 2000, the counties with the 10 best performance
16 standards pursuant to clause (ii) of subparagraph (B) of paragraph
17 (2) of subdivision (b) of Section 17704 shall receive an additional
18 5 percent of the state’s share of those counties’ collections that are
19 used to reduce or repay aid that is paid pursuant to Article 6
20 (commencing with Section 11450) of Chapter 2 of Part 3 of
21 Division 9 of the Welfare and Institutions Code. The counties shall
22 use the increased recoupment for child support-related activities
23 that may not be eligible for federal child support funding under
24 Part D of Title IV of the Social Security Act, including, but not
25 limited to, providing services to parents to help them better support
26 their children financially, medically, and emotionally.

27 (b) The operation of subdivision (a) shall be suspended for the
28 2002–03, 2003–04, 2004–05, 2005–06, 2006–07, 2007–08,
29 2008–09, 2009–10, 2010–11, ~~and~~ 2011–12, 2012–13, 2013–14,
30 *and 2014–15* fiscal years.

31 *SEC. 3. Section 1522 of the Health and Safety Code is amended*
32 *to read:*

33 1522. The Legislature recognizes the need to generate timely
34 and accurate positive fingerprint identification of applicants as a
35 condition of issuing licenses, permits, or certificates of approval
36 for persons to operate or provide direct care services in a
37 community care facility, foster family home, or a certified family
38 home of a licensed foster family agency. Therefore, the Legislature
39 supports the use of the fingerprint live-scan technology, as
40 identified in the long-range plan of the Department of Justice for

1 fully automating the processing of fingerprints and other data by
2 the year 1999, otherwise known as the California Crime
3 Information Intelligence System (CAL-CII), to be used for
4 applicant fingerprints. It is the intent of the Legislature in enacting
5 this section to require the fingerprints of those individuals whose
6 contact with community care clients may pose a risk to the clients'
7 health and safety. An individual shall be required to obtain either
8 a criminal record clearance or a criminal record exemption from
9 the State Department of Social Services before his or her initial
10 presence in a community care facility.

11 (a) (1) Before issuing a license or special permit to any person
12 or persons to operate or manage a community care facility, the
13 State Department of Social Services shall secure from an
14 appropriate law enforcement agency a criminal record to determine
15 whether the applicant or any other person specified in subdivision
16 (b) has ever been convicted of a crime other than a minor traffic
17 violation or arrested for any crime specified in Section 290 of the
18 Penal Code, for violating Section 245 or 273.5, of the Penal Code,
19 subdivision (b) of Section 273a of the Penal Code, or, prior to
20 January 1, 1994, paragraph (2) of Section 273a of the Penal Code,
21 or for any crime for which the department cannot grant an
22 exemption if the person was convicted and the person has not been
23 exonerated.

24 (2) The criminal history information shall include the full
25 criminal record, if any, of those persons, and subsequent arrest
26 information pursuant to Section 11105.2 of the Penal Code.

27 (3) Except during the 2003–04 to the ~~2011–12~~ 2012–13 fiscal
28 years, inclusive, neither the Department of Justice nor the State
29 Department of Social Services may charge a fee for the
30 fingerprinting of an applicant for a license or special permit to
31 operate a facility providing nonmedical board, room, and care for
32 six or less children or for obtaining a criminal record of the
33 applicant pursuant to this section.

34 (4) The following shall apply to the criminal record information:

35 (A) If the State Department of Social Services finds that the
36 applicant, or any other person specified in subdivision (b), has
37 been convicted of a crime other than a minor traffic violation, the
38 application shall be denied, unless the director grants an exemption
39 pursuant to subdivision (g).

1 (B) If the State Department of Social Services finds that the
2 applicant, or any other person specified in subdivision (b) is
3 awaiting trial for a crime other than a minor traffic violation, the
4 State Department of Social Services may cease processing the
5 application until the conclusion of the trial.

6 (C) If no criminal record information has been recorded, the
7 Department of Justice shall provide the applicant and the State
8 Department of Social Services with a statement of that fact.

9 (D) If the State Department of Social Services finds after
10 licensure that the licensee, or any other person specified in
11 paragraph (1) of subdivision (b), has been convicted of a crime
12 other than a minor traffic violation, the license may be revoked,
13 unless the director grants an exemption pursuant to subdivision
14 (g).

15 (E) An applicant and any other person specified in subdivision
16 (b) shall submit fingerprint images and related information to the
17 Department of Justice for the purpose of searching the criminal
18 records of the Federal Bureau of Investigation, in addition to the
19 criminal records search required by this subdivision. If an applicant
20 and all other persons described in subdivision (b) meet all of the
21 conditions for licensure, except receipt of the Federal Bureau of
22 Investigation's criminal offender record information search
23 response for the applicant or any of the persons described in
24 subdivision (b), the department may issue a license if the applicant
25 and each person described in subdivision (b) has signed and
26 submitted a statement that he or she has never been convicted of
27 a crime in the United States, other than a traffic infraction, as
28 defined *prescribed* in paragraph (1) of subdivision (a) of Section
29 42001 of the Vehicle Code. If, after licensure, the department
30 determines that the licensee or any other person specified in
31 subdivision (b) has a criminal record, the license may be revoked
32 pursuant to Section 1550. The department may also suspend the
33 license pending an administrative hearing pursuant to Section
34 1550.5.

35 (F) The State Department of Social Services shall develop
36 procedures to provide the individual's state and federal criminal
37 history information with the written notification of his or her
38 exemption denial or revocation based on the criminal record.
39 Receipt of the criminal history information shall be optional on
40 the part of the individual, as set forth in the agency's procedures.

1 The procedure shall protect the confidentiality and privacy of the
2 individual's record, and the criminal history information shall not
3 be made available to the employer.

4 (G) Notwithstanding any other law, the department is authorized
5 to provide an individual with a copy of his or her state or federal
6 level criminal offender record information search response as
7 provided to that department by the Department of Justice if the
8 department has denied a criminal background clearance based on
9 this information and the individual makes a written request to the
10 department for a copy specifying an address to which it is to be
11 sent. The state or federal level criminal offender record information
12 search response shall not be modified or altered from its form or
13 content as provided by the Department of Justice and shall be
14 provided to the address specified by the individual in his or her
15 written request. The department shall retain a copy of the
16 individual's written request and the response and date provided.

17 (b) (1) In addition to the applicant, this section shall be
18 applicable to criminal convictions of the following persons:

19 (A) Adults responsible for administration or direct supervision
20 of staff.

21 (B) Any person, other than a client, residing in the facility.

22 (C) Any person who provides client assistance in dressing,
23 grooming, bathing, or personal hygiene. Any nurse assistant or
24 home health aide meeting the requirements of Section 1338.5 or
25 1736.6, respectively, who is not employed, retained, or contracted
26 by the licensee, and who has been certified or recertified on or
27 after July 1, 1998, shall be deemed to meet the criminal record
28 clearance requirements of this section. A certified nurse assistant
29 and certified home health aide who will be providing client
30 assistance and who falls under this exemption shall provide one
31 copy of his or her current certification, prior to providing care, to
32 the community care facility. The facility shall maintain the copy
33 of the certification on file as long as care is being provided by the
34 certified nurse assistant or certified home health aide at the facility.
35 Nothing in this paragraph restricts the right of the department to
36 exclude a certified nurse assistant or certified home health aide
37 from a licensed community care facility pursuant to Section 1558.

38 (D) Any staff person, volunteer, or employee who has contact
39 with the clients.

1 (E) If the applicant is a firm, partnership, association, or
2 corporation, the chief executive officer or other person serving in
3 like capacity.

4 (F) Additional officers of the governing body of the applicant,
5 or other persons with a financial interest in the applicant, as
6 determined necessary by the department by regulation. The criteria
7 used in the development of these regulations shall be based on the
8 person's capability to exercise substantial influence over the
9 operation of the facility.

10 (2) The following persons are exempt from the requirements
11 applicable under paragraph (1):

12 (A) A medical professional as defined in department regulations
13 who holds a valid license or certification from the person's
14 governing California medical care regulatory entity and who is
15 not employed, retained, or contracted by the licensee if all of the
16 following apply:

17 (i) The criminal record of the person has been cleared as a
18 condition of licensure or certification by the person's governing
19 California medical care regulatory entity.

20 (ii) The person is providing time-limited specialized clinical
21 care or services.

22 (iii) The person is providing care or services within the person's
23 scope of practice.

24 (iv) The person is not a community care facility licensee or an
25 employee of the facility.

26 (B) A third-party repair person or similar retained contractor if
27 all of the following apply:

28 (i) The person is hired for a defined, time-limited job.

29 (ii) The person is not left alone with clients.

30 (iii) When clients are present in the room in which the repair
31 person or contractor is working, a staff person who has a criminal
32 record clearance or exemption is also present.

33 (C) Employees of a licensed home health agency and other
34 members of licensed hospice interdisciplinary teams who have a
35 contract with a client or resident of the facility and are in the
36 facility at the request of that client or resident's legal
37 decisionmaker. The exemption does not apply to a person who is
38 a community care facility licensee or an employee of the facility.

39 (D) Clergy and other spiritual caregivers who are performing
40 services in common areas of the community care facility or who

1 are advising an individual client at the request of, or with the
2 permission of, the client or legal decisionmaker, are exempt from
3 fingerprint and criminal background check requirements imposed
4 by community care licensing. This exemption does not apply to a
5 person who is a community care licensee or employee of the
6 facility.

7 (E) Members of fraternal, service, or similar organizations who
8 conduct group activities for clients if all of the following apply:

- 9 (i) Members are not left alone with clients.
- 10 (ii) Members do not transport clients off the facility premises.
- 11 (iii) The same organization does not conduct group activities
- 12 for clients more often than defined by the department’s regulations.

13 (3) In addition to the exemptions in paragraph (2), the following
14 persons in foster family homes, certified family homes, and small
15 family homes are exempt from the requirements applicable under
16 paragraph (1):

17 (A) Adult friends and family of the licensed or certified foster
18 parent, who come into the home to visit for a length of time no
19 longer than defined by the department in regulations, provided
20 that the adult friends and family of the licensee are not left alone
21 with the foster children. However, the licensee, acting as a
22 reasonable and prudent parent, as defined in paragraph (2) of
23 subdivision (a) of Section 362.04 of the Welfare and Institutions
24 Code, may allow his or her adult friends and family to provide
25 short-term care to the foster child and act as an appropriate
26 occasional short-term babysitter for the child.

27 (B) Parents of a foster child’s friend when the foster child is
28 visiting the friend’s home and the friend, licensed or certified foster
29 parent, or both are also present. However, the licensee, acting as
30 a reasonable and prudent parent, may allow the parent of the foster
31 child’s friend to act as an appropriate short-term babysitter for the
32 child without the friend being present.

33 (C) Individuals who are engaged by any licensed or certified
34 foster parent to provide short-term care to the child for periods not
35 to exceed 24 hours. Caregivers shall use a reasonable and prudent
36 parent standard in selecting appropriate individuals to act as
37 appropriate occasional short-term babysitters.

38 (4) In addition to the exemptions specified in paragraph (2), the
39 following persons in adult day care and adult day support centers
40 are exempt from the requirements applicable under paragraph (1):

1 (A) Unless contraindicated by the client’s individualized
2 program plan (IPP) or needs and service plan, a spouse, significant
3 other, relative, or close friend of a client, or an attendant or a
4 facilitator for a client with a developmental disability if the
5 attendant or facilitator is not employed, retained, or contracted by
6 the licensee. This exemption applies only if the person is visiting
7 the client or providing direct care and supervision to the client.

8 (B) A volunteer if all of the following applies:

9 (i) The volunteer is supervised by the licensee or a facility
10 employee with a criminal record clearance or exemption.

11 (ii) The volunteer is never left alone with clients.

12 (iii) The volunteer does not provide any client assistance with
13 dressing, grooming, bathing, or personal hygiene other than
14 washing of hands.

15 (5) (A) In addition to the exemptions specified in paragraph
16 (2), the following persons in adult residential and social
17 rehabilitation facilities, unless contraindicated by the client’s
18 individualized program plan (IPP) or needs and services plan, are
19 exempt from the requirements applicable under paragraph (1): a
20 spouse, significant other, relative, or close friend of a client, or an
21 attendant or a facilitator for a client with a developmental disability
22 if the attendant or facilitator is not employed, retained, or
23 contracted by the licensee. This exemption applies only if the
24 person is visiting the client or providing direct care and supervision
25 to that client.

26 (B) Nothing in this subdivision shall prevent a licensee from
27 requiring a criminal record clearance of any individual exempt
28 from the requirements of this section, provided that the individual
29 has client contact.

30 (6) Any person similar to those described in this subdivision,
31 as defined by the department in regulations.

32 (c) (1) Subsequent to initial licensure, a person specified in
33 subdivision (b) who is not exempted from fingerprinting shall
34 obtain either a criminal record clearance or an exemption from
35 disqualification pursuant to subdivision (g) from the State
36 Department of Social Services prior to employment, residence, or
37 initial presence in the facility. A person specified in subdivision
38 (b) who is not exempt from fingerprinting shall be fingerprinted
39 and shall sign a declaration under penalty of perjury regarding any
40 prior criminal convictions. The licensee shall submit fingerprint

1 images and related information to the Department of Justice and
2 the Federal Bureau of Investigation, through the Department of
3 Justice, for a state and federal level criminal offender record
4 information search, or comply with paragraph (1) of subdivision
5 (h). These fingerprint images and related information shall be sent
6 by electronic transmission in a manner approved by the State
7 Department of Social Services and the Department of Justice for
8 the purpose of obtaining a permanent set of fingerprints, and shall
9 be submitted to the Department of Justice by the licensee. A
10 licensee's failure to prohibit the employment, residence, or initial
11 presence of a person specified in subdivision (b) who is not exempt
12 from fingerprinting and who has not received either a criminal
13 record clearance or an exemption from disqualification pursuant
14 to subdivision (g) or to comply with paragraph (1) of subdivision
15 (h), as required in this section, shall result in the citation of a
16 deficiency and the immediate assessment of civil penalties in the
17 amount of one hundred dollars (\$100) per violation per day for a
18 maximum of five days, unless the violation is a second or
19 subsequent violation within a 12-month period in which case the
20 civil penalties shall be in the amount of one hundred dollars (\$100)
21 per violation for a maximum of 30 days, and shall be grounds for
22 disciplining the licensee pursuant to Section 1550. The department
23 may assess civil penalties for continued violations as permitted by
24 Section 1548. The fingerprint images and related information shall
25 then be submitted to the Department of Justice for processing.
26 Upon request of the licensee, who shall enclose a self-addressed
27 stamped postcard for this purpose, the Department of Justice shall
28 verify receipt of the fingerprints.

29 (2) Within 14 calendar days of the receipt of the fingerprint
30 images, the Department of Justice shall notify the State Department
31 of Social Services of the criminal record information, as provided
32 for in subdivision (a). If no criminal record information has been
33 recorded, the Department of Justice shall provide the licensee and
34 the State Department of Social Services with a statement of that
35 fact within 14 calendar days of receipt of the fingerprint images.
36 Documentation of the individual's clearance or exemption from
37 disqualification shall be maintained by the licensee and be available
38 for inspection. If new fingerprint images are required for
39 processing, the Department of Justice shall, within 14 calendar
40 days from the date of receipt of the fingerprints, notify the licensee

1 that the fingerprints were illegible, the Department of Justice shall
2 notify the State Department of Social Services, as required by
3 Section 1522.04, and shall also notify the licensee by mail, within
4 14 days of electronic transmission of the fingerprints to the
5 Department of Justice, if the person has no criminal history
6 recorded. A violation of the regulations adopted pursuant to Section
7 1522.04 shall result in the citation of a deficiency and an immediate
8 assessment of civil penalties in the amount of one hundred dollars
9 (\$100) per violation per day for a maximum of five days, unless
10 the violation is a second or subsequent violation within a 12-month
11 period in which case the civil penalties shall be in the amount of
12 one hundred dollars (\$100) per violation for a maximum of 30
13 days, and shall be grounds for disciplining the licensee pursuant
14 to Section 1550. The department may assess civil penalties for
15 continued violations as permitted by Section 1548.

16 (3) Except for persons specified in subdivision (b) who are
17 exempt from fingerprinting, the licensee shall endeavor to ascertain
18 the previous employment history of persons required to be
19 fingerprinted. If it is determined by the State Department of Social
20 Services, on the basis of the fingerprint images and related
21 information submitted to the Department of Justice, that subsequent
22 to obtaining a criminal record clearance or exemption from
23 disqualification pursuant to subdivision (g), the person has been
24 convicted of, or is awaiting trial for, a sex offense against a minor,
25 or has been convicted for an offense specified in Section 243.4,
26 273a, 273d, 273g, or 368 of the Penal Code, or a felony, the State
27 Department of Social Services shall notify the licensee to act
28 immediately to terminate the person's employment, remove the
29 person from the community care facility, or bar the person from
30 entering the community care facility. The State Department of
31 Social Services may subsequently grant an exemption from
32 disqualification pursuant to subdivision (g). If the conviction or
33 arrest was for another crime, except a minor traffic violation, the
34 licensee shall, upon notification by the State Department of Social
35 Services, act immediately to either (A) terminate the person's
36 employment, remove the person from the community care facility,
37 or bar the person from entering the community care facility; or
38 (B) seek an exemption from disqualification pursuant to subdivision
39 (g). The State Department of Social Services shall determine if
40 the person shall be allowed to remain in the facility until a decision

1 on the exemption from disqualification is rendered. A licensee's
2 failure to comply with the department's prohibition of employment,
3 contact with clients, or presence in the facility as required by this
4 paragraph shall result in a citation of deficiency and an immediate
5 assessment of civil penalties in the amount of one hundred dollars
6 (\$100) per violation per day and shall be grounds for disciplining
7 the licensee pursuant to Section 1550.

8 (4) The department may issue an exemption from
9 disqualification on its own motion pursuant to subdivision (g) if
10 the person's criminal history indicates that the person is of good
11 character based on the age, seriousness, and frequency of the
12 conviction or convictions. The department, in consultation with
13 interested parties, shall develop regulations to establish the criteria
14 to grant an exemption from disqualification pursuant to this
15 paragraph.

16 (5) Concurrently with notifying the licensee pursuant to
17 paragraph (3), the department shall notify the affected individual
18 of his or her right to seek an exemption from disqualification
19 pursuant to subdivision (g). The individual may seek an exemption
20 from disqualification only if the licensee terminates the person's
21 employment or removes the person from the facility after receiving
22 notice from the department pursuant to paragraph (3).

23 (d) (1) Before issuing a license or certificate of approval to any
24 person or persons to operate a foster family home or certified
25 family home as described in Section 1506, the State Department
26 of Social Services or other approving authority shall secure
27 California and Federal Bureau of Investigation criminal history
28 information to determine whether the applicant or any person
29 specified in subdivision (b) who is not exempt from fingerprinting
30 has ever been convicted of a crime other than a minor traffic
31 violation or arrested for any crime specified in subdivision (c) of
32 Section 290 of the Penal Code, for violating Section 245 or 273.5,
33 subdivision (b) of Section 273a or, prior to January 1, 1994,
34 paragraph (2) of Section 273a of the Penal Code, or for any crime
35 for which the department cannot grant an exemption if the person
36 was convicted and the person has not been exonerated. The State
37 Department of Social Services or other approving authority shall
38 not issue a license or certificate of approval to any foster family
39 home or certified family home applicant who has not obtained
40 both a California and Federal Bureau of Investigation criminal

1 record clearance or exemption from disqualification pursuant to
2 subdivision (g).

3 (2) The criminal history information shall include the full
4 criminal record, if any, of those persons.

5 (3) Neither the Department of Justice nor the State Department
6 of Social Services may charge a fee for the fingerprinting of an
7 applicant for a license, special permit, or certificate of approval
8 described in this subdivision. The record, if any, shall be taken
9 into consideration when evaluating a prospective applicant.

10 (4) The following shall apply to the criminal record information:

11 (A) If the applicant or other persons specified in subdivision
12 (b) who are not exempt from fingerprinting have convictions that
13 would make the applicant's home unfit as a foster family home or
14 a certified family home, the license, special permit, or certificate
15 of approval shall be denied.

16 (B) If the State Department of Social Services finds that the
17 applicant, or any person specified in subdivision (b) who is not
18 exempt from fingerprinting is awaiting trial for a crime other than
19 a minor traffic violation, the State Department of Social Services
20 or other approving authority may cease processing the application
21 until the conclusion of the trial.

22 (C) For purposes of this subdivision, a criminal record clearance
23 provided under Section 8712 of the Family Code may be used by
24 the department or other approving agency.

25 (D) To the same extent required for federal funding, an applicant
26 for a foster family home license or for certification as a family
27 home, and any other person specified in subdivision (b) who is
28 not exempt from fingerprinting, shall submit a set of fingerprint
29 images and related information to the Department of Justice and
30 the Federal Bureau of Investigation, through the Department of
31 Justice, for a state and federal level criminal offender record
32 information search, in addition to the criminal records search
33 required by subdivision (a).

34 (5) Any person specified in this subdivision shall, as a part of
35 the application, be fingerprinted and sign a declaration under
36 penalty of perjury regarding any prior criminal convictions or
37 arrests for any crime against a child, spousal or cohabitant abuse
38 or, any crime for which the department cannot grant an exemption
39 if the person was convicted and shall submit these fingerprints to
40 the licensing agency or other approving authority.

