

AMENDED IN ASSEMBLY JUNE 13, 2012

SENATE BILL

No. 1035

Introduced by Committee on Budget and Fiscal Review

February 6, 2012

An act ~~relating to the Budget Act of 2012~~ *to amend the Budget Act of 2012 by amending Items 0820-011-8071, 2660-401, and 5180-101-0001 of, and by repealing Item 3500-403 of, Section 2.00 of that act, relating to the state budget, and making an appropriation therefor, to take effect immediately, budget bill.*

LEGISLATIVE COUNSEL'S DIGEST

SB 1035, as amended, Committee on Budget and Fiscal Review. Budget Act of 2012.

The Budget Bill, enacted as the Budget Act of 2012, would make appropriations for the support of state government for the 2012–13 fiscal year.

This bill would amend the Budget Act of 2012 by revising items of appropriation, loans, and transfers of moneys specified in that act.

This bill would become operative only if AB 1464 or SB 1004 is enacted as the Budget Act of 2012.

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

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2012.~~

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

- 1 3. \$7,500,000 from Item 2660-011-0052, Local Airport
2 Loan Account, Budget Act of 2008 (Chs. 268 and 269,
3 Stats. 2008), as amended by Item 2660-401, Budget
4 Act of 2010 (Ch. 712, Stats. 2010), shall be repaid by
5 June 30, 2017, upon order of the Director of Finance.
- 6 4. \$8,000,000 from Item 2660-011-0061, Motor Vehicle
7 Fuel Account, Transportation Tax Fund, Budget Act
8 of 2008 (Chs. 268 and 269, Stats. 2008), as amended
9 by Item 2660-401, Budget Act of 2010 (Ch. 712, Stats.
10 2010), shall be repaid by June 30, 2017, upon order
11 of the Director of Finance.
- 12 5. \$4,400,000 from Item 2660-011-0183, Environmental
13 Enhancement and Mitigation Program Fund, Budget
14 Act of 2008 (Chs. 268 and 269, Stats. 2008), as
15 amended by Item 2660-401, Budget Act of 2010 (Ch.
16 712, Stats. 2010), shall be repaid by June 30, 2017,
17 upon order of the Director of Finance.
- 18 6. \$2,000,000 from Item 2660-011-0365, Historic Prop-
19 erty Maintenance Fund, Budget Act of 2008 (Chs. 268
20 and 269, Stats. 2008), as amended by Item 2660 -401,
21 Budget Act of 2010 (Ch. 712, Stats. 2010), shall be
22 repaid by June 30, 2014, upon order of the Director
23 of Finance.
- 24 7. \$1,715,000 from Item 2660-011-2500, Pedestrian
25 Safety Account, State Transportation Fund, Budget
26 Act of 2008 (Chs. 268 and 269, Stats. 2008), as
27 amended by Item 2660-401, Budget Act of 2010 (Ch.
28 712, Stats. 2010), shall be repaid by June 30, 2017,
29 upon order of the Director of Finance.
- 30 ~~8. \$135,000,000 from Item 2660-011-0042, State High-~~
31 ~~way Account, State Transportation Fund, Budget Act~~
32 ~~of 2009 (Ch. 1, 2009–10 3rd Ex. Sess., as revised by~~
33 ~~Ch. 1, 2009–10 4th Ex. Sess.), shall be repaid by June~~
34 ~~30, 2015, upon order of the Director of Finance.~~

35
36 *SEC. 3. Item 3500-403 of Section 2.00 of the Budget Act of*
37 *2012 is repealed.*

1 ~~3500-403—Notwithstanding Provision 1 of Item 3480-011-~~
 2 ~~0133, Budget Act of 2009 (Ch. 1, 2009-10 3rd Ex. Sess.,~~
 3 ~~as revised by Ch. 1, 2009-10 4th Ex. Sess.), of the~~
 4 ~~\$99,400,000 loan authorized by that item, \$10,000,000~~
 5 ~~shall be repaid no later than June 30, 2013, and \$89,400,000~~
 6 ~~shall be repaid no later than June 30, 2014, upon order of~~
 7 ~~the Director of Finance. The repayment shall be made so~~
 8 ~~as to ensure that the programs supported by the California~~
 9 ~~Beverage Container Recycling Fund are not adversely af-~~
 10 ~~ected by the loan.~~

11
 12 *SEC. 4. Item 5180-101-0001 of Section 2.00 of the Budget Act*
 13 *of 2012 is amended to read:*

14
 15 5180-101-0001—For local assistance, Department of Social
 16 Services..... 987,123,000
 17 887,601,000

18 Schedule:

19 (1) 16.30-CalWORKs..... 3,177,369,000
 20 3,077,847,000
 21 (2) 16.65-Other Assistance Payments.... 1,707,423,000
 22 (3) Reimbursements..... -759,000
 23 (4) Amount payable from the Emergency
 24 Food Assistance Program Fund (Item
 25 5180-101-0122)..... -640,000
 26 (5) Amount payable from the Federal
 27 Trust Fund (Item 5180-101-
 28 0890)..... -3,886,424,000
 29 (6) Amount payable from the Child Support
 30 Collections Recovery Fund (Item 5180-
 31 101-8004)..... -9,846,000

32 Provisions:

33 1. (a) No funds appropriated in this item shall be encum-
 34 bered unless every rule or regulation adopted and
 35 every all-county letter issued by the State Depart-
 36 ment of Social Services that adds to the costs of
 37 any program is approved by the Department of
 38 Finance as to the availability of funds before it
 39 becomes effective. In making the determination
 40 as to availability of funds to meet the expenditures

1 of a rule, regulation, or all-county letter that would
 2 increase the costs of a program, the Department
 3 of Finance shall consider the amount of the pro-
 4 posed increase on an annualized basis, the effect
 5 the change would have on the expenditure limita-
 6 tions for the program set forth in this act, the ex-
 7 tent to which the rule, regulation, or all-county
 8 letter constitutes a deviation from the premises
 9 under which the expenditure limitations were
 10 prepared, and any additional factors relating to
 11 the fiscal integrity of the program or the state’s
 12 fiscal situation.

