

AMENDED IN SENATE MAY 7, 2013

SENATE BILL

No. 67

Introduced by Committee on Budget and Fiscal Review

January 10, 2013

An act relating to the Budget Act of 2013 to amend Sections 12306.1 and 12309 of, to add Sections 12301.01, 12301.02, 12301.03, 12301.04, and 12301.05 to, and to repeal Sections 12301.07 and 12309.2 of, the Welfare and Institutions Code, relating to public social services, and making an appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL'S DIGEST

SB 67, as amended, Committee on Budget and Fiscal Review. ~~Budget Act of 2013.~~ *In-home supportive services.*

Existing law provides for the county-administered In-Home Supportive Services (IHSS) program, under which qualified aged, blind, and disabled persons are provided with services to permit them to remain in their own homes and avoid institutionalization. Existing law requires the State Department of Social Services to implement, under specified circumstances, a 20% reduction in authorized hours of service to each IHSS recipient, beginning January 1, 2012, except as specified.

This bill would delete those provisions.

Existing law requires the department, until July 1, 2013, to implement a 3.6% reduction in authorized hours of service to each IHSS recipient, as specified.

This bill would require the department, from July 1, 2013, to June 30, 2014, inclusive, to implement an 8% reduction in authorized hours of service to each IHSS recipient, as specified. The bill would authorize a county to administratively deny a request for reassessment based only

on that reduction. The bill would require a specified notice to be mailed to the recipient at least 10 days before the reduction goes into effect. The bill would also require the department, beginning July 1, 2014, to implement a 7% reduction in authorized hours of service to each IHSS recipient, as specified. The bill would require a specified notice to be mailed to the recipient at least 20 days before the reduction goes into effect.

This bill would state the intent of the Legislature to authorize an assessment on home care services, including, but not limited to, home health care and in-home supportive services. This bill would require the Director of Finance, within 30 days after receipt of specified certification from the State Department of Health Care Services, to, among other things, estimate the total amount of additional funding that would be derived from that assessment for the next fiscal year and calculate, as a percentage, the amount by which the 7% reduction in authorized hours of service for each IHSS recipient is offset by General Fund savings from that assessment. The bill would require the department to perform these activities for the fiscal year that the certification is received and the following fiscal year, and on or before May 14, prior to the 3rd fiscal year after the certification is received. The bill would require the 7% reduction in authorized hours of services to be mitigated by the percentage offset determined by the Director of Finance, as specified. The bill would provide for these provisions to become operative only upon certification by the State Department of Health Care Services that any necessary federal approvals have been obtained.

This bill would create the In-Home Supportive Services Reinvestment Fund to receive moneys to the extent that the assessment is implemented retroactively, and use those moneys to provide goods or services for one-time direct reinvestments benefiting IHSS recipients, as prescribed. The bill would require the Director of Finance to consult with specified plaintiffs to develop a plan to reinvest those funds, and require that plan to be submitted to the appropriate policy and fiscal committees of the Legislature. The bill would require the Director of Finance to provide specified notice to the Joint Legislative Budget Committee at least 30 days prior to allocating any of those funds, as prescribed. The bill would, subject to specified conditions, continuously appropriate the moneys in the fund to the department for these purposes.

Existing law authorizes a county board of supervisors to elect to contract with a nonprofit consortium to provide for the delivery of IHSS

or to establish a public authority to provide for the delivery of IHSS. Under existing law, the state is required to pay 65%, and the county 35%, of the nonfederal share of wage and benefit increases negotiated by a public authority or nonprofit consortium, as specified. Existing law, operative July 1, 2009, requires the state to participate in those wage and benefit increases in a total cost of wages up to \$9.50 per hour and in individual health benefits up to \$0.60 per hour. Existing law provides that those provisions establishing those rates of participation shall not be implemented until July 1, 2012, and shall only be implemented if specified conditions are met.

This bill would delete those latter provisions.

Under existing law, the department is required to develop a uniform needs assessment tool to assure that IHSS are delivered in all counties in a uniform manner. Existing law requires the uniform needs assessment tool to evaluate the recipient's functioning in activities of daily living and instrumental activities of daily living and quantifies the recipient's functioning ranks using a general 5-point scale for ranking each function, as specified. Under existing law, beginning September 1, 2009, only individuals who are ranked at a 4 or 5 in the activity of daily living relating to a domestic or related service are eligible for that service, except as specified.