1 (6) (A) Subsequent to initial licensure or certification, a person
2 specified in subdivision (b) who is not exempt from fingerprinting
3 shall obtain both a California and Federal Bureau of Investigation
4 criminal record clearance, or an exemption from disqualification
5 pursuant to subdivision (g), prior to employment, residence, or
6 initial presence in the foster family or certified family home. A
7 foster family home licensee or foster family agency shall submit
8 fingerprint images and related information of persons specified in
9 subdivision (b) who are not exempt from fingerprinting to the
10 Department of Justice and the Federal Bureau of Investigation,
11 through the Department of Justice, for a state and federal level
12 criminal offender record information search, or to comply with
13 paragraph (1) of subdivision (h). A foster family home licensee's
14 or a foster family agency's failure to either prohibit the
15 employment, residence, or initial presence of a person specified
16 in subdivision (b) who is not exempt from fingerprinting and who
17 has not received either a criminal record clearance or an exemption
18 from disqualification pursuant to subdivision (g), or comply with
19 paragraph (1) of subdivision (h), as required in this section, shall
20 result in a citation of a deficiency, and the immediate civil penalties
21 of one hundred dollars (\$100) per violation per day for a maximum
22 of five days, unless the violation is a second or subsequent violation
23 within a 12-month period in which case the civil penalties shall
24 be in the amount of one hundred dollars (\$100) per violation for
25 a maximum of 30 days, and shall be grounds for disciplining the
26 licensee pursuant to Section 1550. A violation of the regulation
27 adopted pursuant to Section 1522.04 shall result in the citation of
28 a deficiency and an immediate assessment of civil penalties in the
29 amount of one hundred dollars (\$100) per violation per day for a
30 maximum of five days, unless the violation is a second or
31 subsequent violation within a 12-month period in which case the
32 civil penalties shall be in the amount of one hundred dollars (\$100)
33 per violation for a maximum of 30 days, and shall be grounds for
34 disciplining the foster family home licensee or the foster family
35 agency pursuant to Section 1550. The State Department of Social
36 Services may assess penalties for continued violations, as permitted
37 by Section 1548. The fingerprint images shall then be submitted
38 to the Department of Justice for processing.

39 (B) Upon request of the licensee, who shall enclose a
40 self-addressed envelope for this purpose, the Department of Justice

1 shall verify receipt of the fingerprints. Within five working days
2 of the receipt of the criminal record or information regarding
3 criminal convictions from the Department of Justice, the
4 department shall notify the applicant of any criminal arrests or
5 convictions. If no arrests or convictions are recorded, the
6 Department of Justice shall provide the foster family home licensee
7 or the foster family agency with a statement of that fact concurrent
8 with providing the information to the State Department of Social
9 Services.

10 (7) If the State Department of Social Services finds that the
11 applicant, or any other person specified in subdivision (b) who is
12 not exempt from fingerprinting, has been convicted of a crime
13 other than a minor traffic violation, the application shall be denied,
14 unless the director grants an exemption from disqualification
15 pursuant to subdivision (g).

16 (8) If the State Department of Social Services finds after
17 licensure or the granting of the certificate of approval that the
18 licensee, certified foster parent, or any other person specified in
19 subdivision (b) who is not exempt from fingerprinting, has been
20 convicted of a crime other than a minor traffic violation, the license
21 or certificate of approval may be revoked by the department or the
22 foster family agency, whichever is applicable, unless the director
23 grants an exemption from disqualification pursuant to subdivision
24 (g). A licensee's failure to comply with the department's
25 prohibition of employment, contact with clients, or presence in
26 the facility as required by paragraph (3) of subdivision (c) shall
27 be grounds for disciplining the licensee pursuant to Section 1550.

28 (e) The State Department of Social Services shall not use a
29 record of arrest to deny, revoke, or terminate any application,
30 license, employment, or residence unless the department
31 investigates the incident and secures evidence, whether or not
32 related to the incident of arrest, that is admissible in an
33 administrative hearing to establish conduct by the person that may
34 pose a risk to the health and safety of any person who is or may
35 become a client. The State Department of Social Services is
36 authorized to obtain any arrest or conviction records or reports
37 from any law enforcement agency as necessary to the performance
38 of its duties to inspect, license, and investigate community care
39 facilities and individuals associated with a community care facility.

1 (f) (1) For purposes of this section or any other provision of
2 this chapter, a conviction means a plea or verdict of guilty or a
3 conviction following a plea of nolo contendere. Any action that
4 the State Department of Social Services is permitted to take
5 following the establishment of a conviction may be taken when
6 the time for appeal has elapsed, when the judgment of conviction
7 has been affirmed on appeal, or when an order granting probation
8 is made suspending the imposition of sentence, notwithstanding
9 a subsequent order pursuant to Sections 1203.4 and 1203.4a of the
10 Penal Code permitting the person to withdraw his or her plea of
11 guilty and to enter a plea of not guilty, or setting aside the verdict
12 of guilty, or dismissing the accusation, information, or indictment.
13 For purposes of this section or any other provision of this chapter,
14 the record of a conviction, or a copy thereof certified by the clerk
15 of the court or by a judge of the court in which the conviction
16 occurred, shall be conclusive evidence of the conviction. For
17 purposes of this section or any other provision of this chapter, the
18 arrest disposition report certified by the Department of Justice, or
19 documents admissible in a criminal action pursuant to Section
20 969b of the Penal Code, shall be prima facie evidence of the
21 conviction, notwithstanding any other law prohibiting the
22 admission of these documents in a civil or administrative action.

23 (2) For purposes of this section or any other provision of this
24 chapter, the department shall consider criminal convictions from
25 another state or federal court as if the criminal offense was
26 committed in this state.

27 (g) (1) After review of the record, the director may grant an
28 exemption from disqualification for a license or special permit as
29 specified in paragraph (4) of subdivision (a), or for a license,
30 special permit, or certificate of approval as specified in paragraphs
31 (4), (7), and (8) of subdivision (d), or for employment, residence,
32 or presence in a community care facility as specified in paragraphs
33 (3), (4), and (5) of subdivision (c), if the director has substantial
34 and convincing evidence to support a reasonable belief that the
35 applicant and the person convicted of the crime, if other than the
36 applicant, are of good character as to justify issuance of the license
37 or special permit or granting an exemption for purposes of
38 subdivision (c). Except as otherwise provided in this subdivision,
39 an exemption shall not be granted pursuant to this subdivision if
40 the conviction was for any of the following offenses:

1 (A) (i) An offense specified in Section 220, 243.4, or 264.1,
2 subdivision (a) of Section 273a or, prior to January 1, 1994,
3 paragraph (1) of Section 273a, Section 273d, 288, or 289,
4 subdivision (c) of Section 290, or Section 368 of the Penal Code,
5 or was a conviction of another crime against an individual specified
6 in subdivision (c) of Section 667.5 of the Penal Code.

7 (ii) Notwithstanding clause (i), the director may grant an
8 exemption regarding the conviction for an offense described in
9 paragraph (1), (2), (7), or (8) of subdivision (c) of Section 667.5
10 of the Penal Code, if the employee or prospective employee has
11 been rehabilitated as provided in Section 4852.03 of the Penal
12 Code, has maintained the conduct required in Section 4852.05 of
13 the Penal Code for at least 10 years, and has the recommendation
14 of the district attorney representing the employee's county of
15 residence, or if the employee or prospective employee has received
16 a certificate of rehabilitation pursuant to Chapter 3.5 (commencing
17 with Section 4852.01) of Title 6 of Part 3 of the Penal Code. This
18 clause shall not apply to foster care providers, including relative
19 caregivers, nonrelated extended family members, or any other
20 person specified in subdivision (b), in those homes where the
21 individual has been convicted of an offense described in paragraph
22 (1) of subdivision (c) of Section 667.5 of the Penal Code.

23 (B) A felony offense specified in Section 729 of the Business
24 and Professions Code or Section 206 or 215, subdivision (a) of
25 Section 347, subdivision (b) of Section 417, or subdivision (a) of
26 Section 451 of the Penal Code.

27 (C) Under no circumstances shall an exemption be granted
28 pursuant to this subdivision to any foster care provider applicant
29 if that applicant, or any other person specified in subdivision (b)
30 in those homes, has a felony conviction for either of the following
31 offenses:

32 (i) A felony conviction for child abuse or neglect, spousal abuse,
33 crimes against a child, including child pornography, or for a crime
34 involving violence, including rape, sexual assault, or homicide,
35 but not including other physical assault and battery. For purposes
36 of this subparagraph, a crime involving violence means a violent
37 crime specified in clause (i) of subparagraph (A), or subparagraph
38 (B).

39 (ii) A felony conviction, within the last five years, for physical
40 assault, battery, or a drug- or alcohol-related offense.

1 (iii) This subparagraph shall not apply to licenses or approvals
2 wherein a caregiver was granted an exemption to a criminal
3 conviction described in clause (i) or (ii) prior to the enactment of
4 this subparagraph.

5 (iv) This subparagraph shall remain operative only to the extent
6 that compliance with its provisions is required by federal law as
7 a condition for receiving funding under Title IV-E of the federal
8 Social Security Act (42 U.S.C. Sec. 670 et seq.).

9 (2) The department shall not prohibit a person from being
10 employed or having contact with clients in a facility on the basis
11 of a denied criminal record exemption request or arrest information
12 unless the department complies with the requirements of Section
13 1558.

14 (h) (1) For purposes of compliance with this section, the
15 department may permit an individual to transfer a current criminal
16 record clearance, as defined in subdivision (a), from one facility
17 to another, as long as the criminal record clearance has been
18 processed through a state licensing district office, and is being
19 transferred to another facility licensed by a state licensing district
20 office. The request shall be in writing to the State Department of
21 Social Services, and shall include a copy of the person's driver's
22 license or valid identification card issued by the Department of
23 Motor Vehicles, or a valid photo identification issued by another
24 state or the United States government if the person is not a
25 California resident. Upon request of the licensee, who shall enclose
26 a self-addressed envelope for this purpose, the State Department
27 of Social Services shall verify whether the individual has a
28 clearance that can be transferred.

29 (2) The State Department of Social Services shall hold criminal
30 record clearances in its active files for a minimum of three years
31 after an employee is no longer employed at a licensed facility in
32 order for the criminal record clearance to be transferred.

33 (3) The following shall apply to a criminal record clearance or
34 exemption from the department or a county office with
35 department-delegated licensing authority:

36 (A) A county office with department-delegated licensing
37 authority may accept a clearance or exemption from the
38 department.

39 (B) The department may accept a clearance or exemption from
40 any county office with department-delegated licensing authority.

1 (C) A county office with department-delegated licensing
2 authority may accept a clearance or exemption from any other
3 county office with department-delegated licensing authority.

4 (4) With respect to notifications issued by the Department of
5 Justice pursuant to Section 11105.2 of the Penal Code concerning
6 an individual whose criminal record clearance was originally
7 processed by the department or a county office with
8 department-delegated licensing authority, all of the following shall
9 apply:

10 (A) The Department of Justice shall process a request from the
11 department or a county office with department-delegated licensing
12 authority to receive the notice only if all of the following conditions
13 are met:

14 (i) The request shall be submitted to the Department of Justice
15 by the agency to be substituted to receive the notification.

16 (ii) The request shall be for the same applicant type as the type
17 for which the original clearance was obtained.

18 (iii) The request shall contain all prescribed data elements and
19 format protocols pursuant to a written agreement between the
20 department and the Department of Justice.

21 (B) (i) On or before January 7, 2005, the department shall notify
22 the Department of Justice of all county offices that have
23 department-delegated licensing authority.

24 (ii) The department shall notify the Department of Justice within
25 15 calendar days of the date on which a new county office receives
26 department-delegated licensing authority or a county's delegated
27 licensing authority is rescinded.

28 (C) The Department of Justice shall charge the department, a
29 county office with department-delegated licensing authority, or a
30 county child welfare agency with criminal record clearance and
31 exemption authority, a fee for each time a request to substitute the
32 recipient agency is received for purposes of this paragraph. This
33 fee shall not exceed the cost of providing the service.

34 (5) (A) A county child welfare agency with authority to secure
35 clearances pursuant to Section 16504.5 of the Welfare and
36 Institutions Code and to grant exemptions pursuant to Section
37 361.4 of the Welfare and Institutions Code may accept a clearance
38 or exemption from another county with criminal record and
39 exemption authority pursuant to these sections.

1 (B) With respect to notifications issued by the Department of
2 Justice pursuant to Section 11105.2 of the Penal Code concerning
3 an individual whose criminal record clearance was originally
4 processed by a county child welfare agency with criminal record
5 clearance and exemption authority, the Department of Justice shall
6 process a request from a county child welfare agency with criminal
7 record and exemption authority to receive the notice only if all of
8 the following conditions are met:

9 (i) The request shall be submitted to the Department of Justice
10 by the agency to be substituted to receive the notification.

11 (ii) The request shall be for the same applicant type as the type
12 for which the original clearance was obtained.

13 (iii) The request shall contain all prescribed data elements and
14 format protocols pursuant to a written agreement between the State
15 Department of Social Services and the Department of Justice.

16 (i) The full criminal record obtained for purposes of this section
17 may be used by the department or by a licensed adoption agency
18 as a clearance required for adoption purposes.

19 (j) If a licensee or facility is required by law to deny employment
20 or to terminate employment of any employee based on written
21 notification from the state department that the employee has a prior
22 criminal conviction or is determined unsuitable for employment
23 under Section 1558, the licensee or facility shall not incur civil
24 liability or unemployment insurance liability as a result of that
25 denial or termination.

26 (k) The State Department of Social Services may charge a fee
27 for the costs of processing electronic fingerprint images and related
28 information.

29 (l) Amendments to this section made in the 1999 portion of the
30 1999–2000 Regular Session shall be implemented commencing
31 60 days after the effective date of the act amending this section in
32 the 1999 portion of the 1999–2000 Regular Session, except that
33 those provisions for the submission of fingerprints for searching
34 the records of the Federal Bureau of Investigation shall be
35 implemented 90 days after the effective date of that act.

36 *SEC. 4. Section 1596.871 of the Health and Safety Code is*
37 *amended to read:*

38 1596.871. The Legislature recognizes the need to generate
39 timely and accurate positive fingerprint identification of applicants
40 as a condition of issuing licenses, permits, or certificates of

1 approval for persons to operate or provide direct care services in
2 a child care center or family child care home. It is the intent of the
3 Legislature in enacting this section to require the fingerprints of
4 those individuals whose contact with child day care facility clients
5 may pose a risk to the children's health and safety. An individual
6 shall be required to obtain either a criminal record clearance or a
7 criminal record exemption from the State Department of Social
8 Services before his or her initial presence in a child day care
9 facility.

10 (a) (1) Before issuing a license or special permit to any person
11 to operate or manage a day care facility, the department shall secure
12 from an appropriate law enforcement agency a criminal record to
13 determine whether the applicant or any other person specified in
14 subdivision (b) has ever been convicted of a crime other than a
15 minor traffic violation or arrested for any crime specified in
16 subdivision (c) of Section 290 of the Penal Code, for violating
17 Section 245 or 273.5, subdivision (b) of Section 273a or, prior to
18 January 1, 1994, paragraph (2) of Section 273a of the Penal Code,
19 or for any crime for which the department cannot grant an
20 exemption if the person was convicted and the person has not been
21 exonerated.

22 (2) The criminal history information shall include the full
23 criminal record, if any, of those persons, and subsequent arrest
24 information pursuant to Section 11105.2 of the Penal Code.

25 (3) Except during the 2003–04 through ~~2011–12~~ 2012–13 fiscal
26 years, inclusive, neither the Department of Justice nor the
27 department may charge a fee for the fingerprinting of an applicant
28 who will serve six or fewer children or any family day care
29 applicant for a license, or for obtaining a criminal record of an
30 applicant pursuant to this section.

31 (4) The following shall apply to the criminal record information:

32 (A) If the State Department of Social Services finds that the
33 applicant or any other person specified in subdivision (b) has been
34 convicted of a crime, other than a minor traffic violation, the
35 application shall be denied, unless the director grants an exemption
36 pursuant to subdivision (f).

37 (B) If the State Department of Social Services finds that the
38 applicant, or any other person specified in subdivision (b), is
39 awaiting trial for a crime other than a minor traffic violation, the

1 State Department of Social Services may cease processing the
2 application until the conclusion of the trial.

3 (C) If no criminal record information has been recorded, the
4 Department of Justice shall provide the applicant and the State
5 Department of Social Services with a statement of that fact.

6 (D) If the State Department of Social Services finds after
7 licensure that the licensee, or any other person specified in
8 paragraph (2) of subdivision (b), has been convicted of a crime
9 other than a minor traffic violation, the license may be revoked,
10 unless the director grants an exemption pursuant to subdivision
11 (f).

12 (E) An applicant and any other person specified in subdivision
13 (b) shall submit fingerprint images and related information to the
14 Department of Justice and the Federal Bureau of Investigation,
15 through the Department of Justice, for a state and federal level
16 criminal offender record information search, in addition to the
17 search required by subdivision (a). If an applicant meets all other
18 conditions for licensure, except receipt of the Federal Bureau of
19 Investigation's criminal history information for the applicant and
20 persons listed in subdivision (b), the department may issue a license
21 if the applicant and each person described by subdivision (b) has
22 signed and submitted a statement that he or she has never been
23 convicted of a crime in the United States, other than a traffic
24 infraction as defined in paragraph (1) of subdivision (a) of Section
25 42001 of the Vehicle Code. If, after licensure, the department
26 determines that the licensee or person specified in subdivision (b)
27 has a criminal record, the license may be revoked pursuant to
28 Section 1596.885. The department may also suspend the license
29 pending an administrative hearing pursuant to Section 1596.886.

30 (b) (1) In addition to the applicant, this section shall be
31 applicable to criminal convictions of the following persons:

32 (A) Adults responsible for administration or direct supervision
33 of staff.

34 (B) Any person, other than a child, residing in the facility.

35 (C) Any person who provides care and supervision to the
36 children.

37 (D) Any staff person, volunteer, or employee who has contact
38 with the children.

39 (i) A volunteer providing time-limited specialized services shall
40 be exempt from the requirements of this subdivision if this person

1 is directly supervised by the licensee or a facility employee with
2 a criminal record clearance or exemption, the volunteer spends no
3 more than 16 hours per week at the facility, and the volunteer is
4 not left alone with children in care.

5 (ii) A student enrolled or participating at an accredited
6 educational institution shall be exempt from the requirements of
7 this subdivision if the student is directly supervised by the licensee
8 or a facility employee with a criminal record clearance or
9 exemption, the facility has an agreement with the educational
10 institution concerning the placement of the student, the student
11 spends no more than 16 hours per week at the facility, and the
12 student is not left alone with children in care.

13 (iii) A volunteer who is a relative, legal guardian, or foster parent
14 of a client in the facility shall be exempt from the requirements of
15 this subdivision.

16 (iv) A contracted repair person retained by the facility, if not
17 left alone with children in care, shall be exempt from the
18 requirements of this subdivision.

19 (v) Any person similar to those described in this subdivision,
20 as defined by the department in regulations.

21 (E) If the applicant is a firm, partnership, association, or
22 corporation, the chief executive officer, other person serving in
23 like capacity, or a person designated by the chief executive officer
24 as responsible for the operation of the facility, as designated by
25 the applicant agency.

26 (F) If the applicant is a local educational agency, the president
27 of the governing board, the school district superintendent, or a
28 person designated to administer the operation of the facility, as
29 designated by the local educational agency.

30 (G) Additional officers of the governing body of the applicant,
31 or other persons with a financial interest in the applicant, as
32 determined necessary by the department by regulation. The criteria
33 used in the development of these regulations shall be based on the
34 person's capability to exercise substantial influence over the
35 operation of the facility.

36 (H) This section does not apply to employees of child care and
37 development programs under contract with the State Department
38 of Education who have completed a criminal record clearance as
39 part of an application to the Commission on Teacher Credentialing,
40 and who possess a current credential or permit issued by the

1 commission, including employees of child care and development
2 programs that serve both children subsidized under, and children
3 not subsidized under, a State Department of Education contract.
4 The Commission on Teacher Credentialing shall notify the
5 department upon revocation of a current credential or permit issued
6 to an employee of a child care and development program under
7 contract with the State Department of Education.

8 (I) This section does not apply to employees of a child care and
9 development program operated by a school district, county office
10 of education, or community college district under contract with
11 the State Department of Education who have completed a criminal
12 record clearance as a condition of employment. The school district,
13 county office of education, or community college district upon
14 receiving information that the status of an employee's criminal
15 record clearance has changed shall submit that information to the
16 department.

17 (2) Nothing in this subdivision shall prevent a licensee from
18 requiring a criminal record clearance of any individuals exempt
19 from the requirements under this subdivision.

20 (c) (1) (A) Subsequent to initial licensure, any person specified
21 in subdivision (b) and not exempted from fingerprinting shall, as
22 a condition to employment, residence, or presence in a child day
23 care facility be fingerprinted and sign a declaration under penalty
24 of perjury regarding any prior criminal conviction. The licensee
25 shall submit fingerprint images and related information to the
26 Department of Justice and the Federal Bureau of Investigation,
27 through the Department of Justice, or to comply with paragraph
28 (1) of subdivision (h), prior to the person's employment, residence,
29 or initial presence in the child day care facility.

30 (B) These fingerprint images for the purpose of obtaining a
31 permanent set of fingerprints shall be electronically submitted to
32 the Department of Justice in a manner approved by the State
33 Department of Social Services and to the Department of Justice,
34 or to comply with paragraph (1) of subdivision (h), as required in
35 this section, shall result in the citation of a deficiency, and an
36 immediate assessment of civil penalties in the amount of one
37 hundred dollars (\$100) per violation per day for a maximum of
38 five days, unless the violation is a second or subsequent violation
39 within a 12-month period in which case the civil penalties shall
40 be in the amount of one hundred dollars (\$100) per violation for

1 a maximum of 30 days, and shall be grounds for disciplining the
2 licensee pursuant to Section 1596.885 or Section 1596.886. The
3 State Department of Social Services may assess civil penalties for
4 continued violations permitted by Sections 1596.99 and 1597.62.
5 The fingerprint images and related information shall then be
6 submitted to the department for processing. Within 14 calendar
7 days of the receipt of the fingerprint images, the Department of
8 Justice shall notify the State Department of Social Services of the
9 criminal record information, as provided in this subdivision. If no
10 criminal record information has been recorded, the Department of
11 Justice shall provide the licensee and the State Department of
12 Social Services with a statement of that fact within 14 calendar
13 days of receipt of the fingerprint images. If new fingerprint images
14 are required for processing, the Department of Justice shall, within
15 14 calendar days from the date of receipt of the fingerprint images,
16 notify the licensee that the fingerprints were illegible.