(b) Notwithstanding Sections 28.00 and 28.50, the
 13 availability of funds contained in this item for
 14 rules, regulations, or all-county letters that add to
 15 program costs funded from the General Fund in
 16 excess of \$500,000 on an annual basis, including
 17 those that are the result of a federal regulation,
 18 but excluding those that are (a) specifically re-
 19 quired as a result of the enactment of a federal or
 20 state law or (b) included in the appropriation made
 21 by this act, shall not be approved by the Depart-
 22 ment of Finance sooner than 30 days after notifi-
 23 cation in writing to the chairpersons of the com-
 24 mittees in each house of the Legislature that con-
 25 sider appropriations and the Chairperson of the
 26 Joint Legislative Budget Committee, or sooner
 27 than such lesser time after notification as the
 28 chairperson of the joint committee, or his or her
 29 designee, may in each instance determine.

2. Notwithstanding Chapter 1 (commencing with Section
 31 18000) of Part 6 of Division 9 of the Welfare and In-
 32 stitutions Code, a loan not to exceed \$500,000,000
 33 shall be made available from the General Fund, from
 34 funds not otherwise appropriated, to cover the federal
 35 share of costs of a program or programs when the
 36 federal funds have not been received by this state prior
 37 to the usual time for transmitting that federal share to
 38 the counties of this state. This loan from the General
 39

- 1 Fund shall be repaid when the federal share of costs
2 for the program or programs becomes available.
- 3 3. The Department of Finance may authorize the transfer
4 of amounts from this item to Item 5180-001-0001 in
5 order to fund the costs of the administrative hearing
6 process associated with the CalWORKs program.
- 7 4. (a) The Department of Finance is authorized to ap-
8 prove expenditures in those amounts made neces-
9 sary by changes in either caseload or payments,
10 including, but not limited to, the timing of federal
11 payments, or any rule or regulation adopted and
12 any all-county letter issued as a result of the enact-
13 ment of a federal or state law, the adoption of a
14 federal regulation, or a court action, during the
15 2012–13 fiscal year that are within or in excess
16 of amounts appropriated in this act for that year.
- 17 (b) If the Department of Finance determines that the
18 estimate of expenditures will exceed the expendi-
19 tures authorized for this item, the department shall
20 so report to the Legislature. At the time the report
21 is made, the amount of the appropriation made in
22 this item shall be increased by the amount of the
23 excess unless and until otherwise provided by
24 law.
- 25 5. Nonfederal funds appropriated in this item which have
26 been budgeted to meet the state’s Temporary Assis-
27 tance for Needy Families maintenance-of-effort require-
28 ment established pursuant to the federal Personal Re-
29 sponsibility and Work Opportunity Reconciliation Act
30 of 1996 (P.L. 104-193) may not be expended in any
31 way that would cause their disqualification as a feder-
32 ally allowable maintenance-of-effort expenditure.
- 33 6. In the event of declared disaster and upon county re-
34 quest, the State Department of Social Services may
35 act in the place of any county and assume direct respon-
36 sibility for the administration of eligibility and grant
37 determination. Upon recommendation of the Director
38 of Social Services, the Department of Finance may
39 authorize the transfer of funds from this item and Item

- 1 5180-101-0890, to Items 5180-001-0001 and 5180-
 2 001-0890, for this purpose.
- 3 7. Pursuant to the Electronic Benefit Transfer (EBT) Act
 4 (Chapter 3 (commencing with Section 10065) of Part
 5 1 of Division 9 of the Welfare and Institutions Code)
 6 and in accordance with the EBT System regulations
 7 (Manual of Policies and Procedures Section 16-
 8 401.15), in the event a county fails to reimburse the
 9 EBT contractor for settlement of EBT transactions
 10 made against the county’s cash assistance programs,
 11 the state is required to pay the contractor. The State
 12 Department of Social Services may use funds from
 13 this item to reimburse the EBT contractor for settle-
 14 ment on behalf of the county. The county shall be re-
 15 quired to reimburse the department for the county’s
 16 settlement via direct payment or administrative offset.
- 17 8. The Department of Finance is authorized to approve
 18 expenditures for the California Food Assistance Pro-
 19 gram in those amounts made necessary by changes in
 20 the CalFresh Program Standard Utility Allowance,
 21 including those that result from midyear Standard
 22 Utility Allowance adjustments requested by the state.
 23 If the Department of Finance determines that the esti-
 24 mate of expenditures will exceed the expenditure au-
 25 thority of this item, the department shall so report to
 26 the Legislature. At the time the report is made, the
 27 amount of the appropriation made in this item shall
 28 be increased by the amount of the excess unless and
 29 until otherwise provided by law.

30
 31 *SEC. 5. Sections 1 to 4, inclusive, of this act shall become*
 32 *operative only if Assembly Bill 1464 or Senate Bill 1004 of the*
 33 *2011–12 Regular Session is enacted as the Budget Act of 2012.*

34 *SEC. 6. This act is a Budget Bill within the meaning of*
 35 *subdivision (e) of Section 12 of Article IV of the California*
 36 *Constitution and shall take effect immediately.*

37 ~~SECTION 1. It is the intent of the Legislature to enact statutory~~
 38 ~~changes relating to the Budget Act of 2012.~~

O