This bill would delete those latter provisions.

Under existing law, beginning September 1, 2009, eligibility for IHSS shall also include functional index scores, which are assigned to a recipient as a weighted average based on his or her individual functional index rankings. Existing law, except as specified, provides that individuals with certain functional index scores are not eligible for IHSS.

This bill would delete those provisions.

The bill would appropriate \$1,000 from the General Fund to the State Department of Social Services for its administrative costs during the 2013–14 fiscal year. The bill would require the State Department of Social Services and the State Department of Health Care Services to adopt emergency regulations to implement the bill's provisions, as specified.

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

~~*This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2013.*~~

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

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

1 SECTION 1. Section 12301.01 is added to the Welfare and
2 Institutions Code, to read:
3 12301.01. (a) (1) Notwithstanding any other law, except as
4 provided in subdivision (d), the department shall implement an 8
5 percent reduction in hours of service to each recipient of services
6 under this article, which shall be applied to the recipient's hours
7 as authorized pursuant to the most recent assessment. This
8 reduction shall become effective July 1, 2013. This reduction shall
9 be effective for 12 months. The reduction required by this section
10 shall not preclude any reassessment to which a recipient would
11 otherwise be entitled. However, hours authorized pursuant to a
12 reassessment shall be subject to the 8 percent reduction required
13 by this section.
14 (2) A request for reassessment based only on the reduction
15 required in paragraph (1) may be administratively denied by the
16 county.
17 (3) A recipient of services under this article may direct the
18 manner in which the reduction of hours is applied to the recipient's
19 previously authorized services.
20 (4) For those individuals who have a documented unmet need,
21 excluding protective supervision because of the limitations on
22 authorized hours under Section 12303.4, the reduction shall be
23 taken first from the documented unmet need.
24 (b) The reduction in hours of service pursuant to paragraph (1)
25 of subdivision (a) shall cease to be implemented 12 months after
26 the reduction takes effect.
27 (c) The notice of action informing the recipient of the reduction
28 pursuant to subdivision (a) shall be mailed at least 10 days prior
29 to the reduction going into effect. The notice of action shall be
30 understandable to the recipient and translated into all languages
31 spoken by a substantial number of the public served by the In-Home
32 Supportive Services program, in accordance with Section 7295.2
33 of the Government Code. The notice shall not contain any recipient
34 financial or confidential identifying information other than the
35 recipient's name, address, and Case Management Information

1 and Payroll System (CMIPS) client identification number; and
2 shall include, but not be limited to, all of the following information:

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

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

9 (3) That a county shall assess a recipient's need for supportive
10 services any time that the recipient notifies the county of a need
11 to adjust the supportive services hours authorized, or when there
12 are other indications or expectations of a change in circumstances
13 affecting the recipient's need for supportive services. Counties
14 shall not require recipients to submit a medical certification form
15 or a doctor's note to show evidence of a change in the recipient's
16 circumstances.

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

19 SEC. 2. Section 12301.02 is added to the Welfare and
20 Institutions Code, to read:

21 12301.02. (a) (1) Notwithstanding any other law, except as
22 provided in subdivision (c), the department shall implement a 7
23 percent reduction in hours of service to each recipient of services
24 under this article, which shall be applied to the recipient's hours
25 as authorized pursuant to the most recent assessment. This
26 reduction shall become effective 12 months after the
27 implementation of the reduction set forth in Section 12301.01. The
28 reduction required by this section shall not preclude any
29 reassessment to which a recipient would otherwise be entitled.
30 However, hours authorized pursuant to a reassessment shall be
31 subject to the 7 percent reduction required by this section.

32 (2) A request for reassessment based only on the reduction
33 required in paragraph (1) may be administratively denied by the
34 county.

35 (3) A recipient of services under this article may direct the
36 manner in which the reduction of hours is applied to the recipient's
37 previously authorized services.

38 (4) For those individuals who have a documented unmet need,
39 excluding protective supervision because of the limitations on

1 authorized hours under Section 12303.4, the reduction shall be
2 taken first from the documented unmet need.