17 (C) Documentation of the individual's clearance or exemption
18 shall be maintained by the licensee, and shall be available for
19 inspection. When live-scan technology is operational, as defined
20 in Section 1522.04, the Department of Justice shall notify the
21 department, as required by that section, and notify the licensee by
22 mail within 14 days of electronic transmission of the fingerprints
23 to the Department of Justice, if the person has no criminal record.
24 Any violation of the regulations adopted pursuant to Section
25 1522.04 shall result in the citation of a deficiency and an immediate
26 assessment of civil penalties in the amount of one hundred dollars
27 (\$100) per violation per day for a maximum of five days, unless
28 the violation is a second or subsequent violation within a 12-month
29 period in which case the civil penalties shall be in the amount of
30 one hundred dollars (\$100) per violation for a maximum of 30
31 days, and shall be grounds for disciplining the licensee pursuant
32 to Section 1596.885 or Section 1596.886. The department may
33 assess civil penalties for continued violations, as permitted by
34 Sections 1596.99 and 1597.62.

35 (2) Except for persons specified in paragraph (2) of subdivision
36 (b), the licensee shall endeavor to ascertain the previous
37 employment history of persons required to be fingerprinted under
38 this subdivision. If it is determined by the department, on the basis
39 of fingerprints submitted to the Department of Justice, that the
40 person has been convicted of a sex offense against a minor, an

1 offense specified in Section 243.4, 273a, 273d, 273g, or 368 of
2 the Penal Code, or a felony, the State Department of Social
3 Services shall notify the licensee to act immediately to terminate
4 the person's employment, remove the person from the child day
5 care facility, or bar the person from entering the child day care
6 facility. The department may subsequently grant an exemption
7 pursuant to subdivision (f). If the conviction was for another crime
8 except a minor traffic violation, the licensee shall, upon notification
9 by the State Department of Social Services, act immediately to
10 either (1) terminate the person's employment, remove the person
11 from the child day care facility, or bar the person from entering
12 the child day care facility; or (2) seek an exemption pursuant to
13 subdivision (f). The department shall determine if the person shall
14 be allowed to remain in the facility until a decision on the
15 exemption is rendered. A licensee's failure to comply with the
16 department's prohibition of employment, contact with clients, or
17 presence in the facility as required by this paragraph shall result
18 in a citation of deficiency and an immediate assessment of civil
19 penalties by the department against the licensee, in the amount of
20 one hundred dollars (\$100) per violation per day for a maximum
21 of five days, unless the violation is a second or subsequent violation
22 within a 12-month period in which case the civil penalties shall
23 be in the amount of one hundred dollars (\$100) per violation for
24 a maximum of 30 days, and shall be grounds for disciplining the
25 licensee pursuant to Section 1596.885 or 1596.886.

26 (3) The department may issue an exemption on its own motion
27 pursuant to subdivision (f) if the person's criminal history indicates
28 that the person is of good character based on the age, seriousness,
29 and frequency of the conviction or convictions. The department,
30 in consultation with interested parties, shall develop regulations
31 to establish the criteria to grant an exemption pursuant to this
32 paragraph.

33 (4) Concurrently with notifying the licensee pursuant to
34 paragraph (3), the department shall notify the affected individual
35 of his or her right to seek an exemption pursuant to subdivision
36 (f). The individual may seek an exemption only if the licensee
37 terminates the person's employment or removes the person from
38 the facility after receiving notice from the department pursuant to
39 paragraph (3).

1 (d) (1) For purposes of this section or any other provision of
2 this chapter, a conviction means a plea or verdict of guilty or a
3 conviction following a plea of nolo contendere. Any action that
4 the department is permitted to take following the establishment of
5 a conviction may be taken when the time for appeal has elapsed,
6 when the judgment of conviction has been affirmed on appeal, or
7 when an order granting probation is made suspending the
8 imposition of sentence, notwithstanding a subsequent order
9 pursuant to Sections 1203.4 and 1203.4a of the Penal Code
10 permitting the person to withdraw his or her plea of guilty and to
11 enter a plea of not guilty, or setting aside the verdict of guilty, or
12 dismissing the accusation, information, or indictment. For purposes
13 of this section or any other provision of this chapter, the record of
14 a conviction, or a copy thereof certified by the clerk of the court
15 or by a judge of the court in which the conviction occurred, shall
16 be conclusive evidence of the conviction. For purposes of this
17 section or any other provision of this chapter, the arrest disposition
18 report certified by the Department of Justice, or documents
19 admissible in a criminal action pursuant to Section 969b of the
20 Penal Code, shall be prima facie evidence of conviction,
21 notwithstanding any other provision of law prohibiting the
22 admission of these documents in a civil or administrative action.

23 (2) For purposes of this section or any other provision of this
24 chapter, the department shall consider criminal convictions from
25 another state or federal court as if the criminal offense was
26 committed in this state.

27 (e) The State Department of Social Services may not use a
28 record of arrest to deny, revoke, or terminate any application,
29 license, employment, or residence unless the department
30 investigates the incident and secures evidence, whether or not
31 related to the incident of arrest, that is admissible in an
32 administrative hearing to establish conduct by the person that may
33 pose a risk to the health and safety of any person who is or may
34 become a client. The State Department of Social Services is
35 authorized to obtain any arrest or conviction records or reports
36 from any law enforcement agency as necessary to the performance
37 of its duties to inspect, license, and investigate community care
38 facilities and individuals associated with a community care facility.

39 (f) (1) After review of the record, the director may grant an
40 exemption from disqualification for a license or special permit as

1 specified in paragraphs (1) and (4) of subdivision (a), or for
2 employment, residence, or presence in a child day care facility as
3 specified in paragraphs (3), (4), and (5) of subdivision (c) if the
4 director has substantial and convincing evidence to support a
5 reasonable belief that the applicant and the person convicted of
6 the crime, if other than the applicant, are of good character so as
7 to justify issuance of the license or special permit or granting an
8 exemption for purposes of subdivision (c). However, an exemption
9 may not be granted pursuant to this subdivision if the conviction
10 was for any of the following offenses:

11 (A) An offense specified in Section 220, 243.4, or 264.1,
12 subdivision (a) of Section 273a or, prior to January 1, 1994,
13 paragraph (1) of Section 273a, Section 273d, 288, or 289,
14 subdivision (c) of Section 290, or Section 368 of the Penal Code,
15 or was a conviction of another crime against an individual specified
16 in subdivision (c) of Section 667.5 of the Penal Code.

17 (B) A felony offense specified in Section 729 of the Business
18 and Professions Code or Section 206 or 215, subdivision (a) of
19 Section 347, subdivision (b) of Section 417, or subdivision (a) or
20 (b) of Section 451 of the Penal Code.

21 (2) The department may not prohibit a person from being
22 employed or having contact with clients in a facility on the basis
23 of a denied criminal record exemption request or arrest information
24 unless the department complies with the requirements of Section
25 1596.8897.

26 (g) Upon request of the licensee, who shall enclose a
27 self-addressed stamped postcard for this purpose, the Department
28 of Justice shall verify receipt of the fingerprint images.

29 (h) (1) For the purposes of compliance with this section, the
30 department may permit an individual to transfer a current criminal
31 record clearance, as defined in subdivision (a), from one facility
32 to another, as long as the criminal record clearance has been
33 processed through a state licensing district office, and is being
34 transferred to another facility licensed by a state licensing district
35 office. The request shall be in writing to the department, and shall
36 include a copy of the person's driver's license or valid
37 identification card issued by the Department of Motor Vehicles,
38 or a valid photo identification issued by another state or the United
39 States government if the person is not a California resident. Upon
40 request of the licensee, who shall enclose a self-addressed stamped

1 envelope for this purpose, the department shall verify whether the
2 individual has a clearance that can be transferred.

3 (2) The State Department of Social Services shall hold criminal
4 record clearances in its active files for a minimum of two years
5 after an employee is no longer employed at a licensed facility in
6 order for the criminal record clearances to be transferred.

7 (3) The following shall apply to a criminal record clearance or
8 exemption from the department or a county office with
9 department-delegated licensing authority:

10 (A) A county office with department-delegated licensing
11 authority may accept a clearance or exemption from the
12 department.

13 (B) The department may accept a clearance or exemption from
14 any county office with department-delegated licensing authority.

15 (C) A county office with department-delegated licensing
16 authority may accept a clearance or exemption from any other
17 county office with department-delegated licensing authority.

18 (4) With respect to notifications issued by the Department of
19 Justice pursuant to Section 11105.2 of the Penal Code concerning
20 an individual whose criminal record clearance was originally
21 processed by the department or a county office with
22 department-delegated licensing authority, all of the following shall
23 apply:

24 (A) The Department of Justice shall process a request from the
25 department or a county office with department-delegated licensing
26 authority to receive the notice, only if all of the following
27 conditions are met:

28 (i) The request shall be submitted to the Department of Justice
29 by the agency to be substituted to receive the notification.

30 (ii) The request shall be for the same applicant type as the type
31 for which the original clearance was obtained.

32 (iii) The request shall contain all prescribed data elements and
33 format protocols pursuant to a written agreement between the
34 department and the Department of Justice.

35 (B) (i) On or before January 7, 2005, the department shall notify
36 the Department of Justice of all county offices that have
37 department-delegated licensing authority.

38 (ii) The department shall notify the Department of Justice within
39 15 calendar days of the date on which a new county office receives

1 department-delegated licensing authority or a county's delegated
2 licensing authority is rescinded.

3 (C) The Department of Justice shall charge the department or
4 a county office with department-delegated licensing authority a
5 fee for each time a request to substitute the recipient agency is
6 received for purposes of this paragraph. This fee shall not exceed
7 the cost of providing the service.

8 (i) Notwithstanding any other provision of law, the department
9 may provide an individual with a copy of his or her state or federal
10 level criminal offender record information search response as
11 provided to that department by the Department of Justice if the
12 department has denied a criminal background clearance based on
13 this information and the individual makes a written request to the
14 department for a copy specifying an address to which it is to be
15 sent. The state or federal level criminal offender record information
16 search response shall not be modified or altered from its form or
17 content as provided by the Department of Justice and shall be
18 provided to the address specified by the individual in his or her
19 written request. The department shall retain a copy of the
20 individual's written request and the response and date provided.

21 *SEC. 5. Section 6151 of the Revenue and Taxation Code is*
22 *amended to read:*

23 6151. (a) Beginning on the date for which the federal Centers
24 for Medicare and Medicaid Services approves implementation of
25 the state plan amendment described in subdivision (c) of Section
26 12306.6 of the Welfare and Institutions Code, but no earlier than
27 ~~July 1, 2010~~ *January 1, 2012*, for the privilege of selling support
28 services at retail, the sales tax is hereby extended to all providers
29 at the rate, as described in subdivision (b), of the gross receipts of
30 any provider from the sale of all support services sold at retail in
31 this state.

32 (b) The rate extended by subdivision (a) is the rate, as may be
33 amended from time to time, imposed by Article 1 (commencing
34 with Section 6051) plus the rate imposed by Section 35 of Article
35 XIII of the California Constitution for the privilege of selling
36 tangible personal property at retail in this state.

37 (c) Notwithstanding the implementation date of this article as
38 provided for in subdivision (a), no tax shall be collected pursuant
39 to this article prior to the receipt of approval by the federal Centers

1 for Medicare and Medicaid Services of the implementation of
2 Section 12306.6 of the Welfare and Institutions Code.

3 *SEC. 6. Part 1.75 (commencing with Section 10200) of Division*
4 *9 of the Welfare and Institutions Code is repealed.*

5 *SEC. 7. Section 11265.45 is added to the Welfare and*
6 *Institutions Code, to read:*

7 *11265.45. (a) Notwithstanding Sections 11265.1, 11265.2,*
8 *and 11265.3, a CalWORKs assistance unit that does not include*
9 *an eligible adult shall not be subject to periodic reporting*
10 *requirements other than the annual redetermination required in*
11 *Section 11265. This subdivision shall not apply to a CalWORKs*
12 *assistance unit in which the only eligible adult is under sanction*
13 *in accordance with Section 11327.5.*

14 *(b) For an assistance unit described in subdivision (a), grant*
15 *calculations may not be revised to adjust the grant amount during*
16 *the year except as provided in subdivisions (c), (d), (e), and (f),*
17 *Section 11265.46 and as otherwise established by the department*
18 *by regulation.*

19 *(c) Notwithstanding subdivision (b), statutes and regulations*
20 *relating to the 48-month time limit, age limitations for children*
21 *under Section 11253, and sanctions and financial penalties*
22 *affecting eligibility or grant amount shall be applicable as provided*
23 *in those statutes and regulations.*

24 *(d) If the county is notified that a child for whom assistance is*
25 *currently being paid has been placed in a foster care home, the*
26 *county shall discontinue aid to the child at the end of the month*
27 *of placement. The county shall discontinue the case if the remaining*
28 *assistance unit members are not otherwise eligible.*

29 *(e) If the county determines that a recipient is no longer a*
30 *California resident, pursuant to Section 11100, the recipient shall*
31 *be discontinued. The county shall discontinue the case if the*
32 *remaining assistance unit members are not otherwise eligible.*

33 *(f) If an overpayment has occurred, the county shall commence*
34 *any applicable grant adjustment in accordance with Section 11004*
35 *as of the first monthly grant after timely and adequate notice is*
36 *provided.*

37 *(g) 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 October 1, 2012, whichever is later.*

1 SEC. 8. Section 11265.46 is added to the Welfare and
2 Institutions Code, to read:

3 11265.46. (a) For an assistance unit described in subdivision
4 (a) of Section 11265.45, the grant amount a recipient shall be
5 entitled to receive for each month of the year shall be prospectively
6 determined as provided by this section. If a recipient reports that
7 he or she does not anticipate any changes in income during the
8 upcoming year, compared to the income the recipient reported
9 actually receiving on the annual redetermination form, the grant
10 shall be calculated using the actual income received. If a recipient
11 reports that he or she anticipates a change in income in one or
12 more months of the upcoming year, the county shall determine
13 whether the recipient's income is reasonably anticipated. The
14 grant shall be calculated using the income that the county
15 determines is reasonably anticipated for the upcoming year.

16 (b) For purposes of this section, income shall be considered to
17 be reasonably anticipated if the county is reasonably certain of
18 the amount of income and that the income will be received during
19 the year. The county shall determine what income is reasonably
20 anticipated based on information provided by the recipient and
21 any other available information.

22 (c) 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. 9. Section 11265.47 is added to the Welfare and
26 Institutions Code, to read:

27 11265.47. (a) The department shall establish an income
28 reporting threshold for CalWORKs assistance units described in
29 subdivision (a) of Section 11265.45.

30 (b) The income reporting threshold described in subdivision (a)
31 shall be the lesser of the following:

32 (1) Fifty-five percent of the monthly income for a family of three
33 at the federal poverty level, plus the amount of income last used
34 to calculate the recipient's monthly benefits.

35 (2) The amount likely to render the recipient ineligible for
36 federal Supplemental Nutrition Assistance Program benefits.

37 (3) The amount likely to render the recipient ineligible for
38 CalWORKs benefits.

1 (c) A recipient described in subdivision (a) of Section 11265.45
2 shall report to the county, orally or in writing, within 10 days,
3 when any of the following occurs:

4 (1) The monthly household income exceeds the threshold
5 established pursuant to this section.

6 (2) Any change in household composition.

7 (3) The household address has changed.

8 (4) A drug felony conviction, as specified in Section 11251.3.

9 (5) An incidence of an individual fleeing prosecution or custody
10 or confinement, or violating a condition or probation or parole,
11 as specified in Section 11486.5.

12 (d) When a recipient described in subdivision (a) of Section
13 11265.45 reports income or a household composition change
14 pursuant to subdivision (c), the county shall redetermine eligibility
15 and grant amounts as follows:

16 (1) If the recipient reports an increase in income or household
17 composition change for the first through 11th months of a year,
18 the county shall verify the report and determine the recipient's
19 financial eligibility and grant amount.

20 (A) If the recipient is determined to be financially ineligible
21 based on the increase in income or household composition change,
22 the county shall discontinue the recipient with timely and adequate
23 notice, effective at the end of the month in which the change
24 occurred.

25 (B) If it is determined that the recipient's grant amount should
26 decrease based on the increase in income, or increase or decrease
27 based on a change in household composition, the county shall
28 increase or reduce the recipient's grant amount for the remainder
29 of the year with timely and adequate notice, effective the first of
30 the month following the month in which the change occurred.

31 (2) If the recipient reports an increase in income for the 12th
32 month of a grant year, the county shall verify this report and
33 consider this income in redetermining eligibility and the grant
34 amount for the following year.

35 (e) During the year, a recipient described in subdivision (a) of
36 Section 11265.45 may report to the county, orally or in writing,
37 any changes in income that may increase the recipient's grant. If
38 the reported change is for the first through 11th month of a grant
39 year and results in an increase in benefits, the county shall
40 redetermine the grant for the current month and any remaining

1 months in the year. If the reported change is for the 12th month
2 of the grant year, the county shall not redetermine the grant for
3 the current year, but shall redetermine the grant for the following
4 year.

5 (f) During the year, a recipient described in subdivision (a) of
6 Section 11265.45 may request that the county discontinue the
7 recipient's entire assistance unit or any individual member of the
8 assistance unit who is no longer in the home or is an optional
9 member of the assistance unit. If the recipient's request is verbal,
10 the county shall provide a 10-day notice before discontinuing
11 benefits. If the recipient's request is in writing, the county shall
12 discontinue benefits effective the end of the month in which the
13 request is made, and simultaneously shall issue a notice informing
14 the recipient of the discontinuance.

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

18 SEC. 10. Section 11265.48 is added to the Welfare and
19 Institutions Code, to read:

20 11265.48. (a) To the extent permitted by federal law,
21 regulations, waivers, and directives, the department shall
22 implement Sections 11265.45, 11265.46, and 11265.47 in a
23 cost-effective manner that promotes compatibility between the
24 CalWORKs program and CalFresh, and minimizes the potential
25 for payment errors.

26 (b) The department shall seek all necessary waivers from the
27 United States Department of Agriculture to implement subdivision
28 (a).

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

32 SEC. 11. Section 11320.1 of the Welfare and Institutions Code
33 is amended to read:

34 11320.1. Subsequent to the commencement of the receipt of
35 aid under this chapter, the sequence of employment related
36 activities required of participants under this article, unless
37 exempted under Section 11320.3, shall be as follows:

38 (a) Job search. Recipients shall, and applicants may, at the
39 option of a county and with the consent of the applicant, receive
40 orientation to the welfare-to-work program provided under this

1 article, receive appraisal pursuant to Section 11325.2, and
2 participate in job search and job club activities provided pursuant
3 to Section 11325.22.

4 (b) Assessment. If employment is not found during the period
5 provided for pursuant to subdivision (a), or at any time the county
6 determines that participation in job search for the period specified
7 in subdivision (a) of Section 11325.22 is not likely to lead to
8 employment, the participant shall be referred to assessment, as
9 provided for in Section 11325.4. Following assessment, the county
10 and the participant shall develop a welfare-to-work plan, as
11 specified in Section 11325.21. The plan shall specify the activities
12 provided for in Section 11322.6 to which the participant shall be
13 assigned, and the supportive services, as provided for pursuant to
14 Section 11323.2, with which the recipient will be provided.

15 (c) Work activities. A participant who has signed a
16 welfare-to-work plan pursuant to Section 11325.21 shall participate
17 in work activities. ~~Except as provided in Section 11325.23, at least~~
18 ~~20 hours per week shall be spent in core activities, as specified in~~
19 ~~subdivision (e) of Section 11322.8: activities, as described in this~~
20 ~~article.~~

21 *SEC. 12. Section 11320.3 of the Welfare and Institutions Code*
22 *is amended to read:*

23 11320.3. (a) (1) Except as provided in subdivision (b) or if
24 otherwise exempt, every individual, as a condition of eligibility
25 for aid under this chapter, shall participate in welfare-to-work
26 activities under this article.

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

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

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

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

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

1 (C) Notwithstanding subparagraph (B), a person who is 16 or
2 17 years of age who has obtained a high school diploma or its
3 equivalent and is enrolled or is planning to enroll in a
4 postsecondary education, vocational, or technical school training
5 program shall also not be required to participate for so long as the
6 condition continues to exist.

7 (D) For purposes of subparagraph (C), a person shall be deemed
8 to be planning to enroll in a postsecondary education, vocational,
9 or technical school training program if he or she, or his or her
10 parent, acting on his or her behalf, submits a written statement
11 expressing his or her intent to enroll in such a program for the
12 following term. The exemption from participation shall not
13 continue beyond the beginning of the term, unless verification of
14 enrollment is provided or obtained by the county.

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

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

22 (B) The individual is of advanced age.

23 (4) A nonparent caretaker relative who has primary
24 responsibility for providing care for a child and is either caring for
25 a child who is a dependent or ward of the court or caring for a
26 child in a case in which a county determines the child is at risk of
27 placement in foster care, and the county determines that the
28 caretaking responsibilities are beyond those considered normal
29 day-to-day parenting responsibilities such that they impair the
30 caretaker relative's ability to be regularly employed or to participate
31 in welfare-to-work activities.

32 (5) An individual whose presence in the home is required
33 because of illness or incapacity of another member of the household
34 and whose caretaking responsibilities impair the recipient's ability
35 to be regularly employed or to participate in welfare-to-work
36 activities.

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

39 (A) (i) The parent or other relative has primary responsibility
40 for personally providing care to a child six months of age or under,

1 except that, on a case-by-case basis, and based on criteria
2 developed by the county, this period may be reduced to the first
3 12 weeks after the birth or adoption of the child, or increased to
4 the first 12 months after the birth or adoption of the child. An
5 individual may be exempt only once under this clause.

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

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

13 (I) The availability of child care.

14 (II) Local labor market conditions.

15 (III) Other factors determined by the county.

16 (iv) *Effective January 1, 2013, the parent or other relative has*
17 *primary responsibility for personally providing care to one child*
18 *from birth to 23 months, inclusive. The exemption provided for*
19 *under this clause shall be available in addition to any other*
20 *exemption provided for under this subparagraph. An individual*
21 *may be exempt only once under this clause.*

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

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

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

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

1 (d) (1) Notwithstanding subdivision (a), a custodial parent who
 2 is under 20 years of age and who has not earned a high school
 3 diploma or its equivalent, and who is not exempt or whose only
 4 basis for exemption is paragraph (1), (2), (5), (6), (7), or (8) of
 5 subdivision (b), shall be required to participate solely for the
 6 purpose of earning a high school diploma or its equivalent. During
 7 the time that Article 3.5 (commencing with Section 11331) is
 8 operative, this subdivision shall only apply to a custodial parent
 9 who is 19 years of age.

10 (2) Section 11325.25 shall apply to a custodial parent who is
 11 18 or 19 years of age and who is required to participate under this
 12 article.

13 (e) Notwithstanding paragraph (1) of subdivision (d), the county
 14 may determine that participation in education activities for the
 15 purpose of earning a high school diploma or equivalent is
 16 inappropriate for an 18 or 19 year old custodial parent only if that
 17 parent is reassigned pursuant to an evaluation under Section
 18 11325.25, or, at appraisal is already in an educational or vocational
 19 training program that is approvable as a self-initiated program as
 20 specified in Section 11325.23. If that determination is made, the
 21 parent shall be allowed to continue participation in the self-initiated
 22 program subject to Section 11325.23. During the time that Article
 23 3.5 (commencing with Section 11331) is operative, this subdivision
 24 shall only apply to a custodial parent who is 19 years of age.

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

- 37 (1) Lack of necessary supportive services.
- 38 (2) In accordance with Article 7.5 (commencing with Section
- 39 11495), the applicant or recipient is a victim of domestic violence,

1 but only if participation under this article is detrimental to or
2 unfairly penalizes that individual or his or her family.

3 (3) Licensed or license-exempt child care for a child 10 years
4 of age or younger is not reasonably available during the
5 individual's hours of training or employment including commuting
6 time, or arrangements for child care have broken down or have
7 been interrupted, or child care is needed for a child who meets the
8 criteria of subparagraph (C) of paragraph (1) of subdivision (a) of
9 Section 11323.2, but who is not included in the assistance unit.
10 For purposes of this paragraph, "reasonable availability" means
11 child care that is commonly available in the recipient's community
12 to a person who is not receiving aid and that is in conformity with
13 the requirements of Public Law 104-193. The choices of child care
14 shall meet either licensing requirements or the requirements of
15 Section 11324. This good cause criterion shall include the
16 unavailability of suitable special needs child care for children with
17 identified special needs, including, but not limited to, disabilities
18 or chronic illnesses.

19 (g) (1) Paragraph (7) of subdivision (b) shall be implemented
20 notwithstanding Sections 11322.4, 11322.7, 11325.6, and 11327,
21 and shall become inoperative on ~~July 1, 2012~~ *January 1, 2013*.

22 (2) The State Department of Social Services, in consultation
23 with the County Welfare Directors Association of California, *and*
24 *advocates*, shall develop a process ~~prior to January 1, 2012~~, to
25 assist clients with reengagement in welfare-to-work activities ~~by~~
26 ~~July 1, 2012~~, *pursuant to subdivision (g) of Section 11322.85*.
27 Reengagement activities may include notifying clients of the
28 expiration of exemptions, ~~potential~~ reassessments, and identifying
29 necessary supportive services.

30 (h) (1) *A recipient who was not required to participate in*
31 *welfare-to-work activities on December 31, 2012, because, in*
32 *accordance with paragraph (7) of subdivision (b), he or she is a*
33 *parent or other relative who has primary responsibility for*
34 *personally providing care to one child who is from 12 to 23 months*
35 *of age, inclusive, or two or more children who are under six years*
36 *of age shall not be required to participate until the county welfare*
37 *department reengages the recipient in welfare-to-work activities.*

38 (2) *For purposes of this subdivision, reengagement in*
39 *welfare-to-work activities shall include the development of a*
40 *welfare-to-work plan in accordance with Section 11325.21 and*

1 *the provision of necessary supportive services pursuant to Section*
2 *11323.2.*

3 *(3) County welfare departments shall reengage all recipients*
4 *described in paragraph (1) by January 1, 2015, unless the recipient*
5 *is otherwise eligible for an exemption under subdivision (b).*

6 *(4) A recipient reengaged in accordance with this subdivision*
7 *who has received assistance under this chapter, or from any state*
8 *pursuant to the Temporary Assistance for Needy Families program*
9 *(Part A (commencing with Section 401) of Title IV of the federal*
10 *Social Security Act (42 U.S.C. Sec. 601 et seq.)), may continue in*
11 *a welfare-to-work plan that meets the requirements of Section*
12 *11322.6 for a cumulative period of 24 months commencing the*
13 *first day of the first month after he or she is reengaged, unless or*
14 *until he or she exceeds the 48-month time limitation described in*
15 *Section 11454.*

16 *(5) All months of assistance described in paragraph (4) prior*
17 *to the reengagement of the recipient shall not be applied to the*
18 *24-month limitation described in paragraph (1) of subdivision (a)*
19 *of Section 11322.85.*

20 *SEC. 13. Section 11322.63 of the Welfare and Institutions Code*
21 *is amended to read:*

22 11322.63. (a) For counties that implement a welfare-to-work
23 plan that includes activities pursuant to subdivisions (b) and (c)
24 of Section 11322.6, the State Department of Social Services shall
25 pay the county 50 percent, less fifty-six dollars (\$56), of the total
26 wage costs of an employee for whom a wage subsidy is paid,
27 subject to all of the following conditions:

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

32 (B) For participants who have received aid in excess of the time
33 limits provided in subdivision (a) of Section 11454, the maximum
34 state contribution of the total wage cost, shall not exceed 100
35 percent of the computed grant for the assistance unit in the month
36 prior to participation in subsidized employment.

37 (C) In the case of an individual who participates in subsidized
38 employment as a service provided by a county pursuant to Section
39 11323.25, the maximum state contribution of the total wage cost
40 shall not exceed 100 percent of the computed grant that the

1 assistance unit received in the month prior to participation in the
2 subsidized employment.

3 (D) The maximum state contribution, as defined in this
4 paragraph, shall remain in effect until the end of the subsidy period
5 as specified in paragraph (2), including with respect to subsidized
6 employment participants whose wage results in the assistance unit
7 no longer receiving a CalWORKs grant.

8 (E) State funding provided for total wage costs shall only be
9 used to fund wage and nonwage costs of the county's subsidized
10 employment program.

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

17 (3) Eligibility for entry into subsidized employment funded
18 under this section shall be limited to individuals who are not
19 otherwise employed at the time of entry into the subsidized job,
20 and who are current CalWORKs recipients, sanctioned individuals,
21 or individuals described in Section 11320.15 who have exceeded
22 the time limits specified in subdivision (a) of Section 11454. A
23 county may continue to provide subsidized employment funded
24 under this section to individuals who become ineligible for
25 CalWORKs benefits in accordance with Section 11323.25.

26 (b) Upon application for CalWORKs after a participant's
27 subsidized employment ends, if an assistance unit is otherwise
28 eligible within three calendar months of the date that subsidized
29 employment ended, the income exemption requirements contained
30 in Section 11451.5 and the work requirements contained in
31 subdivision (c) of Section 11201 shall apply. If aid is restored after
32 the expiration of that three-month period, the income exemption
33 requirements contained in Section 11450.12 and the work
34 requirements contained in subdivision (b) of Section 11201 shall
35 apply.

36 (c) The department, in conjunction with representatives of
37 county welfare offices and their directors and the Legislative
38 Analyst's Office, shall assess the cost neutrality of the subsidized
39 employment program pursuant to this section and make
40 recommendations to the Legislature, if necessary, to ensure cost

1 neutrality. The department shall testify regarding the cost neutrality
2 of the subsidized employment program during the 2012–13 fiscal
3 year legislative budget hearings.

4 (d) No later than January 10, 2013, the State Department of
5 Social Services shall submit a report to the Legislature on the
6 outcomes of implementing this section that shall include, but need
7 not be limited to, all of the following:

8 (1) The number of CalWORKs recipients that entered subsidized
9 employment.

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

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

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

16 (e) Payment of the state’s share in total wage costs required by
17 this section shall be made in addition to, and independent of, the
18 county allocations made pursuant to Section 15204.2.

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

22 (g) *This section shall become inoperative on October 1, 2013,*
23 *and as of January 1, 2014, is repealed unless a later enacted statute*
24 *that is enacted before January 1, 2014, deletes or extends that*
25 *date.*

26 *SEC. 14. Section 11322.63 is added to the Welfare and*
27 *Institutions Code, to read:*

28 *11322.63. (a) For counties that implement a welfare-to-work*
29 *plan that includes subsidized private sector or public sector*
30 *employment activities, the State Department of Social Services*
31 *shall pay the county 50 percent, less one hundred thirteen dollars*
32 *(\$113), of the total wage costs of an employee for whom a wage*
33 *subsidy is paid, subject to all of the following conditions:*

34 (1) (A) *For participants receiving CalWORKs aid, the maximum*
35 *state contribution of the total wage cost shall not exceed 100*
36 *percent of the computed grant for the assistance unit in the month*
37 *prior to participation in subsidized employment.*

38 (B) *For participants who have received aid in excess of the time*
39 *limits provided in subdivision (a) of Section 11454, the maximum*
40 *state contribution of the total wage cost shall not exceed 100*

1 *percent of the computed grant for the assistance unit in the month*
2 *prior to participation in subsidized employment.*

3 *(C) In the case of an individual who participates in subsidized*
4 *employment as a service provided by a county pursuant to Section*
5 *11323.25, the maximum state contribution of the total wage cost*
6 *shall not exceed 100 percent of the computed grant that the*
7 *assistance unit received in the month prior to participation in the*
8 *subsidized employment.*

9 *(D) The maximum state contribution, as defined in this*
10 *paragraph, shall remain in effect until the end of the subsidy period*
11 *as specified in paragraph (2), including with respect to subsidized*
12 *employment participants whose wage results in the assistance unit*
13 *no longer receiving a CalWORKs grant.*

14 *(E) State funding provided for total wage costs shall only be*
15 *used to fund wage and nonwage costs of the county's subsidized*
16 *employment program.*

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

23 *(3) Eligibility for entry into subsidized employment funded under*
24 *this section shall be limited to individuals who are not otherwise*
25 *employed at the time of entry into the subsidized job, and who are*
26 *current CalWORKs recipients, sanctioned individuals, or*
27 *individuals described in Section 11320.15 who have exceeded the*
28 *time limits specified in subdivision (a) of Section 11454. A county*
29 *may continue to provide subsidized employment funded under this*
30 *section to individuals who become ineligible for CalWORKs*
31 *benefits in accordance with Section 11323.25.*

32 *(b) Upon application for CalWORKs after a participant's*
33 *subsidized employment ends, if an assistance unit is otherwise*
34 *eligible within three calendar months of the date that subsidized*
35 *employment ended, the income exemption requirements contained*
36 *in Section 11451.5 and the work requirements contained in*
37 *subdivision (c) of Section 11201 shall apply. If aid is restored after*
38 *the expiration of that three-month period, the income exemption*
39 *requirements contained in Section 11450.12 and the work*

1 requirements contained in subdivision (b) of Section 11201 shall
2 apply.

3 (c) The department, in conjunction with representatives of
4 county welfare offices and their directors and the Legislative
5 Analyst's Office, shall assess the cost neutrality of the subsidized
6 employment program pursuant to this section and make
7 recommendations to the Legislature, if necessary, to ensure cost
8 neutrality. The department shall testify regarding the cost neutrality
9 of the subsidized employment program during the 2012–13 fiscal
10 year legislative budget hearings.

11 (d) No later than January 10, 2013, the State Department of
12 Social Services shall submit a report to the Legislature on the
13 outcomes of implementing this section that shall include, but need
14 not be limited to, all of the following:

15 (1) The number of CalWORKs recipients that entered subsidized
16 employment.

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

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

21 (4) The impact of this program on the state's work participation
22 rate.

23 (e) Payment of the state's share in total wage costs required by
24 this section shall be made in addition to, and independent of, the
25 county allocations made pursuant to Section 15204.2.

26 (f) For purposes of this section, "total wage costs" include the
27 actual wage paid directly to the participant that is allowable under
28 the Temporary Assistance for Needy Families program.

29 (g) This section shall become operative on October 1, 2013.

30 SEC. 15. Section 11322.8 of the Welfare and Institutions Code
31 is amended to read:

32 11322.8. (a) Unless otherwise exempt, an adult recipient in a
33 one-parent assistance unit shall participate in welfare-to-work
34 activities for 32 hours each week.

35 (b) Unless otherwise exempt, an adult recipient who is an
36 unemployed parent, as defined in Section 11201, shall participate
37 in at least 35 hours of welfare-to-work activities each week.
38 However, both parents in a two-parent assistance unit may
39 contribute to the 35 hours if at least one parent meets the federal
40 one-parent work requirement applicable on January 1, 1998.

1 (c) An adult recipient required to participate under subdivision
2 (a) or (b) shall participate for at least 20 hours each week in core
3 welfare-to-work activities. The welfare-to-work activities listed
4 in subdivisions (a) to (j), inclusive, and (m) and (n) of Section
5 11322.6, are core activities for the purposes of this section.
6 Participation in core activities under subdivision (m) of Section
7 11322.6 shall be limited to a total of 12 months. Additional hours
8 that the applicant or recipient is required to participate under
9 subdivisions (a) or (b) of this section may be satisfied by any of
10 the welfare-to-work activities described in Section 11322.6 that
11 are consistent with the assessment performed in accordance with
12 Section 11325.4, and included in the individual's welfare-to-work
13 plan, described in Section 11325.21.

14 (d) Hours spent in activities listed under subdivision (q) of
15 Section 11322.6 shall count toward the core activity requirement
16 in subdivision (c) to the extent that these activities are necessary
17 to enable the individual to participate in core activities and to the
18 extent these activities cannot be accomplished within the additional
19 noncore hours of participation required by subdivision (c).

20 (e) Hours spent in classroom, laboratory, or internship activities
21 pursuant to subdivisions (k), (l), (o), and (p) of Section 11322.6
22 shall count toward the core activity requirement in subdivision (c)
23 to the extent these activities cannot be accomplished within the
24 additional noncore hours of participation, the county determines
25 the program is likely to lead to self-supporting employment, and
26 the recipient makes satisfactory progress. The provisions in
27 paragraph (2), and subparagraphs (A) and (B) of paragraph (3), of
28 subdivision (a) of Section 11325.23 shall apply to participants in
29 these activities.

30 (f) Spending hours in any or all of the activities specified in
31 subdivision (r) of Section 11322.6 shall not make a recipient
32 ineligible to count activities set forth in subdivisions (d) and (e)
33 toward the core activities requirements, as appropriate.

34 (g) *This section shall become inoperative on January 1, 2013,*
35 *and as of that date is repealed unless a later enacted statute that*
36 *is enacted before January 1, 2013, deletes or extends that date.*

37 *SEC. 16. Section 11322.8 is added to the Welfare and*
38 *Institutions Code, to read:*

39 *11322.8. (a) For a recipient required to participate in*
40 *accordance with paragraph (1) of subdivision (a) of Section*

1 11322.85, unless the recipient is otherwise exempt, the following
 2 shall apply:

3 (1) (A) An adult recipient in a one-parent assistance unit that
 4 does not include a child under six years of age shall participate
 5 in welfare-to-work activities in accordance for 30 hours each week.

6 (B) An adult recipient in a one-parent assistance unit that
 7 includes a child under six years of age shall participate in
 8 welfare-to-work activities for 20 hours each week.

9 (2) An adult recipient who is an unemployed parent, as defined
 10 in Section 11201, shall participate in at least 35 hours of
 11 welfare-to-work activities each week. However, both parents in a
 12 two-parent assistance unit may contribute to the 35 hours.

13 (b) For a recipient required to participate in accordance with
 14 paragraph (3) of subdivision (a) of Section 11322.85, the following
 15 shall apply:

16 (1) Unless otherwise exempt, an adult recipient in a one-parent
 17 assistance unit shall participate in welfare-to-work activities for
 18 30 hours per week, subject to the special rules and limitations
 19 described in Section 607(c)(1)(A) of Title 42 of the United States
 20 Code as of the operative date of this section, as provided in
 21 subdivision (c).

22 (2) Unless otherwise exempt, an adult recipient in a one-parent
 23 assistance unit that includes a child under six years of age shall
 24 participate in welfare-to-work activities for 20 hours each week,
 25 as described in Section 607 (c)(2)(B) of Title 42 of the United
 26 States Code as of the operative date of this section, as provided
 27 in subdivision (c).

28 (3) Unless otherwise exempt, an adult recipient who is an
 29 unemployed parent, as defined in Section 11201, shall participate
 30 in welfare-to-work activities for 35 hours per week, subject to the
 31 special rules and limitations described in Section 607(c)(1)(B) of
 32 Title 42 of the United States Code as of the operative date of this
 33 section, as provided in subdivision (c).

34 (c) This section shall become operative on January 1, 2013.

35 SEC. 17. Section 11322.85 is added to the Welfare and
 36 Institutions Code, to read:

37 11322.85. (a) Unless otherwise exempt, an applicant or
 38 recipient shall participate in welfare-to-work activities.

39 (1) For 24 cumulative months during a recipient's lifetime, these
 40 activities may include the activities listed in Section 11322.6 that

1 are consistent with the assessment performed in accordance with
2 Section 11325.4 and that are included in the individual's
3 welfare-to-work plan, as described in Section 11325.21, to meet
4 the hours required in Section 11322.8. These 24 months need not
5 be consecutive.

6 (2) Any month in which the recipient meets the requirements of
7 Section 11322.8, through participation in an activity or activities
8 described in paragraph (3), shall not count as a month of activities
9 for purposes of the 24-month time limit described in paragraph
10 (1).

11 (3) After a total of 24 months of participation in welfare-to-work
12 activities pursuant to paragraph (1), an aided adult shall
13 participate in one or more of the following welfare-to-work
14 activities, in accordance with Section 607(c) and (d) of Title 42 of
15 the United States Code, that are consistent with the assessment
16 performed in accordance with Section 11325.4, and included in
17 the individual's welfare-to-work plan, described in Section
18 11325.21:

19 (A) Unsubsidized employment.

20 (B) Subsidized private sector employment.

21 (C) Subsidized public sector employment.

22 (D) Work experience, including work associated with the
23 refurbishing of publicly assisted housing, if sufficient private sector
24 employment is not available.

25 (E) On-the-job training.

26 (F) Job search and job readiness assistance.

27 (G) Community service programs.

28 (H) Vocational educational training (not to exceed 12 months
29 with respect to any individual).

30 (I) Job skills training directly related to employment.

31 (J) Education directly related to employment, in the case of a
32 recipient who has not received a high school diploma or a
33 certificate of high school equivalency.

34 (K) Satisfactory attendance at a secondary school or in a course
35 of study leading to a certificate of general equivalence, in the case
36 of a recipient who has not completed secondary school or received
37 such a certificate.

38 (L) The provision of child care services to an individual who is
39 participating in a community service program.

1 (b) Any month in which the following conditions exist shall not
2 be counted as one of the 24 months of participation allowed under
3 paragraph (1) of subdivision (a):

4 (1) The recipient is participating in job search or assessment
5 pursuant to subdivision (a) or (b) of Section 11320.1, is in the
6 process of appraisal as described in Section 11325.2, or is
7 participating in the development of a welfare-to-work plan, as
8 described in Section 11325.21.

9 (2) The recipient is no longer receiving aid, pursuant to Sections
10 11327.4 and 11327.5.

11 (3) The recipient has been excused from participation for good
12 cause, pursuant to Section 11320.3.

13 (4) The recipient is exempt from participation pursuant to
14 subdivision(b) of Section 11320.3.

15 (5) The recipient is only entitled to participate in accordance
16 with subdivision (d) of Section 11320.3.

17 (c) County welfare departments shall provide each recipient
18 who is subject to the requirements of paragraph (3) of subdivision
19 (a) written notice describing the 24-month time limitation described
20 in that paragraph and the process by which recipients may claim
21 exemptions from, and extensions to, those requirements.

22 (d) The notice described in subdivision (c) shall be provided at
23 the time the individual applies for aid, during the recipient's annual
24 redetermination, and at least once after the individual has
25 participated for a total of 18 months, and prior to the end of the
26 21st month, that count toward the 24-month time limit.

27 (e) The notice described in this section shall include, but shall
28 not be limited to, all of the following:

29 (1) The number of remaining months the adult recipient may
30 be eligible to receive aid.

31 (2) The requirements that the recipient must meet in accordance
32 with paragraph (3) of subdivision (a) and the action that the county
33 will take if the adult recipient does not meet those requirements.

34 (3) The manner in which the recipient may dispute the number
35 of months counted toward the 24-month time limit.

36 (4) The opportunity for the recipient to modify his or her
37 welfare-to-work plan to meet the requirements of paragraph (3)
38 of subdivision (a).

39 (5) The opportunity for an exemption to, or extension of, the
40 24-month time limitation.

1 (f) For an individual subject to the requirements of paragraph
2 (3) of subdivision (a), who is not exempt or granted an extension,
3 and who does not meet those requirements, the provisions of
4 Sections 11327.4, 11327.5, 11327.9, and 11328.2 shall apply to
5 the extent consistent with the requirements of this section. For
6 purposes of this section, the procedures referenced in this
7 subdivision shall not be described as sanctions.

8 (g) (1) The department, in consultation with stakeholders, shall
9 convene a workgroup to determine further details of the noticing
10 and engagement requirements for the 24-month time limit, and
11 shall instruct counties via an all-county letter, followed by
12 regulations, no later than 18 months after the effective date of the
13 act that added this section.

14 (2) The workgroup described in paragraph (1) may also make
15 recommendations to refine or differentiate the procedures and due
16 process requirements applicable to individuals as described in
17 subdivision (f).

18 (h) (1) Notwithstanding paragraph (3) of subdivision (a) or
19 any other law, an assistance unit that contains an eligible adult
20 who has received assistance under this chapter, or from any state
21 pursuant to the Temporary Assistance for Needy Families program
22 (Part A (commencing with Section 401) of Title IV of the federal
23 Social Security Act (42 U.S.C. Sec. 601 et seq.)) prior to January
24 1, 2013, may continue in a welfare-to-work plan that meets the
25 requirements of Section 11322.6 for a cumulative period of 24
26 months commencing January 1, 2013, unless or until he or she
27 exceeds the 48-month time limitation described in Section 11454.

28 (2) All months of assistance described in paragraph (1) prior
29 to January 1, 2013, shall not be applied to the 24-month limitation
30 described in paragraph (1) of subdivision (a).

31 (i) This section shall become operative on January 1, 2013.

32 SEC. 18. Section 11322.86 is added to the Welfare and
33 Institutions Code, to read:

34 11322.86. (a) (1) Each county may provide an extension of
35 time during which a recipient may participate in activities
36 described in paragraph (1) of subdivision (a) of Section 11322.85
37 for recipients who are unlikely to meet the requirements of
38 paragraph (3) of subdivision (a) of Section 11322.85 upon the
39 expiration of the 24-month time limitation described in Section
40 11322.85.

1 (2) A county may grant extensions pursuant to paragraph (1)
2 for a number of assistance units equal to no more than 20 percent
3 of the assistance units in the county in which all adult members
4 have been provided aid under this chapter for at least 24 months,
5 in accordance with paragraph (1) of subdivision (a) of Section
6 11322.85, but not more than 48 months, in accordance with Section
7 11454.

8 (b) Counties are required to report information regarding the
9 number and percentage of these extensions it has granted to the
10 state.

11 (c) After consultation with stakeholders, the department shall
12 issue an all-county letter by November 1, 2013, to define the
13 process for implementing the extensions described in this section
14 and the methodology for calculating the 20 percent limitation in
15 paragraph (2) of subdivision (a).

16 (d) It is the intent of the Legislature that the state shall work
17 with counties and other stakeholders to ensure that the extension
18 process pursuant to subdivision (a) is implemented with minimal
19 disruption to the impending completion of the welfare-to-work
20 plans for recipients.

21 (e) This section shall become operative on January 1, 2013.

22 SEC. 19. Section 11322.87 is added to the Welfare and
23 Institutions Code, to read:

24 11322.87. (a) A recipient subject to the 24-month time
25 limitation described in Section 11322.85 may request an extension
26 in accordance with Section 11322.86 and may present evidence
27 to the county that he or she meets any of the following
28 circumstances:

29 (1) The recipient is likely to obtain employment within six
30 months.

31 (2) The recipient has encountered unique labor market barriers
32 temporarily preventing employment, and therefore needs additional
33 time to obtain employment.

34 (3) The recipient has achieved satisfactory progress in an
35 educational or treatment program, including adult basic education,
36 vocational education, or a self-initiated program that has a known
37 graduation, transfer, or completion date that would meaningfully
38 increase the likelihood of his or her employment.

39 (4) The recipient needs an additional period of time to complete
40 a welfare-to-work activity specified in his or her welfare-to-work

1 case plan due to a diagnosed learning or other disability, so as to
2 meaningfully increase the likelihood of his or her employment.

3 (5) The recipient has submitted an application to receive SSI
4 disability benefits, and a hearing date has been established.

5 (6) Other circumstances as determined by the department.

6 (b) (1) Except for an extension requested in accordance with
7 paragraph (5) of subdivision (a), and subject to the limitation
8 described in paragraph (2) of subdivision (a) of Section 11322.86,
9 a county shall grant an extension to a recipient who presents
10 evidence in accordance with subdivision (a) unless the county
11 determines that the evidence presented does not support the
12 existence of the circumstances described in subdivision (a).

13 (2) An extension requested in accordance with paragraph (5)
14 of subdivision (a) shall be granted if evidence that a hearing date
15 has been established is provided to the county.

16 (3) At any hearing disputing a county's denial of an extension
17 in accordance with paragraph (1), the county shall have the burden
18 of proof to establish that an extension was not justified unless the
19 county demonstrates that the denial was due to the unavailability
20 of an extension in accordance with the 20-percent limitation
21 described in paragraph (2) of subdivision (a) of Section 11322.86.

22 (c) If, as a result of information already available to a county,
23 including the recipient's welfare-to-work plan and verifications
24 of participation, the county identifies that a recipient meets a
25 circumstance described in subdivision (a), and subject to the
26 limitation described in paragraph (2) of subdivision (a) of Section
27 11322.86, a county shall grant an extension of the 24-month time
28 limitation described in paragraph (1) of subdivision (a) of Section
29 11322.85 to the recipient.

30 (d) An extension granted in accordance with subdivision (b) or
31 (c) shall be granted for an initial period of up to six months and
32 shall be reevaluated by the county at least every six months.

33 (e) This section shall become operative on January 1, 2013.

34 SEC. 20. Section 11325.71 of the Welfare and Institutions Code
35 is amended to read:

36 11325.71. (a) Notwithstanding subdivision (a) of Section
37 11325.7 and subdivision (e) of Section 11325.8, counties shall
38 have the option to redirect funding, both from and to, the amounts
39 appropriated for CalWORKs mental health employment assistance
40 services and CalWORKs substance abuse treatment services, from

1 and to other CalWORKs employment services that are necessary
2 for individuals to participate in welfare-to-work activities. This
3 section shall not be construed to limit a welfare-to-work
4 participant's access to mental health or substance abuse treatment
5 services that would otherwise be available under Section 11325.7
6 or 11325.8, to the extent the participant is not provided good cause
7 or determined to be exempt from welfare-to-work requirements.

8 (b) This section shall become inoperative on July 1, ~~2012~~ 2014,
9 and, as of January 1, ~~2013~~ 2015, is repealed, unless a later enacted
10 statute, which becomes effective on or before January 1, ~~2013~~
11 2015, deletes or extends that date on which it becomes inoperative
12 and is repealed.

13 *SEC. 21. Section 11329.5 of the Welfare and Institutions Code*
14 *is amended to read:*

15 11329.5. With respect to paragraph (7) of subdivision (b) of
16 Section 11320.3 and Section 11325.71, the Legislature finds and
17 declares all of the following, but only for the operative period of
18 these added provisions:

19 (a) Due to the significant General Fund revenue decline for the
20 2009–10 fiscal year, funding has been reduced for the CalWORKs
21 program.

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

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

32 (d) Reduced funding, including a three hundred seventy-six
33 million eight hundred fifty thousand dollar (\$376,850,000)
34 reduction to the county single allocation in the 2011–12 Budget
35 Act, will result in insufficient resources to provide the full range
36 of welfare-to-work services in the 2011–12 fiscal year.

37 (e) *Reduced funding, including a reduction to the county single*
38 *allocation, for the period between July 1, 2012, until January 1,*
39 *2015, will result in insufficient resources to provide the full range*
40 *of welfare-to-work services during that time period.*

1 (e)
2 (f) It is the intent of the Legislature that the limited resources
3 for CalWORKs services be effectively utilized, as established in
4 paragraph (7) of subdivision (b) of Section 11320.3.

5 (f)
6 (g) It is the further intent of the Legislature to provide additional
7 flexibility to address funding constraints, as established in Section
8 11325.71, in addition to the existing flexibility provided under
9 subdivision (f) of Section 11320.3.

10 (g)
11 (h) It is the further intent of the Legislature to minimize
12 disruption of welfare-to-work services for individuals already
13 participating, and prioritize exemptions and good cause for
14 applicants.

15 (h)
16 (i) Funding and caseload factors will result in circumstances
17 beyond the control of the counties in the 2009–10, 2010–11, and
18 2011–12 fiscal years, and relief should be provided for federal
19 penalties that may result.

20 *SEC. 22. Section 11334.6 is added to the Welfare and*
21 *Institutions Code, to read:*

22 *11334.6. (a) The department shall provide to the budget*
23 *committees of the Legislature, no later than February 1, 2013,*
24 *and, notwithstanding Section 10231.5 of the Government Code,*
25 *on February 1 annually thereafter, a report that includes all of*
26 *the following information:*

27 *(1) The number of counties implementing a Cal-Learn Program.*

28 *(2) The number of recipients being served in each county with*
29 *intensive case management services.*

30 *(3) Outcomes for recipients, including graduation rates and*
31 *repeat pregnancies.*

32 *(b) The report described in subdivision (a) shall be submitted*
33 *in compliance with Section 9795 of the Government Code.*

34 *SEC. 23. Section 11334.8 of the Welfare and Institutions Code*
35 *is repealed.*

36 ~~11334.8. (a) Except as provided in subdivision (b), this article~~
37 ~~shall be inoperative from July 1, 2011, to June 30, 2012, inclusive.~~

38 ~~(b) Notwithstanding subdivision (a), bonuses and supplements~~
39 ~~shall continue to be paid to eligible participants pursuant to~~
40 ~~subdivisions (a), (c), and (e) of Section 11333.7, and related~~

1 requirements pursuant to Sections 11334.2 and 11334.5 shall also
2 be operative, during the period that the remainder of this article is
3 inoperative pursuant to subdivision (a).

4 (e) ~~Notwithstanding subdivision (b) of Section 11450, a pregnant~~
5 ~~woman with no other children who was determined to be eligible~~
6 ~~for aid in the first or second trimester of her pregnancy for purposes~~
7 ~~of participating in the Cal-Learn Program prior to July 1, 2011,~~
8 ~~shall continue to receive aid during the suspension of the Cal-Learn~~
9 ~~Program described in this section, as long as she remains otherwise~~
10 ~~eligible for aid under this chapter.~~

11 (d) ~~This section shall remain in effect only until July 1, 2012,~~
12 ~~and as of that date is repealed, unless a later enacted statute, that~~
13 ~~is enacted before July 1, 2012, deletes or extends that date.~~

14 *SEC. 24. Section 11334.8 is added to the Welfare and*
15 *Institutions Code, to read:*

16 *11334.8. (a) Notwithstanding any other law, this article shall*
17 *be fully operative commencing April 1, 2013. For the period of*
18 *July 1, 2012, to March 31, 2013, inclusive, this article shall be*
19 *operative in accordance with the provisions described in*
20 *subdivision (b).*

21 *(b) Commencing July 1, 2012, until March 31, 2013, all of the*
22 *following shall apply:*

23 *(1) For the 2012–13 fiscal year, counties shall be provided with*
24 *full or partial year funding, depending on the pace of their phase-in*
25 *to full implementation of the program by April 1, 2013, as*
26 *determined by the department, in collaboration with county welfare*
27 *directors.*

28 *(2) Recipients of aid, as defined in Section 11331.5, shall be*
29 *required to participate in Cal-Learn Program intensive case*
30 *management services, as defined in subdivision (a) of Section*
31 *11332.5, only in counties where those services are available.*

32 *(3) A pregnant woman with no other children who was*
33 *determined to be eligible for aid in the first or second trimester of*
34 *her pregnancy for purposes of participating in the Cal-Learn*
35 *Program prior to July 1, 2011, shall be eligible to receive aid upon*
36 *verification of pregnancy as long as she remains otherwise eligible*
37 *for aid under this chapter.*

38 *(c) Each recipient who qualifies for benefits under this article*
39 *shall be entitled to benefits to the degree that they are provided*
40 *by the recipient's county.*

1 (d) This section shall remain in effect only until April 1, 2013,
2 and as of that date is repealed, unless a later enacted statute, that
3 is enacted before April 1, 2013, deletes or extends that date.

4 SEC. 25. Section 11451.5 of the Welfare and Institutions Code,
5 as added by Section 20 of Chapter 501 of the Statutes of 2011, is
6 amended to read:

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

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

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

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

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

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

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

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

28 (B) Fifty percent of all earned income.

29 (b) For purposes of this section:

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

35 (2) Disability-based unearned income means state disability
36 insurance benefits, private disability insurance benefits, temporary
37 workers' compensation benefits, and social security disability
38 benefits.

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

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

4 ~~(d)~~

5 (c) (1) This section shall become operative on April 1, 2013.
6 A county shall implement the semiannual reporting requirements
7 in accordance with ~~the act that added this section~~ *Chapter 501 of*
8 *the Statutes of 2011* no later than October 1, 2013.

9 (2) Upon implementation described in paragraph (1), each
10 county shall provide a certificate to the director certifying that
11 semiannual reporting has been implemented in the county.

12 (3) Upon filing the certificate described in paragraph (2), a
13 county shall comply with the semiannual reporting provisions of
14 this section.

15 *(d) This section shall become inoperative on October 1, 2013,*
16 *and, as of January 1, 2014, is repealed, unless a later enacted*
17 *statute, that becomes operative on or before January 1, 2014,*
18 *deletes or extends the dates on which it becomes inoperative and*
19 *is repealed.*

20 *SEC. 26. Section 11451.5 is added to the Welfare and*
21 *Institutions Code, to read:*

22 *11451.5. (a) The following income, except for recipients*
23 *described in subdivision (a) of Section 11265.45, except as*
24 *provided by subdivision (f) of Section 11322.6, determined for the*
25 *semiannual period pursuant to Sections 11265.2 and 11265.3,*
26 *shall be exempt from the calculation of the income of the family*
27 *for purposes of subdivision (a) of Section 11450:*

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

30 *(A) All disability-based unearned income, plus any amount of*
31 *not otherwise exempt earned income equal to the amount of the*
32 *difference between the amount of disability-based unearned income*
33 *and two hundred twenty-five dollars (\$225).*

34 *(B) Fifty percent of all not otherwise exempt earned income in*
35 *excess of the amount applied to meet the differential applied in*
36 *subparagraph (A).*

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

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

1 (B) *Fifty percent of all earned income.*

2 (b) *For purposes of this section:*

3 (1) *Earned income means gross income received as wages,*
4 *salary, employer-provided sick leave benefits, commissions, or*
5 *profits from activities such as a business enterprise or farming in*
6 *which the recipient is engaged as a self-employed individual or*
7 *as an employee.*

8 (2) *Disability-based unearned income means state disability*
9 *insurance benefits, private disability insurance benefits, temporary*
10 *workers' compensation benefits, and social security disability*
11 *benefits.*

12 (3) *Unearned income means any income not described in*
13 *paragraph (1) or (2).*

14 (c) *This section shall become operative on October 1, 2013.*

15 *SEC. 27. Section 11454.5 of the Welfare and Institutions Code*
16 *is amended to read:*

17 11454.5. (a) Any month in which the following conditions
18 exist shall not be counted as a month of receipt of aid for the
19 purposes of subdivision (a) of, and paragraph (1) of subdivision
20 (b) of, Section 11454:

21 (1) The recipient is exempt from participation under Article 3.2
22 (commencing with Section 11320) due to disability, or advanced
23 age in accordance with paragraph (3) of subdivision (b) of Section
24 11320.3, or due to caretaking responsibilities that impair the
25 recipient's ability to be regularly employed, in accordance with
26 paragraph (4) or (5) of subdivision (b) of Section 11320.3.

27 (2) The recipient is eligible for, participating in, or exempt from,
28 the Cal-Learn Program provided for pursuant to Article 3.5
29 (commencing with Section 11331), for any period during which
30 the Cal-Learn Program is operative, is participating in another teen
31 parent program approved by the department, or, on or after January
32 1, 2012, is a nonminor dependent under the supervision of the
33 county welfare or probation department who is placed in an
34 approved relative's home and is eligible for aid under this section
35 because he or she satisfies the conditions described in Section
36 11403.

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

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

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

10 (6) The recipient has been excused from participation for good
 11 cause pursuant to paragraph (1) of subdivision (f) of Section
 12 11320.3. ~~This paragraph shall become inoperative on July 1, 2012.~~

13 (7) The recipient is exempt from participation due to caretaking
 14 responsibilities that impair the recipient’s ability to be regularly
 15 employed, or is otherwise exempt, in accordance with paragraph
 16 (7) of subdivision (b) of Section 11320.3. ~~This paragraph shall
 17 become inoperative on July 1, 2012.~~

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

23 (c) *This section shall become inoperative on January 1, 2013,
 24 and as of that date is repealed unless a later enacted statute that
 25 is enacted before January 1, 2013, deletes or extends that date.*

26 *SEC. 28. Section 11454.5 is added to the Welfare and
 27 Institutions Code, to read:*

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

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

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

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

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

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

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

20 *(6) The recipient was exempt from participation under*
21 *paragraph (7) of subdivision (b) of Section 11320.3 and has not*
22 *been reengaged in accordance with subdivision (h) of Section*
23 *11320.3.*

24 *(7) The recipient is exempt from participating in welfare-to-work*
25 *activities because he or she has primary responsibility for*
26 *personally providing care to a child 24 months of age or younger,*
27 *pursuant to clause (iv) of subparagraph (A) of paragraph (6) of*
28 *subdivision (b) of Section 11320.3.*

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

34 *(c) This section shall become operative on January 1, 2013.*

35 *SEC. 29. Section 11462.04 of the Welfare and Institutions Code*
36 *is amended to read:*

37 *11462.04. (a) ~~(1)~~—Notwithstanding any other law, no new*
38 *group home rate or change to an existing rate shall be established*
39 *pursuant to Section 11462. An application shall not be accepted*
40 *or processed for any of the following:*

- 1 (A)
- 2 (1) A new program.
- 3 (B)
- 4 (2) A new provider.
- 5 (C)
- 6 (3) A program change, such as a rate classification level (RCL)
- 7 increase.
- 8 (D)
- 9 (4) A program capacity increase.
- 10 (E)
- 11 (5) A program reinstatement.
- 12 ~~(2) Notwithstanding paragraph (1), the department may grant~~
- 13 ~~exceptions as appropriate on a case-by-case basis, based upon a~~
- 14 ~~written request and supporting documentation provided by county~~
- 15 ~~placing agencies, including county welfare or probation directors.~~
- 16 (b) ~~Immediately prior to the inoperative date of this section, the~~
- 17 ~~department shall provide feedback regarding the implementation~~
- 18 ~~of this section to the Legislature.~~
- 19 (c) ~~This section shall become inoperative on January 1, 2013,~~
- 20 ~~and as of that date is repealed, unless a later enacted statute, that~~
- 21 ~~becomes operative before January 1, 2013, deletes or extends that~~
- 22 ~~date.~~
- 23 (b) *Notwithstanding subdivision (a), the department may grant*
- 24 ~~exceptions as appropriate on a case-by-case basis, based upon a~~
- 25 ~~written request and supporting documentation provided by county~~
- 26 ~~placing agencies, including county welfare or probation directors.~~
- 27 (c) *For the 2012–13 fiscal year, notwithstanding subdivision*
- 28 ~~(b), for any program below RCL 10, the only exception that may~~
- 29 ~~be sought and granted pursuant to this section is one associated~~
- 30 ~~with a program change, such as an RCL increase. The other~~
- 31 ~~exceptions shall not be available to programs below RCL 10 during~~
- 32 ~~this period.~~
- 33 SEC. 30. *Section 11464 of the Welfare and Institutions Code*
- 34 ~~is amended to read:~~
- 35 11464. (a) The Legislature finds and declares all of the
- 36 following:
- 37 (1) Children who are consumers of regional center services and
- 38 also receiving Aid to Families with Dependent Children-Foster
- 39 Care (AFDC-FC), Kinship Guardianship Assistance Payment
- 40 (Kin-GAP) benefits, or Adoption Assistance Program (AAP)

1 benefits have special needs that can require care and supervision
2 beyond that typically provided to children in foster care. Clarifying
3 the roles of the child welfare and developmental disabilities
4 services systems will ensure that these children receive the services
5 and support they need in a timely manner and encourage the
6 successful adoption of these children, where appropriate.

7 (2) To address the extraordinary care and supervision needs of
8 children who are consumers of regional center services and also
9 receiving AFDC-FC, Kin-GAP, or AAP benefits, it is necessary
10 to provide a rate for care and supervision of these children that is
11 higher than the average rate they would otherwise receive through
12 the foster care system and higher than the rate other children with
13 medical and other significant special needs receive.

14 (3) Despite the enhanced rate provided in this section, some
15 children who are consumers of regional center services and also
16 receiving AFDC-FC, Kin-GAP, or AAP benefits may have care
17 and supervision needs that are so extraordinary that they cannot
18 be addressed within that rate. In these limited circumstances, a
19 process should be established whereby a supplement may be
20 provided in addition to the enhanced rate.

21 (4) Children who receive rates pursuant to this section shall be
22 afforded the same due process rights as all children who apply for
23 AFDC-FC, Kin-GAP, and AAP benefits pursuant to Section 10950.

24 (b) Rates for children who are both regional center consumers
25 and recipients of AFDC-FC or Kin-GAP benefits under this chapter
26 shall be determined as provided in Section 4684 and this section.

27 (c) (1) The rate to be paid for 24-hour out-of-home care and
28 supervision provided to children who are both consumers of
29 regional center services pursuant to subdivision (d) of Section
30 4512 and recipients of AFDC-FC and Kin-GAP benefits under
31 this chapter shall be two thousand six dollars (\$2,006) per child
32 per month.

33 (2) (A) The county, at its sole discretion, may authorize a
34 supplement of up to one thousand dollars (\$1,000) to the rate for
35 children three years of age and older, if it determines the child has
36 the need for extraordinary care and supervision that cannot be met
37 within the rate established pursuant to paragraph (1). The State
38 Department of Social Services and the State Department of
39 Developmental Services, in consultation with stakeholders
40 representing county child welfare agencies, regional centers, and

1 children who are both consumers of regional center services and
2 recipients of AFDC-FC, Kin-GAP, or AAP benefits, shall develop
3 objective criteria to be used by counties in determining eligibility
4 for and the level of the supplements provided pursuant to this
5 paragraph. The State Department of Social Services shall issue an
6 all-county letter to implement these criteria within 120 days of the
7 effective date of this act. The criteria shall take into account the
8 extent to which the child has any of the following:

- 9 (i) Severe impairment in physical coordination and mobility.
- 10 (ii) Severe deficits in self-help skills.
- 11 (iii) Severely disruptive or self-injurious behavior.
- 12 (iv) A severe medical condition.

13 (B) The caregiver may request the supplement described in
14 subparagraph (A) directly or upon referral by a regional center.
15 Referral by a regional center shall not create the presumption of
16 eligibility for the supplement.

17 (C) When assessing a request for the supplement, the county
18 shall seek information from the consumer's regional center to assist
19 in the assessment. The county shall issue a determination of
20 eligibility for the supplement within 90 days of receipt of the
21 request. The county shall report to the State Department of Social
22 Services the number and level of rate supplements issued pursuant
23 to this paragraph.

24 (d) (1) The rate to be paid for 24-hour out-of-home care and
25 supervision provided for children who are receiving services under
26 the California Early Start Intervention Services Act, are not yet
27 determined by their regional center to have a developmental
28 disability, as defined in subdivisions (a) and (l) of Section 4512,
29 and are receiving AFDC-FC or Kin-GAP benefits under this
30 chapter, shall be eight hundred ninety-eight dollars (\$898) per
31 child per month. If a regional center subsequently determines that
32 the child is an individual with a developmental disability as that
33 term is defined by subdivisions (a) and (l) of Section 4512, the
34 rate to be paid from the date of that determination shall be
35 consistent with subdivision (c).

36 (2) The rates to be paid for 24-hour out-of-home nonmedical
37 care and supervision for children who are recipients of AFDC-FC
38 or Kin-GAP and consumers of regional center services from a
39 community care facility licensed pursuant to Chapter 3
40 (commencing with Section 1500) of Division 2 of the Health and

1 Safety Code and vendored by a regional center pursuant to Section
2 56004 of Title 17 of the California Code of Regulations, shall be
3 the facility rate established by the State Department of
4 Developmental Services.

5 (e) Rates paid pursuant to this section are subject to all of the
6 following requirements:

7 (1) The rates paid to the foster care provider under subdivision
8 (c) and paragraph (1) of subdivision (d) are only for the care and
9 supervision of the child, as defined in subdivision (b) of Section
10 11460 and shall not be applicable to facilities described in
11 paragraph (2) of subdivision (d).

12 (2) Regional centers shall separately purchase or secure the
13 services that are contained in the child's Individualized Family
14 Service Plan (IFSP) or Individual Program Plan (IPP), pursuant
15 to Section 4684.

16 (3) ~~In the event that the schedule of basic foster care rates, as~~
17 ~~specified in Section 11461, is increased on or after July 1, 2008,~~
18 ~~the rates in subdivisions (e), (d), and (f) shall be similarly adjusted.~~
19 *Beginning with the 2011–12 fiscal year, the rates in paragraph*
20 *(1) of subdivision (c) and paragraph (1) of subdivision (d) shall*
21 *be adjusted annually by the percentage change in the California*
22 *Necessities Index, as set forth in paragraph (2) of subdivision (g)*
23 *of Section 11461. No county shall be reimbursed for any increase*
24 *in this rate that exceeds the adjustments made in accordance with*
25 *this methodology.*

26 (f) (1) The AFDC-FC rates paid on behalf of a regional center
27 consumer who is a recipient of AFDC-FC prior to July 1, 2007,
28 shall remain in effect unless a change in the placement warrants
29 redetermination of the rate or if the child is no longer AFDC-FC
30 eligible. However, AFDC-FC rates paid on behalf of these children
31 that are lower than the rates specified in paragraph (1) of
32 subdivision (c) or paragraph (1) of subdivision (d), respectively,
33 shall be increased as appropriate to the amount set forth in
34 paragraph (1) of subdivision (c) or paragraph (1) of subdivision
35 (d), effective July 1, 2007, and shall remain in effect unless a
36 change in the placement or a change in AFDC-FC eligibility of
37 the child warrants redetermination of the rate.

38 (2) For a child who is receiving AFDC-FC benefits or for whom
39 a foster care eligibility determination is pending, and for whom
40 an eligibility determination for regional center services pursuant

1 to subdivision (a) of Section 4512 is pending or approved, and for
2 whom, prior to July 1, 2007, a State Department of Developmental
3 Services facility rate determination request has been made and is
4 pending, the rate shall be the State Department of Developmental
5 Services facility rate determined by the regional center through an
6 individualized assessment, or the rate established in paragraph (1)
7 of subdivision (c), whichever is greater. The rate shall remain in
8 effect until the child is no longer eligible to receive AFDC-FC, or,
9 if still AFDC-FC eligible, is found ineligible for regional center
10 services as an individual described in subdivision (a) of Section
11 4512. Other than the circumstances described in this section,
12 regional centers shall not establish facility rates for AFDC-FC
13 purposes.

14 (g) (1) The department shall adopt emergency regulations in
15 accordance with Chapter 3.5 (commencing with Section 11340)
16 of Part 1 of Division 3 of Title 2 of the Government Code, and for
17 the purposes of that chapter, including Section 11349.6 of the
18 Government Code, on or before July 1, 2009.

19 (2) The adoption of regulations pursuant to paragraph (1) shall
20 be deemed an emergency and necessary for the immediate
21 preservation of the public peace, health, safety, and general welfare.
22 The regulations authorized by this subdivision shall remain in
23 effect for no more than 180 days, by which time final regulations
24 shall be adopted.

25 (h) (1) The State Department of Social Services and the State
26 Department of Developmental Services shall provide to the Joint
27 legislative Budget Committee, on a semiannual basis, the data set
28 forth in paragraph (2) to facilitate legislative review of the
29 outcomes of the changes made by the addition of this section and
30 the amendments made to Sections 4684 and 16121 by the act
31 adding this section. The first report shall be submitted on October
32 1, 2007, with subsequent reports submitted on March 1 and October
33 1 of each year.

34 (2) The following data shall be provided pursuant to this
35 subdivision:

36 (A) The number of, and services provided to, children who are
37 consumers of regional center services and who are receiving AAP,
38 Kin-GAP, or AFDC-FC, broken out by children receiving the
39 amount pursuant to paragraph (1) of subdivision (c), the amount
40 pursuant to paragraph (1) of subdivision (d), and the level of

1 supplement pursuant to subparagraph (A) of paragraph (2) of
2 subdivision (c).

3 (B) A comparison of services provided to these children and
4 similar children who are regional center consumers who do not
5 receive AFDC-FC, Kin-GAP, or AAP benefits, broken out by
6 children receiving the amount pursuant to paragraph (1) of
7 subdivision (c), the amount pursuant to paragraph (1) of subdivision
8 (d), and the level of supplement pursuant to subparagraph (A) of
9 paragraph (2) of subdivision (c).

10 (C) The number and nature of appeals filed regarding services
11 provided or secured by regional centers for these children,
12 consistent with Section 4714, broken out by children receiving the
13 amount pursuant to paragraph (1) of subdivision (c), the amount
14 pursuant to paragraph (1) of subdivision (d), and the level of
15 supplement pursuant to subparagraph (A) of paragraph (2) of
16 subdivision (c).

17 (D) The number of these children who are adopted before and
18 after the act adding this section, broken out by children receiving
19 the amount pursuant to paragraph (1) of subdivision (c), the amount
20 pursuant to paragraph (1) of subdivision (d), and the level of
21 supplement pursuant to subparagraph (A) of paragraph (2) of
22 subdivision (c).

23 (E) The number and levels of supplements requested pursuant
24 to subparagraph (B) of paragraph (2) of subdivision (c).

25 (F) The number of appeals requested of the decision by counties
26 to deny the request for the supplement pursuant to subparagraph
27 (A) of paragraph (2) of subdivision (c).

28 (G) The total number and levels of supplements authorized
29 pursuant to subparagraph (A) of paragraph (2) of subdivision (c)
30 and the number of these supplements authorized upon appeal.

31 (i) Commencing January 1, 2012, the rate described in
32 subdivision (c) shall be paid for an eligible nonminor dependent
33 who is under 21 years of age, is receiving AFDC-FC or Kin-GAP
34 benefits pursuant to Section 11403, and is a consumer of regional
35 center services.

36 *SEC. 31. Section 11487 of the Welfare and Institutions Code*
37 *is amended to read:*

38 11487. (a) Whenever any aid under this chapter is repaid to
39 the state by means of child support collections, the state shall be
40 entitled to the amount received or recovered, except to the extent

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

8 (b) For the ~~2011–12 fiscal year and 2012–13 fiscal years~~, the
9 county share of funds received or recovered pursuant to subdivision
10 (a) shall instead be suspended and these funds shall be retained by
11 the state.

12 *SEC. 32. Section 12301.03 of the Welfare and Institutions Code*
13 *is repealed.*

14 ~~12301.03. (a) (1) The Legislature finds and declares as~~
15 ~~follows:~~

16 ~~(A) Authorized hours under the In-Home Supportive Services~~
17 ~~program were reduced in the 1992–93 fiscal year, and included a~~
18 ~~supplemental assessment process that was intended to ensure that~~
19 ~~recipients remained safely in their homes.~~

20 ~~(B) The reduction in authorized hours as provided for in Chapter~~
21 ~~8 of the Statutes of 2011 includes a supplemental assessment~~
22 ~~process, that is similarly intended to ensure that recipients remain~~
23 ~~safely in their homes.~~

24 ~~(2) Notwithstanding any other provision of law, if the~~
25 ~~Department of Finance determines that a reduction in authorized~~
26 ~~hours of service is necessary, pursuant to subdivision (d) of Section~~
27 ~~14132.957, the department shall implement a reduction in~~
28 ~~authorized hours of service to each in-home supportive services~~
29 ~~recipient as specified in this section, which shall be applied to the~~
30 ~~recipient's hours as authorized pursuant to his or her most recent~~
31 ~~assessment.~~

32 ~~(3) The reduction required by this section shall not preclude~~
33 ~~any reassessment to which a recipient would otherwise be entitled.~~
34 ~~However, hours authorized pursuant to a reassessment shall be~~
35 ~~subject to the reduction required by this section.~~

36 ~~(4) For those recipients who have a documented unmet need,~~
37 ~~excluding protective supervision, because of the limitations~~
38 ~~contained in Section 12303.4, this reduction shall be applied first~~
39 ~~to the unmet need before being applied to the authorized hours. If~~
40 ~~the recipient believes he or she will be at serious risk of~~

1 out-of-home placement as a consequence of the reduction, the
2 recipient may apply for a restoration of the reduction of authorized
3 service hours, pursuant to Section 12301.05.

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

7 (6) The reduction in service hours made pursuant to paragraph
8 (2) shall not apply to in-home supportive services recipients who
9 also receive services under Section 9560, subdivision (t) of Section
10 14132, and Section 14132.99.

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

16 (1) The preapproval process shall rely on the criteria for
17 assessing IHSS Supplemental Care applications, developed
18 pursuant to Section 12301.05.

19 (2) Preapproval shall be granted only to individuals who would
20 otherwise be granted a full restoration of their hours pursuant to
21 Section 12301.05.

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

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

32 (e) The notice of action informing each recipient who is not
33 preapproved for an IHSS Care Supplement pursuant to subdivision
34 (b) shall be mailed at least 15 days prior to the reduction going
35 into effect. The notice of action shall be understandable to the
36 recipient and translated into all languages spoken by a substantial
37 number of the public served by the In-Home Supportive Services
38 program, in accordance with Section 7295.2 of the Government
39 Code. The notice shall not contain any recipient financial or
40 confidential identifying information other than the recipient's

1 name, address, and Case Management Information and Payroll
2 System (CMIPS) client identification number, and shall include,
3 but not be limited to, all of the following information:

4 (1) The aggregate number of authorized hours before the
5 reduction pursuant to paragraph (2) of subdivision (a) and the
6 aggregate number of authorized hours after the reduction.

7 (2) That the recipient may direct the manner in which the
8 reduction of authorized hours is applied to the recipient's
9 previously authorized services.

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

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

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

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

36 (2) The initial adoption of emergency regulations implementing
37 this section and the one readoption of emergency regulations
38 authorized by this subdivision shall be deemed an emergency and
39 necessary for the immediate preservation of the public peace,
40 health, safety, or general welfare. Initial emergency regulations

1 and the one readoption of emergency regulations authorized by
2 this section shall be exempt from review by the Office of
3 Administrative Law. The initial emergency regulations and the
4 one readoption of emergency regulations authorized by this section
5 shall be submitted to the Office of Administrative Law for filing
6 with the Secretary of State and each shall remain in effect for no
7 more than 180 days, by which time final regulations may be
8 adopted.

9 (g) If the Director of Health Care Services determines that
10 federal approval is necessary to implement this section, Section
11 12301.05, or both, these sections shall be implemented only after
12 any state plan amendments required pursuant to Section 14132.95
13 are approved.

14 (h) This section shall become operative on the first day of the
15 first month following 90 days after the effective date of Chapter
16 8 of the Statutes of 2011, or October 1, 2012, whichever is later.

17 *SEC. 33. Section 12301.05 of the Welfare and Institutions Code*
18 *is repealed.*

19 12301.05.— (a) Any aged, blind, or disabled individual who is
20 eligible for services under this chapter who receives a notice of
21 action indicating that his or her services will be reduced under
22 subdivision (a) of Section 12301.03 but who believes he or she is
23 at serious risk of out-of-home placement unless all or part of the
24 reduction is restored may submit an IHSS Care Supplement
25 application. When a recipient submits an IHSS Care Supplement
26 application within 15 days of receiving the reduction notice or
27 prior to the implementation of the reduction, the recipient's
28 in-home supportive services shall continue at the level authorized
29 by the most recent assessment, prior to any reduction, until the
30 county finds that the recipient does or does not require restoration
31 of any hours through the IHSS Care Supplement. If the recipient
32 disagrees with the county's determination concerning the need for
33 the IHSS Care Supplement, the recipient may request a hearing
34 on that determination.

35 (b) The department shall develop an assessment tool, in
36 consultation with stakeholders, to be used by the counties to
37 determine if a recipient is at serious risk of out-of-home placement
38 as a consequence of the reduction of services pursuant to section
39 12301.03. The assessment tool shall be developed utilizing standard
40 of care criteria for relevant out-of-home placements that serve

1 individuals who are aged, blind, or who have disabilities and who
2 would qualify for IHSS if living at home, including, but not limited
3 to, criteria set forth in Chapter 7.0 of the Manual of Criteria for
4 Medi-Cal Authorization published by the State Department of
5 Health Care Services, as amended April 15, 2004, and the IHSS
6 uniform assessment guidelines.

7 ~~(e) Counties shall give a high priority to prompt screening of~~
8 ~~persons specified in this section to determine their need for an~~
9 ~~IHSS Care Supplement.~~

10 ~~(d) (1) Notwithstanding the rulemaking provisions of the~~
11 ~~Administrative Procedure Act (Chapter 3.5 (commencing with~~
12 ~~Section 11340) of Part 1 of Division 3 of Title 2 of the Government~~
13 ~~Code), the department may implement and administer this section~~
14 ~~through all-county letters or similar instruction from the department~~
15 ~~until regulations are adopted. The department shall adopt~~
16 ~~emergency regulations implementing this section no later than~~
17 ~~October 1, 2013. The department may readopt any emergency~~
18 ~~regulation authorized by this section that is the same as or~~
19 ~~substantially equivalent to an emergency regulation previously~~
20 ~~adopted under this section.~~

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

34 ~~(e) This section shall become operative on the first day of the~~
35 ~~first month following 90 days after the effective date of Chapter~~
36 ~~8 of the Statutes of 2011, or October 1, 2012, whichever is later.~~

37 *SEC. 34. Section 12301.06 of the Welfare and Institutions Code*
38 *is amended to read:*

39 12301.06. (a) (1) Notwithstanding any other provision of law,
40 except as provided in subdivision (d), the department shall

1 implement a 3.6-percent reduction in hours of service to each
2 recipient of services under this article, which shall be applied to
3 the recipient's hours as authorized pursuant to the most recent
4 assessment. This reduction shall be effective 90 days after the
5 enactment of the act that adds this section. The reduction required
6 by this section shall not preclude any reassessment to which a
7 recipient would otherwise be entitled. However, hours authorized
8 pursuant to a reassessment shall be subject to the 3.6-percent
9 reduction required by this section.

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

13 (3) For those individuals who have a documented unmet need,
14 excluding protective supervision because of the limitations on
15 authorized hours under Section 12303.4, the reduction shall be
16 taken first from the documented unmet need.

17 (b) (1) The reduction in hours of service pursuant to subdivision
18 (a) shall cease to be implemented on July 1, ~~2012~~ 2013.

19 (2) It is the intent of the Legislature that on July 1, ~~2012~~ 2013,
20 services shall be restored to the level authorized pursuant to the
21 recipient's most recent assessment, and increased by the previously
22 deducted 3.6 percent.

23 (c) The notice of action informing the recipient of the reduction
24 pursuant to subdivision (a) shall be mailed at least 30 days prior
25 to the reduction going into effect. The notice of action shall be
26 understandable to the recipient and translated into all languages
27 spoken by a substantial number of the public served by the
28 In-Home Supportive Services program, in accordance with Section
29 7295.2 of the Government Code. The notice shall not contain any
30 recipient financial or confidential identifying information other
31 than the recipient's name, address, and Case Management
32 Information and Payroll System (CMIPS) client identification
33 number, and shall include, but not be limited to, all of the following
34 information:

35 (1) The aggregate number of authorized hours before the
36 reduction pursuant to subdivision (a) and the aggregate number of
37 authorized hours after the reduction.

38 (2) That the recipient may direct the manner in which the
39 reduction of authorized hours is applied to the recipient's
40 previously authorized services.

1 (3) That the reduction of hours shall remain in effect until July
2 1, ~~2012~~ 2013, at which time service hours shall be restored to the
3 recipient's authorized level, based on the most recent assessment,
4 and increased by the previously deducted 3.6 percent.

5 (d) A recipient shall have all appeal rights otherwise provided
6 for under Chapter 7 (commencing with Section 10950) of Part 2.

7 (e) (1) Notwithstanding the rulemaking provisions of the
8 Administrative Procedure Act (Chapter 3.5 (commencing with
9 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
10 Code), the department may implement and administer this section
11 through all-county letters or similar instructions from the
12 department.

13 (f) This section shall become inoperative on July 1, ~~2012~~ 2013,
14 and, as of January 1, ~~2013~~ 2014, is repealed, unless a later enacted
15 statute that is enacted before January 1, ~~2013~~ 2014, deletes or
16 extends the dates on which it becomes inoperative and is repealed.

17 *SEC. 35. Section 12305.87 of the Welfare and Institutions Code*
18 *is amended to read:*

19 12305.87. (a) (1) Commencing 90 days following the effective
20 date of the act that adds this section, a person specified in paragraph
21 (2) shall be subject to the criminal conviction exclusions provided
22 for in this section, in addition to the exclusions required under
23 Section 12305.81.

24 (2) This section shall apply to a person who satisfies either of
25 the following conditions:

26 (A) He or she is a new applicant to provide services under this
27 article.

28 (B) He or she is an applicant to provide services under this
29 article whose application has been denied on the basis of a
30 conviction and for whom an appeal of that denial is pending.

31 (b) Subject to subdivisions (c), (d), and (e), an applicant subject
32 to this section shall not be eligible to provide or receive payment
33 for providing supportive services for 10 years following a
34 conviction for, or incarceration following a conviction for, any of
35 the following:

36 (1) A violent or serious felony, as specified in subdivision (c)
37 of Section 667.5 of the Penal Code and subdivision (c) of Section
38 1192.7 of the Penal Code.

39 (2) A felony offense for which a person is required to register
40 under subdivision (c) of Section 290 of the Penal Code. For

1 purposes of this paragraph, the 10-year time period specified in
2 this section shall commence with the date of conviction for, or
3 incarceration following a conviction for, the underlying offense,
4 and not the date of registration.

5 (3) A felony offense described in paragraph (2) of subdivision
6 (c) or paragraph (2) of subdivision (g) of Section 10980.

7 (c) Notwithstanding subdivision (b), an application shall not be
8 denied under this section if the applicant has obtained a certificate
9 of rehabilitation under Chapter 3.5 (commencing with Section
10 4852.01) of Title 6 of Part 3 of the Penal Code or if the information
11 or accusation against him or her has been dismissed pursuant to
12 Section 1203.4 of the Penal Code.

13 (d) (1) Notwithstanding subdivision (b), a recipient of services
14 under this article who wishes to employ a provider applicant who
15 has been convicted of an offense specified in subdivision (b) may
16 submit to the county an individual waiver of the exclusion provided
17 for in this section. This paragraph shall not be construed to allow
18 a recipient to submit an individual waiver with respect to a
19 conviction or convictions for offenses specified in Section
20 12305.81.

21 (2) The county shall notify a recipient who wishes to hire a
22 person who is applying to be a provider and who has been
23 convicted of an offense subject to exclusion under this section of
24 that applicant's relevant criminal offense convictions that are
25 covered by subdivision (b). The notice shall include both of the
26 following:

27 (A) A summary explanation of the exclusions created by
28 subdivision (b), as well as the applicable waiver process described
29 in this subdivision and the process for an applicant to seek a general
30 exception, as described in subdivision (e). This summary
31 explanation shall be developed by the department for use by all
32 counties.

33 (B) An individual waiver form, which shall also be developed
34 by the department and used by all counties. The waiver form shall
35 include both of the following:

36 (i) A space for the county to include a reference to any Penal
37 Code sections and corresponding offense names or descriptions
38 that describe the relevant conviction or convictions that are covered
39 by subdivision (b) and that the provider applicant has in his or her
40 background.

1 (ii) A statement that the service recipient, or his or her authorized
2 representative, if applicable, is aware of the applicant's conviction
3 or convictions and agrees to waive application of this section and
4 employ the applicant as a provider of services under this article.

5 (3) To ensure that the initial summary explanation referenced
6 in this subdivision is comprehensible for recipients and provider
7 applicants, the department shall consult with representatives of
8 county welfare departments and advocates for, or representatives
9 of, recipients and providers in developing the summary explanation
10 and offense descriptions.

11 (4) The individual waiver form shall be signed by the recipient,
12 or by the recipient's authorized representative, if applicable, and
13 returned to the county welfare department by mail or in person.
14 Except for a parent, guardian, or person having legal custody of a
15 minor recipient, a conservator of an adult recipient, or a spouse or
16 registered domestic partner of a recipient, a provider applicant
17 shall not sign his or her own individual waiver form as the
18 recipient's authorized representative. The county shall retain the
19 waiver form and a copy of the provider applicant's criminal offense
20 record information search response until the date that the
21 convictions that are the subject of the waiver request are no longer
22 within the 10-year period specified in subdivision (b).

23 (5) An individual waiver submitted pursuant to this subdivision
24 shall entitle a recipient to hire a provider applicant who otherwise
25 meets all applicable enrollment requirements for the In-Home
26 Supportive Services program. A provider hired pursuant to an
27 individual waiver may be employed only by the recipient who
28 requested that waiver, and the waiver shall only be valid with
29 respect to convictions that are specified in that waiver. A new
30 waiver shall be required if the provider is subsequently convicted
31 of an offense to which this section otherwise would apply. A
32 provider who wishes to be listed on a provider registry or to provide
33 supportive services to a recipient who has not requested an
34 individual waiver shall be required to apply for a general exception,
35 as provided for in subdivision (e).

36 (6) Nothing in this section shall preclude a provider who is
37 eligible to receive payment for services provided pursuant to an
38 individual waiver under this subdivision from being eligible to
39 receive payment for services provided to one or more additional
40 recipients who obtain waivers pursuant to this same subdivision.

1 (7) The state and a county shall be immune from any liability
2 resulting from granting an individual waiver under this subdivision.

3 (e) (1) Notwithstanding subdivision (b), an applicant who has
4 been convicted of an offense identified in subdivision (b) may seek
5 from the department a general exception to the exclusion provided
6 for in this section.

7 (2) Upon receipt of a general exception request, the department
8 shall request a copy of the applicant's criminal offender record
9 information search response from the applicable county welfare
10 department, *public authority, or nonprofit consortium*.
11 Notwithstanding any other provision of law, the county, *public*
12 *authority, or nonprofit consortium* shall provide a copy of the
13 criminal offender record information search response, as provided
14 to the county, *public authority, or nonprofit consortium* by the
15 Department of Justice, to the department. The county, *public*
16 *authority, or nonprofit consortium* shall provide this information
17 in a manner that protects the confidentiality and privacy of the
18 criminal offender record information search response. The state
19 or federal criminal history record information search response shall
20 not be modified or altered from its form or content as provided by
21 the Department of Justice.

22 (3) The department shall consider the following factors when
23 determining whether to grant a general exception under this
24 subdivision:

25 (A) The nature and seriousness of the conduct or crime under
26 consideration and its relationship to employment duties and
27 responsibilities.

28 (B) The person's activities since conviction, including, but not
29 limited to, employment or participation in therapy education, or
30 community service, that would indicate changed behavior.

31 (C) The number of convictions and the time that has elapsed
32 since the conviction or convictions.

33 (D) The extent to which the person has complied with any terms
34 of parole, probation, restitution, or any other sanction lawfully
35 imposed against the person.

36 (E) Any evidence of rehabilitation, including character
37 references, submitted by the person, or by others on the person's
38 behalf.

39 (F) Employment history and current or former employer
40 recommendations. Additional consideration shall be given to

1 employer recommendations provided by a person who has received
2 or has indicated a desire to receive supportive or personal care
3 services from the applicant, including, but not limited to, those
4 services, specified in Section 12300.

5 (G) Circumstances surrounding the commission of the offense
6 that would demonstrate the unlikelihood of repetition.

7 (H) The granting by the Governor of a full and unconditional
8 pardon.

9 (f) If the department makes a determination to deny an
10 application to provide services pursuant to a request for a general
11 exception, the department shall notify the applicant of this
12 determination by either personal service or registered mail. The
13 notice shall include the following information:

14 (1) A statement of the department's reasons for the denial that
15 evaluates evidence of rehabilitation submitted by the applicant, if
16 any, and that specifically addresses any evidence submitted relating
17 to the factors in paragraph (3) of subdivision (e).

18 (2) A copy of the applicant's criminal offender record
19 information search response, even if the applicant already has
20 received a copy pursuant to Section 12301.6 or 12305.86. The
21 department shall provide this information in a manner that protects
22 the confidentiality and privacy of the criminal offender record
23 information search response.

24 (A) The state or federal criminal history record shall not be
25 modified or altered from its form or content as provided by the
26 Department of Justice.

27 (B) The department shall retain a copy of each individual's
28 criminal offender record information search response until the date
29 that the convictions that are the subject of the exception are no
30 longer within the 10-year period specified in subdivision (b), and
31 shall record the date the copy of the response was provided to the
32 individual and the department.

33 (C) The criminal offender record information search response
34 shall not be made available by the department to any individual
35 other than the provider applicant.

36 (g) (1) Upon written notification that the department has
37 determined that a request for exception shall be denied, the
38 applicant may request an administrative hearing by submitting a
39 written request to the department within 15 business days of receipt
40 of the written notification. Upon receipt of a written request, the

1 department shall hold an administrative hearing consistent with
2 the procedures specified in Section 100171 of the Health and Safety
3 Code, except where those procedures are inconsistent with this
4 section.

5 (2) A hearing under this subdivision shall be conducted by a
6 hearing officer or administrative law judge designated by the
7 director. A written decision shall be sent by certified mail to the
8 applicant.

9 (h) The department shall revise the provider enrollment form
10 developed pursuant to Section 12305.81 to include both of the
11 following:

12 (1) The text of subdivision (c) of Section 290 of the Penal Code,
13 subdivision (c) of Section 667.5 of the Penal Code, subdivision
14 (c) of Section 1192.7 of the Penal Code, and paragraph (2) of
15 subdivisions (c) and (g) of Section 10980.

16 (2) A statement that the provider understands that if he or she
17 has been convicted, or incarcerated following conviction for, any
18 of the crimes specified in the provisions identified in paragraph
19 (b) in the last 10 years, and has not received a certificate of
20 rehabilitation or had the information or accusation dismissed, as
21 provided in subdivision (c), he or she shall only be authorized to
22 receive payment for providing in-home supportive services under
23 an individual waiver or general exception as described in this
24 section, and upon meeting all other applicable criteria for
25 enrollment as a provider in the program.

26 (i) (1) Notwithstanding the rulemaking provisions of the
27 Administrative Procedure Act (Chapter 3.5 (commencing with
28 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
29 Code), the department may implement and administer this section
30 through all-county letters or similar instructions from the
31 department until regulations are adopted. The department shall
32 adopt emergency regulations implementing these provisions no
33 later than July 1, 2011. The department may readopt any emergency
34 regulation authorized by this section that is the same as or
35 substantially equivalent to an emergency regulation previously
36 adopted under this section.

37 (2) The initial adoption of emergency regulations pursuant to
38 this section and one readoption of emergency regulations shall be
39 deemed an emergency and necessary for the immediate
40 preservation of the public peace, health, safety, or general welfare.

1 Initial emergency regulations and the one readoption of emergency
2 regulations authorized by this section shall be exempt from review
3 by the Office of Administrative Law. The initial emergency
4 regulations and the one readoption of emergency regulations
5 authorized by this section shall be submitted to the Office of
6 Administrative Law for filing with the Secretary of State and each
7 shall remain in effect for no more than 180 days, by which time
8 final regulations may be adopted.

9 (j) In developing the individual waiver form and all-county
10 letters or information notices or similar instructions, the department
11 shall consult with stakeholders, including, but not limited to,
12 representatives of the county welfare departments, and
13 representatives of consumers and providers. The consultation shall
14 include at least one in-person meeting prior to the finalization of
15 the individual waiver form and all-county letters or information
16 notices or similar instructions.

17 *SEC. 36. Section 12306.6 of the Welfare and Institutions Code*
18 *is amended to read:*

19 12306.6. (a) (1) Notwithstanding any other provision of law,
20 beginning on the date for which the federal Centers for Medicare
21 and Medicaid Services authorizes commencement of the
22 implementation of this section, but no earlier than ~~July 1, 2010~~
23 *January 1, 2012*, and concurrent with the collection of the sales
24 tax extended to support services pursuant to Article 4 (commencing
25 with Section 6150) of Chapter 2 of Part 1 of Division 2 of the
26 Revenue and Taxation Code, a provider of in-home supportive
27 services shall receive a supplementary payment under this article
28 equal to a percentage, as set forth in paragraph (2), of the gross
29 receipts, as defined in subdivision (b) of Section 6150 of the
30 Revenue and Taxation Code, of the provider for the sale of in-home
31 supportive services, plus an amount described in paragraph (3) if
32 applicable. If the underlying payment for in-home supportive
33 services that is being supplemented is a Medi-Cal payment, then
34 the supplementary payment shall also be a Medi-Cal payment.
35 Supplementary payments shall be made only to those providers
36 from whom the tax imposed pursuant to Section 6151 of the
37 Revenue and Taxation Code has been collected.

38 (2) The percentage applicable to the supplementary payment
39 required by paragraph (1) shall equal the rate described in
40 subdivision (b) of Section 6151 of the Revenue and Taxation Code

1 and shall only be applied to services provided under this article,
2 including personal care option services reimbursable under the
3 Medi-Cal program.

4 (3) The supplementary payment of an individual provider whose
5 payroll withholding required for federal income tax purposes and
6 for purposes of taxation for the Social Security and Medicare
7 programs is increased due to the supplementary payment, in
8 comparison to the amounts for those purposes that would be
9 withheld without the supplementary payment, shall be increased
10 by an additional amount that is equal to the amount of this
11 additional federal withholding.

12 (b) (1) All revenues deposited in the Personal Care IHSS
13 Quality Assurance Revenue Fund established pursuant to Section
14 6168 of the Revenue and Taxation Code shall be used solely for
15 purposes of the In-Home Supportive Services program, including,
16 but not limited to, those services provided under the Medi-Cal
17 program. All supplementary payments required by this section
18 shall be paid from the Personal Care IHSS Quality Assurance
19 Revenue Fund.

20 (2) The Director of Finance shall determine the sum required
21 to be deposited in the Personal Care IHSS Quality Assurance
22 Revenue Fund to fund the initial supplementary payments from
23 the fund. As soon thereafter as reasonably possible, this sum shall
24 be transferred, in the form of a loan, from the General Fund to the
25 Personal Care IHSS Quality Assurance Revenue Fund. At the time
26 sufficient revenues have been deposited in the Personal Care IHSS
27 Quality Assurance Revenue Fund pursuant to Section 6168 of the
28 Revenue and Taxation Code to sustain the continued operation of
29 the fund for that portion of the supplementary payment described
30 in paragraph (2) of subdivision (a) plus an additional amount equal
31 to the General Fund loan made pursuant to this paragraph, plus
32 interest, the sum transferred from the General Fund, including
33 interest, shall be repaid to the General Fund. Subsequent
34 supplementary payments pursuant to this section shall be made
35 from revenue deposited in the Personal Care IHSS Quality
36 Assurance Revenue Fund pursuant to Section 6168 of the Revenue
37 and Taxation Code.

38 (3) The Department of Finance, on an ongoing basis, shall
39 determine the amount necessary to implement paragraph (3) of
40 subdivision (a), and subdivision (c) of Section 12302.2, and

1 immediately transfer this amount from the General Fund to the
2 Personal Care IHSS Quality Assurance Revenue Fund.

3 (c) (1) The Director of Health Care Services shall seek all
4 federal Medicaid approvals necessary to implement this section,
5 including using the revenues obtained pursuant to Article 4
6 (commencing with Section 6150) of Chapter 2 of Part 1 of Division
7 2 of the Revenue and Taxation Code as the nonfederal share for
8 supplementary payments. As part of that request for approval, the
9 director shall seek to make the supplementary payments effective
10 as of ~~July 1, 2010~~ *January 1, 2012*.

11 (2) This section shall become operative only if the federal
12 Centers for Medicare and Medicaid Services grants Medicaid
13 approvals sought pursuant to paragraph (1).

14 (3) If Medicaid approval is granted pursuant to paragraph (2),
15 within 10 days of that approval the Director of Health Care
16 Services shall notify the State Board of Equalization and the
17 appropriate fiscal and policy committees of the Legislature of the
18 approval.

19 (d) If Article 4 (commencing with Section 6150) of Chapter 2
20 of Part 1 of Division 2 of the Revenue and Taxation Code becomes
21 inoperative pursuant to subdivision (b) of Section 6170 of the
22 Revenue and Taxation Code, supplementary payments shall cease
23 to be made pursuant to subdivision (a) when all moneys in the
24 fund have been expended.

25 (e) (1) Notwithstanding the rulemaking provisions of the
26 Administrative Procedure Act, Chapter 3.5 (commencing with
27 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
28 Code, the department and the State Department of Health Care
29 Services may implement and administer this section through
30 all-county letters or similar instruction from the department and
31 the State Department of Health Care Services until regulations are
32 adopted. The department and the State Department of Health Care
33 Services shall adopt emergency regulations implementing this
34 section no later than 12 months following the initial effective date
35 of the supplementary payments. The department and the State
36 Department of Health Care Services may readopt any emergency
37 regulation authorized by this section that is the same as or
38 substantially equivalent to an emergency regulation previously
39 adopted under this section.

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

14 (f) This section shall remain in effect only until the January 1
15 following the date supplementary payments cease to be made
16 pursuant to subdivision (d), and as of that date is repealed.

17 *SEC. 37. Section 14124.93 of the Welfare and Institutions Code*
18 *is amended to read:*

19 14124.93. (a) The Department of Child Support Services shall
20 provide payments to the local child support agency of fifty dollars
21 (\$50) per case for obtaining third-party health coverage or
22 insurance of beneficiaries, to the extent that funds are appropriated
23 in the annual Budget Act.

24 (b) A county shall be eligible for a payment if the county obtains
25 third-party health coverage or insurance for applicants or recipients
26 of Title IV-D services not previously covered, or for whom
27 coverage has lapsed, and the county provides all required
28 information on a form approved by both the Department of Child
29 Support Services and the State Department of Health Care Services.

30 (c) Payments to the local child support agency under this section
31 shall be suspended for the 2003–04, 2004–05, 2005–06, 2006–07,
32 2007–08, 2008–09, 2009–10, 2010–11, ~~and 2011–12, 2012–13,~~
33 ~~2013–14, and 2014–15~~ fiscal years.

34 *SEC. 38. Section 14132.957 of the Welfare and Institutions*
35 *Code is repealed.*

36 ~~14132.957. (a) (1) It is the intent of the Legislature to adopt~~
37 ~~measures that will assist individuals who are living in the~~
38 ~~community to remain within their home environment and avoid~~
39 ~~unnecessary emergency room usage and hospital and nursing~~

1 facility admissions due to those individuals not taking medications
2 as prescribed.

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

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

14 ~~(4) The Legislature therefore authorizes the establishment of~~
15 ~~the Home and Community Based Medication Dispensing Machine~~
16 ~~Pilot Project for utilization of an automated medication dispensing~~
17 ~~machine with associated monitoring and telephonic reporting~~
18 ~~services to assist Medi-Cal recipients with taking prescribed~~
19 ~~medications. All Medi-Cal recipients who participate in the pilot~~
20 ~~project shall do so voluntarily and shall be selected using criteria~~
21 ~~that demonstrates their susceptibility to not taking their medications~~
22 ~~as prescribed without monitoring or assistance.~~

23 ~~(b) On and after the effective date of this section, the department,~~
24 ~~in consultation with the State Department of Social Services, shall~~
25 ~~begin implementation of the pilot project described in subdivision~~
26 ~~(a) and shall do all of the following:~~

27 ~~(1) Establish criteria to identify at-risk Medi-Cal recipients who~~
28 ~~demonstrate susceptibility to not taking medications as prescribed.~~
29 ~~These criteria shall be based on Medi-Cal, In-Home Supportive~~
30 ~~Services program and Medicare data and may include factors such~~
31 ~~as age, disability, multiple prescribed medications, and experience~~
32 ~~with or a high risk of experience with, numerous emergency~~
33 ~~department visits or hospital or nursing facility admissions within~~
34 ~~a specified time period as a result of not taking medications as~~
35 ~~prescribed.~~

36 ~~(2) Identify an at-risk portion of Medi-Cal recipients of a~~
37 ~~sufficient number to achieve the intended savings. Recipients~~
38 ~~identified for this pilot project shall be limited to individuals who~~
39 ~~obtain Medi-Cal benefits through fee for service, who are not~~
40 ~~required to be enrolled on a mandatory basis in a Medi-Cal~~

1 ~~managed care health plan, and who are able to manage the~~
2 ~~medication dispensing machine independently or with the~~
3 ~~assistance of a family member or care provider and have a home~~
4 ~~environment capable of supporting the machine and associated~~
5 ~~telephonic reporting service that includes an active telephone line.~~

6 ~~(3) To the extent necessary, the department shall do all of the~~
7 ~~following:~~

8 ~~(A) Select and procure the automated medication dispensing~~
9 ~~machines, including costs for installation in a participant's home,~~
10 ~~as well as monitoring and repair services associated with operation~~
11 ~~of the machines.~~

12 ~~(B) Provide an in-home, automated medication dispensing~~
13 ~~machine with telephonic reporting service for monitoring and~~
14 ~~assisting with taking medication, including installation,~~
15 ~~maintenance, alerts, training, and supplies at no cost to the~~
16 ~~recipient.~~

17 ~~(4) Seek federal funding from the Centers for Medicare and~~
18 ~~Medicaid Services Innovation Center for the cost of the~~
19 ~~demonstration and other expenses, and to receive Medicare shared~~
20 ~~savings realized from the pilot project.~~

21 ~~(5) Assess the potential for federal financial participation for~~
22 ~~these machines and any other expenses associated with this pilot~~
23 ~~project as well as receipt of federal reimbursement for savings~~
24 ~~accrued to the Medicare program. If the department determines~~
25 ~~that federal financial participation is available under Title XI or~~
26 ~~XIX of the federal Social Security Act, the department shall seek~~
27 ~~a waiver or other federal approval, or submit a Medicaid State Plan~~
28 ~~amendment to implement the pilot project.~~

29 ~~(e) (1) The department shall provide quarterly reports, beginning~~
30 ~~October 1, 2011, to the Department of Finance and the appropriate~~
31 ~~fiscal and policy committees of the Legislature, describing the~~
32 ~~number of recipients participating in the pilot project, the number~~
33 ~~of medication dispensing machines in use, costs of implementing~~
34 ~~and administering the pilot project, and any available data regarding~~
35 ~~medical and pharmacy utilization.~~

36 ~~(2) The department shall also conduct an evaluation of the pilot~~
37 ~~project, including effects on service utilization, spending,~~
38 ~~outcomes, projected savings to the Medi-Cal program and the~~
39 ~~federal Medicare program, recommendations for improving the~~
40 ~~pilot project and maximizing savings to the state, and identification~~

1 of other means of General Fund savings related to improving
2 quality and cost-effectiveness of care, and shall report the
3 evaluation to the appropriate policy and fiscal committees of the
4 Legislature by December 31, 2013.

5 (3) (A) If the Department of Finance determines that the
6 quarterly reports do not demonstrate the ability of the pilot project
7 to achieve at least the estimated net annual savings of one hundred
8 forty million dollars (\$140,000,000) to the General Fund, after
9 fully offsetting implementation and administrative costs, the
10 Director of Finance shall notify the Chair of the Senate Committee
11 on Budget and Fiscal Review and the Chair of the Assembly
12 Committee on Budget of this determination, in writing, by April
13 10, 2012. Within 10 days following this notification, the
14 Department of Finance shall convene a meeting with legislative
15 staff to review the estimates related to its determination.

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

23 (d) (1) Notwithstanding any other provision of law, if the
24 Department of Finance determines after July 1, 2012, that the
25 actions pursuant to subdivisions (b) and (c) will fail to achieve the
26 net annual savings of one hundred forty million dollars
27 (\$140,000,000) to the General Fund, after fully offsetting
28 implementation and administrative costs, the Department of
29 Finance shall notify the State Department of Social Services and
30 the department, and the State Department of Social Services, in
31 consultation with the department, shall implement a reduction in
32 authorized hours for in-home supportive services recipients
33 beginning October 1, 2012, in accordance with Section 12301.03,
34 to achieve a net annual savings of one hundred forty million dollars
35 (\$140,000,000) to the General Fund, after fully offsetting
36 implementation and administrative costs of the pilot project and
37 after taking into account any savings achieved pursuant to
38 subdivisions (b) and (c).

39 (2) No earlier than 30 days after submission of the evaluation
40 required by paragraph (2) of subdivision (c), the Department of

1 Finance may adjust the amount of the reduction to meet net annual
2 savings of one hundred forty million dollars (\$140,000,000) to the
3 General Fund after fully offsetting implementation and
4 administrative costs and after taking into account any savings
5 achieved pursuant to subdivisions (b) and (c). The calculations
6 shall be based on updated data contained in the evaluation.

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

18 (f) Notwithstanding Chapter 3.5 (commencing with Section
19 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
20 the department may implement this section through all-county
21 letters, provider bulletins, or similar instructions, without taking
22 regulatory action.

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

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

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

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

33 (D) The department is unable to obtain from the Medicare
34 program the data necessary to implement this pilot project, and
35 the high-risk Medi-Cal only population is insufficient to conduct
36 the pilot project.

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

1 ~~(2) Termination of the pilot project pursuant to paragraph (1)~~
2 ~~does not provide the department or the State Department of Social~~
3 ~~Services with authority to implement a reduction in authorized~~
4 ~~hours pursuant to Section 12301.03. Any reduction in authorized~~
5 ~~hours pursuant to Section 12301.03 shall comply with the~~
6 ~~requirements of subdivision (d).~~

7 ~~(3) The department shall notify the appropriate fiscal and policy~~
8 ~~committees of the Legislature 30 days prior to terminating the pilot~~
9 ~~project.~~

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

12 15525. (a) The State Department of Social Services shall
13 establish a Work Incentive Nutritional Supplement (WINS)
14 program pursuant to this section.

15 (b) Under the WINS program established pursuant to subdivision
16 (a), each county shall provide a ~~forty-dollar (\$40)~~ *ten-dollar (\$10)*
17 per month additional food assistance benefit for each eligible
18 CalFresh household, as defined in subdivision (d).

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

23 (d) For purposes of this section, an "eligible CalFresh
24 household" is a household that meets all of the following criteria:

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

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

29 (3) Contains at least one child under 18 years of age, unless the
30 household contains a child who meets the requirements of Section
31 11253.

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

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

1 (e) (1) In accordance with federal law, federal Supplemental
2 Nutrition Assistance Program benefits administered in California
3 as CalFresh (Chapter 10 (commencing with Section 18900) of Part
4 6), federal supplemental security income benefits, state
5 supplemental security program benefits, public social services, as
6 defined in Section 10051, and county aid benefits (Part 5
7 (commencing with Section 17000)), shall not be reduced as a
8 consequence of the receipt of the WINS benefit paid under this
9 chapter.

10 (2) Benefits paid under this chapter shall not count toward the
11 federal 60-month time limit on aid as set forth in Section
12 608(a)(7)(A) of Title 42 of the United States Code. Payment of
13 WINS benefits shall not commence before ~~October 1, 2013~~ *January*
14 *1, 2014*, and full implementation of the program shall be achieved
15 on or before ~~April 1, 2014~~ *July 1, 2014*.

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

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

1 (g) (1) The department shall not fully implement this section
2 until the department convenes a workgroup of advocates, legislative
3 staff, county representatives, and other stakeholders to consider
4 the progress of the WINS automation effort in tandem with a
5 pre-assistance employment readiness system (PAERS) program
6 and any other program options that may provide offsetting benefits
7 to the caseload reduction credit in the CalWORKs program. The
8 department shall convene this workgroup on or before December
9 1, ~~2012~~ 2013.

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

15 (3) The consideration of program options shall include, but not
16 necessarily be limited to, the potential impacts on helping clients
17 to obtain self-sufficiency, increasing the federal work participation
18 rate, increasing the caseload reduction credit, requirements and
19 efficiency of county administration, and the well-being of
20 CalWORKs recipients.

21 (4) If the workgroup concludes that adopting a PAERS program
22 or other program option pursuant to this section would, on balance,
23 be favorable for California and its CalWORKs recipients, the
24 department, in consultation with the workgroup, shall prepare a
25 proposal by March 31, ~~2013~~ 2014, for consideration during the
26 regular legislative budget subcommittee process in ~~2013~~ 2014.

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

29 *SEC. 40. Section 18285 of the Welfare and Institutions Code*
30 *is amended to read:*

31 18285. (a) There is hereby created in the State Treasury the
32 Child Health and Safety Fund for the purposes specified in this
33 section.

34 (b) Moneys for this fund shall be derived from the license plate
35 program provided for pursuant to Section ~~5028~~ 5072 of the Vehicle
36 Code and from civil penalties on child day care facility providers.

37 (c) Moneys in the fund shall be expended, upon appropriation
38 by the Legislature, for the purposes specified in subdivisions (d),
39 (e) and (f).

1 (d) Fifty percent of moneys derived from the license plate
2 program pursuant to Section 5072 of the Vehicle Code shall be
3 available, upon appropriation, to the State Department of Social
4 Services for the purpose of administering provisions of Sections
5 1596.816, 1596.87, 1596.872b, 1596.893b 1596.895, 1596.95,
6 1597.091, 1597.54, 1597.541, 1597.542, 1597.55b and 1597.62
7 of the Health and Safety Code. *Upon appropriation by the*
8 *Legislature, an additional five hundred one thousand dollars*
9 *(\$501,000), in excess of the 50 percent derived from the license*
10 *plate program, also shall be made available for these purposes.*
11 The State Department of Social Services shall allocate these special
12 funds according to the following priorities:

13 (1) Site visits performed pursuant to Sections 1597.091 and
14 1597.55b of the Health and Safety Code.

15 (2) The monitoring responsibility of the child care advocate
16 program.

17 (3) Training for investigative and licensing field staff.

18 (4) Other aspects of the child care advocate program performed
19 pursuant to Section 1596.872b of the Health and Safety Code.

20 (5) The salary of the chief of the child care licensing branch.

21 In order to implement the list of priorities set forth in this
22 subdivision, and to complete implementation of subdivision (a) of
23 Section 1596.816 of the Health and Safety Code, the State
24 Department of Social Services may, as necessary, fund appropriate
25 administrative support costs.

26 (e) ~~Fifty percent of moneys~~ *The balance of funds remaining*
27 *after the appropriations specified in subdivision (d)* derived from
28 the license plate program pursuant to Section 5072 of the Vehicle
29 Code shall be available, upon appropriation, for programs ~~which~~
30 *that* address any of the following child health and safety concerns
31 and that are either to be carried out within a two-year period or
32 whose implementation is dependent upon one-time initial funding:

33 (1) Child abuse prevention, except that not more than 25 percent
34 of the moneys in this fund shall be used for this purpose. Ninety
35 percent of the 25 percent shall be deposited in the county children's
36 trust fund, established pursuant to Section 18966 of the Welfare
37 and Institutions Code, for the support of child abuse prevention
38 services in the community, and 10 percent of the 25 percent shall
39 be deposited in the State Children's Trust Fund, established

1 pursuant to Section 18969, for public education, training, and
2 technical assistance.

3 (2) Vehicular safety, including restraint warnings and education
4 programs.

5 (3) Drowning prevention.

6 (4) Playground safety standards.

7 (5) Bicycle safety.

8 (6) Gun safety.

9 (7) Fire safety.

10 (8) Poison control and safety.

11 (9) In-home safety.

12 (10) Childhood lead poisoning.

13 (11) Sudden infant death syndrome.

14 (f) Moneys derived from civil penalties imposed on child day
15 care facility providers shall be made available, upon appropriation,
16 to the State Department of Social Services exclusively for the
17 technical assistance, orientation, training, and education of child
18 day care facility providers.

19 *SEC. 41. The heading of Chapter 7 (commencing with Section*
20 *19700) of Part 2 of Division 10 of the Welfare and Institutions*
21 *Code is amended to read:*

22

23 ~~CHAPTER 7. VOCATIONAL REHABILITATION APPEALS BOARD~~
24 ~~APPEALS~~

25

26 *SEC. 42. Section 19700 of the Welfare and Institutions Code*
27 *is repealed.*

28 ~~19700. (a) There is in the department a Rehabilitation Appeals~~
29 ~~Board consisting of seven members, one of whom shall be~~
30 ~~designated chairperson. The chairperson and the members of the~~
31 ~~board shall be appointed by the Governor with the advice and~~
32 ~~consent of the Senate for terms of four years. The members of the~~
33 ~~board shall be selected for their interest and leadership in activities~~
34 ~~to encourage and enable the disabled and otherwise disadvantaged~~
35 ~~to participate fully in the economic and social life of the~~
36 ~~community.~~

37 ~~(b) A majority of the members of the board shall be disabled~~
38 ~~persons who have overcome their disabilities, including those who~~
39 ~~have done so with the assistance of public agencies, and who are~~

1 independently self-supporting in the regular businesses,
2 professions, and occupations of the community.

3 (e) No member of the board shall have a personal or financial
4 interest that would affect his or her objectivity in matters before
5 the board.

6 *SEC. 43. Section 19701 of the Welfare and Institutions Code*
7 *is repealed.*

8 19701. (a) The members of the board shall receive their actual
9 and necessary traveling expenses incurred in the course of official
10 duties.

11 (b) In addition to subdivision (a), each member shall receive a
12 per diem of one hundred dollars (\$100) for each day actually spent
13 in the discharge of official duties.

14 Those payments shall be made from federal and state general
15 fund moneys appropriated to the department.

16 *SEC. 44. Section 19702 of the Welfare and Institutions Code*
17 *is repealed.*

18 19702. (a) The members of the board shall meet whenever
19 required to hear appeals that have been filed with the board. Special
20 meetings shall be approved by the director and called by the
21 chairperson, who shall notify the other members of the time and
22 place of those meetings.

23 (b) The director, in consultation with the board, shall determine
24 and provide necessary staff support and assistance for the board
25 in conducting fair hearings and issuing decisions.

26 (c) Three members of the board shall constitute a quorum for
27 the performance of any duty or the exercise of any power of the
28 board.

29 *SEC. 45. Section 19704 of the Welfare and Institutions Code*
30 *is amended to read:*

31 19704. (a) If any applicant for, or client of, the department is
32 dissatisfied with any action of the department relating to his or her
33 application or receipt of services, or if any person who desires to
34 apply for that assistance is refused the opportunity to submit a
35 signed application therefor and is dissatisfied with that refusal, he
36 or she shall, upon filing a request with the department within one
37 year after the decision or action complained of, have a right to an
38 administrative review and redetermination by a member or
39 members of the supervisory staff of the department and a formal

1 fair hearing before the Rehabilitation Appeals Board *an impartial*
2 *hearing officer.* ~~An~~

3 (b) An administrative review shall not delay a hearing before
4 ~~the board~~ *an impartial hearing officer* if that hearing is requested.

5 The review shall be held and the decision of the reviewer shall be
6 rendered to the applicant or client within 15 days of the date the
7 request was filed. ~~A fair hearing shall be held within 45 days of~~
8 ~~the date a written request is received by the board.~~

9 (c) *A fair hearing shall be held within 60 days of the date a*
10 *written request is received by the department.*

11 (d) *Notwithstanding Sections 19130, 19131, and 19132 of the*
12 *Government Code, the department shall contract with another*
13 *office, entity, or department for the provision of impartial hearing*
14 *officers.*

15 *SEC. 46. Section 19705 of the Welfare and Institutions Code*
16 *is amended to read:*

17 19705. (a) ~~The~~ (1) *After consulting with the appellant, the*
18 *department shall set the time and place of the hearing specified in*
19 *Section 19704 before the Rehabilitation Appeals Board an*
20 *impartial hearing officer and shall give all parties concerned*
21 *written notice of the time and place of the hearing.*

22 (2) *An impartial hearing officer may change the time and place*
23 *of the hearing after further consultation with, and to accommodate*
24 *the convenience of, the appellant. If the appellant consents and*
25 *each participant in the hearing has an opportunity to participate*
26 *in the entire proceeding while it is taking place and to examine*
27 *exhibits, all or part of the fair hearing may be conducted by means*
28 *other than an in-person hearing.*

29 (b) At the hearing, the appellant may appear ~~in person~~, may be
30 accompanied by a representative of his or her own choosing, or
31 may designate a representative to appear on his or her behalf. The
32 appellant may submit the matter on the written record and waive
33 the right to appear at the hearing.

34 (c) Upon a joint request of the parties or upon a showing of
35 good cause by either party, ~~the board~~ *impartial hearing officer*
36 may grant extensions of time or continuances of the hearing.

37 (d) (1) *The hearing shall be conducted by an impartial hearing*
38 *officer who has no personal, financial, professional, or other*
39 *interest that would conflict with his or her objectivity in conducting*
40 *the hearing. The impartial hearing officer shall be knowledgeable*

1 regarding the federal and state laws and regulations applicable
2 to the department.

3 (2) The hearing shall not be conducted according to the
4 technical rules of evidence and those related to witnesses. Any
5 relevant evidence shall be admitted if it is the sort of evidence upon
6 which responsible persons are accustomed to rely in the conduct
7 of serious affairs. Hearsay evidence may be used for the purpose
8 of supplementing or explaining other evidence, but shall not be
9 sufficient in itself to support a finding, unless it would be admissible
10 over objection in a civil action. All testimony shall be under oath
11 or affirmation, which the impartial hearing officer is empowered
12 to administer.

13 (3) The impartial hearing officer shall do all of the following:

14 (A) Consider the presentation of relevant viewpoints about the
15 issues of disagreement.

16 (B) Examine the evidence presented during the hearing.

17 (C) Issue a decision to the parties, written in ordinary and
18 concise language and in compliance with federal and state law
19 and regulations, that includes findings and grounds for the
20 decision, within 30 days of the completion of the hearing.

21 SEC. 47. Section 19705.1 is added to the Welfare and
22 Institutions Code, to read:

23 19705.1. Training for impartial hearing officers shall include,
24 but not be limited to, both of the following:

25 (a) Information regarding the goals and requirements of the
26 vocational rehabilitation program, the state plan, and federal and
27 state statutes and regulations governing the program.

28 (b) Instruction in how to protect the rights of appellants at
29 administrative hearings, with emphasis on assisting, where
30 appropriate, those appellants represented by themselves or an
31 advocate inexperienced in administrative hearings in fully
32 developing the administrative record.

33 SEC. 48. Section 19706 of the Welfare and Institutions Code
34 is repealed.

35 19706. (a) ~~In each appeal to the Rehabilitation Appeals Board,~~
36 ~~the written notification required by Section 19703, and, if~~
37 ~~applicable, the decision of the reviewer required pursuant to Section~~
38 ~~19704, shall form part of the record.~~

39 (b) ~~Three or more members of the board shall hear all relevant~~
40 ~~evidence and shall consider each case on the basis of the laws and~~

1 ~~regulations controlling the department and shall render a final~~
 2 ~~decision that has been approved by a majority of the board~~
 3 ~~members present at the hearing within 45 days.~~

4 ~~(e) The board shall send its written decision by certified mail~~
 5 ~~to the appellant, the appellant’s authorized representative, and the~~
 6 ~~department.~~

7 *SEC. 49. Section 19709 of the Welfare and Institutions Code*
 8 *is amended to read:*

9 19709. (a) The appellant, within six months after receiving
 10 notice of the ~~board’s impartial hearing officer’s~~ final decision,
 11 may file a petition with the superior court, under Section 1094.5
 12 of the Code of Civil Procedure, praying for a review of the entire
 13 proceedings in the matter, upon questions of law involved in the
 14 case. The review, if granted, shall be the exclusive remedy available
 15 to the appellant for review of the ~~board’s impartial hearing officer’s~~
 16 final decision. The department shall be the sole respondent in the
 17 proceedings.

18 (b) No filing fee shall be required for the filing of a petition
 19 pursuant to this section. Any of these petitions to the superior court
 20 shall be entitled to a preference in setting a date for hearing on the
 21 petition. No bond shall be required in the case of any petition for
 22 review, nor in any appeal therefrom. The appellant shall be entitled
 23 to reasonable attorney’s fees and costs, if he or she obtains a
 24 decision in his or her favor.

25 *SEC. 50. Section 19710 is added to the Welfare and Institutions*
 26 *Code, to read:*

27 *19710. Until January 1, 2014, the adoption and readoption of*
 28 *regulations to modify appeals processes consistent with this part*
 29 *shall be deemed to be an emergency and necessary for the*
 30 *immediate preservation of the public peace, health and safety, or*
 31 *general welfare for purposes of Sections 11346.1 and 11349.6 of*
 32 *the Government Code, and the department is hereby exempted*
 33 *from the requirement that it describe facts showing the need for*
 34 *immediate action and from review of the emergency regulations*
 35 *by the Office of Administrative Law.*

36 *SEC. 51. Section 72 of Chapter 32 of the Statutes of 2011 is*
 37 *amended to read:*

38 Sec. 72. The State Department of Social Services, in
 39 consultation with stakeholders including, but not limited to,
 40 counties and public authorities, including representatives of the

1 California Association of Public Authorities, shall develop a new
2 ratesetting methodology for public authority administrative costs,
3 to go into effect commencing with the ~~2012–13~~ 2013–14 fiscal
4 year.

5 *SEC. 52. (a) The State Department of Social Services shall*
6 *use funding included in the Budget Act of 2012 related to*
7 *replacement of the Child Welfare Services/Case Management*
8 *System (CWS/CMS) for the next steps necessary to move forward*
9 *with the recommendation of the Child Welfare Automation Study*
10 *Team (CAST) to proceed toward procuring a new system,*
11 *consistent with a buy/build strategy, as described in the CAST*
12 *report submitted to the Legislature. These next steps shall include,*
13 *but shall not be limited to, completing, in consultation with the*
14 *counties and the County Welfare Directors Association, a*
15 *Feasibility Study Report (FSR) and federal Advance Planning*
16 *Document (APD), as well as conducting other planning activities.*
17 *The Office of Systems Integration (OSI) and the department shall*
18 *report the results of these activities, in addition to the key*
19 *milestones and anticipated timelines for any resulting procurement*
20 *process, to the Legislature by March 1, 2013, for review during*
21 *budget hearings in 2013.*

22 *(b) (1) The requirement for submitting a report imposed under*
23 *subdivision (a) is inoperative on March 1, 2017, pursuant to*
24 *Section 10231.5 of the Government Code.*

25 *(2) A report to be submitted pursuant to subdivision (a) shall*
26 *be submitted in compliance with Section 9795 of the Government*
27 *Code.*

28 *SEC. 53. (a) The State Department of Social Services (DSS)*
29 *and the Office of Systems Integration (OSI) shall have a qualified*
30 *third party conduct a cost-reasonableness assessment of the costs*
31 *proposed by the vendor to migrate the Consortium-IV counties to*
32 *the newly developed Los Angeles Eligibility, Automated*
33 *Determination, Evaluation and Reporting (LEADER) Replacement*
34 *System (LRS). The purpose of the assessment is to determine*
35 *whether the proposed overall costs are within range of*
36 *reasonableness, based on current market rates and prices for the*
37 *products and services proposed under the vendor contract terms*
38 *and conditions, and given the proposed migration plans, project*
39 *requirements and objectives, implementation approach, and project*
40 *risks, among other factors.*

1 (b) *The assessment shall be conducted during the LRS*
2 *development period and the results shall be ready within an*
3 *appropriate time for DSS and OSI to determine how best to*
4 *negotiate with the vendor in order to proceed with the*
5 *Consortium-IV migration to LRS.*

6 SEC. 54. (a) *The State Department of Social Services, in*
7 *consultation with stakeholders, including counties, advocates, and*
8 *legislative staff, shall convene a workgroup to identify best*
9 *practices and other strategies that may improve early engagement*
10 *and barrier removal efforts so that the initial months during which*
11 *an adult recipient is subject to welfare-to-work requirements are*
12 *as meaningful an opportunity as possible. The scope of the*
13 *workgroup may include, but is not limited to, evaluating the*
14 *processes described in Section 11320.1 of the Welfare and*
15 *Institutions Code and determining the extent to which the current*
16 *orientation, appraisal, assessments, evaluations, job search and*
17 *job club, welfare-to-work activities, and sanctions, meet the needs*
18 *of and lead to successful outcomes for CalWORKs recipients,*
19 *including recipients with barriers to participation. The State*
20 *Department of Social Services shall report to the appropriate*
21 *policy and fiscal committees of the Legislature by January 10,*
22 *2013, regarding the recommendations developed pursuant to this*
23 *subdivision, including those that will be implemented through*
24 *administrative changes and those that would require statutory*
25 *changes.*

26 (b) *The requirement for submitting a report imposed under*
27 *subdivision (a) shall become inoperative on January 10, 2017,*
28 *pursuant to Section 10231.5 of the Government Code and as of*
29 *that date, this section shall be repealed.*

30 SEC. 55. (a) *The State Department of Social Services shall*
31 *annually update the Legislature regarding the implementation of*
32 *the changes contained in this act. Additionally, the department*
33 *shall contract with an independent, research-based institution for*
34 *an evaluation and written report that shall be provided to the*
35 *Legislature by January 1, 2018. The report shall include, but not*
36 *be limited to, the following information, with respect to the period*
37 *of evaluation:*

38 (1) (A) *The number of adult recipients who were eligible for*
39 *CalWORKs prior to the operative date of this act.*

- 1 (B) *The number of recipients participating in welfare-to-work*
2 *activities pursuant to paragraph (1) of subdivision (a) of Section*
3 *11322.85 of the Welfare and Institutions Code.*
- 4 (C) *The number of recipients participating in welfare-to-work*
5 *activities pursuant to paragraph (3) of subdivision (a) of Section*
6 *11322.85 of the Welfare and Institutions Code.*
- 7 (2) *For each of the categories of recipients described in*
8 *paragraph (1):*
- 9 (A) *The activities in which recipients are participating.*
- 10 (B) *The number of recipients who are exempt from participation*
11 *in welfare-to-work activities.*
- 12 (C) *The average time that recipient families receive assistance.*
- 13 (D) *The number of families who complete their welfare-to-work*
14 *plan and exit the CalWORKs program as a result of earned income*
15 *or other factors.*
- 16 (E) *The number of families that reach the 24-month time limit*
17 *but are granted an extension pursuant to Section 11322.87 of the*
18 *Welfare and Institutions Code, the bases for those extensions, and*
19 *the average length of those extensions.*
- 20 (F) *The number of families for whom the provisions of Section*
21 *11322.85 of the Welfare and Institutions Code apply and who exit*
22 *the welfare-to-work program and have no aided adult in their*
23 *assistance unit as a result of the 24-month time limit.*
- 24 (G) *The number of recipients who do not complete their*
25 *welfare-to-work plans and for whom this lack of completion may*
26 *be due to barriers to employment, which may include the following:*
- 27 (i) *The recipient does not have a GED.*
- 28 (ii) *The recipient is an English language learner.*
- 29 (iii) *The recipient is a victim of domestic violence.*
- 30 (iv) *The recipient has behavioral health needs, including those*
31 *related to mental health or substance abuse.*
- 32 (v) *The recipient has a learning or other disability.*
- 33 (vi) *Other barriers identified by the advisory group established*
34 *pursuant to subdivision (b).*
- 35 (H) *Additional information identified by the advisory group*
36 *established pursuant to subdivision (b).*
- 37 (3) *The report shall also include information regarding relevant*
38 *caseload trends in the CalWORKs program.*
- 39 (b) *By December 1, 2012, the department shall convene an*
40 *advisory group of stakeholders, including counties, advocates,*

1 and legislative staff, to inform the scope of the evaluation and
2 report. This group shall meet as necessary during the period of
3 the evaluation, and leading up to the finalization of the report.

4 (c) (1) The requirement for submitting a report imposed under
5 subdivision (a) shall become inoperative on October 1, 2022,
6 pursuant to Section 10231.5 of the Government Code.

7 (2) A report to be submitted pursuant to subdivision (a) shall
8 be submitted in compliance with Section 9795 of the Government
9 Code.

10 SEC. 56. (a) Notwithstanding the rulemaking provisions of
11 the Administrative Procedure Act (Chapter 3.5 (commencing with
12 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
13 Code), the department may implement and administer the changes
14 made pursuant to Sections 11265.45, 11265.46, 11265.47,
15 11265.48, 11320.3, 11322.63, 11322.8, 11322.85, 11322.86,
16 11322.87, and 11451.5, as amended or added by this act, through
17 all-county letters or similar instructions from the director until
18 regulations are adopted. The department shall adopt emergency
19 regulations implementing these provisions no later than July 1,
20 2014. The Department of Social Services may readopt any
21 emergency regulation authorized by this section that is the same
22 as, or substantially equivalent to, any emergency regulation
23 previously adopted under this section.

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

36 SEC. 57. If the Commission on State Mandates determines that
37 this act contains costs mandated by the state, reimbursement to
38 local agencies and school districts for those costs shall be made
39 pursuant to Part 7 (commencing with Section 17500) of Division
40 4 of Title 2 of the Government Code.

1 *SEC. 58. The sum of one thousand dollars (\$1,000) is hereby*
2 *appropriated from the General Fund to the California Health and*
3 *Human Services Agency for administration.*

4 *SEC. 59. The changes made by this act to Chapter 7*
5 *(commencing with Section 19700) of Part 2 of Division 10 of the*
6 *Welfare and Institutions Code shall become operative 30 days*
7 *after the effective date of this act.*

8 *SEC. 60. This act is a bill providing for appropriations related*
9 *to the Budget Bill within the meaning of subdivision (e) of Section*
10 *12 of Article IV of the California Constitution, has been identified*
11 *as related to the budget in the Budget Bill, and shall take effect*
12 *immediately.*

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**All matter omitted in this version of the bill
appears in the bill as amended in the
Senate, June 13, 2012. (JR11)**