3 (b) The notice of action informing the recipient of the reduction
4 pursuant to subdivision (a) shall be mailed at least 20 days prior
5 to the reduction going into effect. The notice of action shall be
6 understandable to the recipient and translated into all languages
7 spoken by a substantial number of the public served by the In-Home
8 Supportive Services program, in accordance with Section 7295.2
9 of the Government Code. The notice shall not contain any recipient
10 financial or confidential identifying information other than the
11 recipient's name, address, and Case Management Information
12 and Payroll System (CMIPS) client identification number, and
13 shall include, but not be limited to, all of the following information:

14 (1) The aggregate number of authorized hours before the
15 reduction pursuant to subdivision (a) and the aggregate number
16 of authorized hours after the reduction.

17 (2) That the recipient may direct the manner in which the
18 reduction of authorized hours is applied to the recipient's
19 previously authorized services.

20 (3) A county shall assess a recipient's need for supportive
21 services any time that the recipient notifies the county of a need
22 to adjust the supportive services hours authorized, or when there
23 are other indications or expectations of a change in circumstances
24 affecting the recipient's need for supportive services. Counties
25 shall not require recipients to submit a medical certification form
26 or a doctor's note to show evidence of a change in the recipient's
27 circumstances.

28 (c) A recipient shall have all appeal rights otherwise provided
29 for under Chapter 7 (commencing with Section 10950) of Part 2.

30 (d) The reduction specified in paragraph (1) of subdivision (a)
31 shall be ongoing and may be adjusted pursuant to Section
32 12301.03.

33 SEC. 3. Section 12301.03 is added to the Welfare and
34 Institutions Code, to read:

35 12301.03. (a) It is the intent of this section to offset the
36 reductions described in Section 12301.02 to the extent that an
37 assessment as described in Section 12301.05 provides General
38 Fund savings. This section shall become operative only upon
39 certification by the State Department of Health Care Services that
40 any necessary federal approvals to implement the assessment

1 *referenced in Section 12301.05 have been obtained. This*
2 *certification shall be provided promptly to the Joint Legislative*
3 *Budget Committee and the Department of Finance.*

4 *(b) Within 30 days after receipt of the certification described*
5 *in subdivision (a), the Director of Finance shall perform the*
6 *obligations described in this subdivision for the fiscal year in which*
7 *the certification is received and for the following fiscal year.*
8 *Specifically, the Director of Finance shall do the following:*

9 *(1) Estimate the total amount of additional funding, less refunds,*
10 *that will be derived from the assessment for the next fiscal year.*

11 *(2) Estimate the amount of the total revenues, if any, that are*
12 *attributable to any permitted retroactive implementation of the*
13 *assessment.*

14 *(3) Estimate the amount of the total General Fund savings*
15 *generated by the assessment revenues that remain after taking into*
16 *account reductions such as the revenues attributable to any*
17 *retroactive application of the assessment that will be allocated*
18 *pursuant to Section 12301.04, and any General Fund costs*
19 *associated with establishment and administration of the assessment.*
20 *The General Fund costs shall be estimated following consultation*
21 *with the appropriate budget subcommittees of the Legislature.*

22 *(4) Calculate, as a percentage, the amount by which the*
23 *reduction described in Section 12301.02 is offset by General Fund*
24 *savings. In making this calculation, the Director of Finance shall*
25 *estimate the amount of the reduction that may be partially or*
26 *completely offset. If the estimated General Fund savings from the*
27 *assessment are less than the amount required to fully offset the*
28 *reduction pursuant to Section 12301.02, then the percentage offset*
29 *shall be proportionate to the level of General Fund savings. At no*
30 *point may the reduction pursuant to Section 12301.02 become*
31 *negative or go below zero.*

32 *(5) Notify the Joint Legislative Budget Committee of the*
33 *determinations made in paragraphs (1) to (4), inclusive.*

34 *(c) On or before May 14, prior to the third fiscal year after the*
35 *certification described in subdivision (a) is received, the Director*
36 *of Finance shall perform the activities described in paragraphs*
37 *(1) to (5), inclusive, of subdivision (b).*

38 *(d) Within 10 days of the effective date of any federal change*
39 *or action that prevents or reduces the amount of General Fund*
40 *savings received from the assessment, the Director of Health Care*

1 *Services shall provide a notification to the Joint Legislative Budget*
2 *Committee and the Director of Finance of that change. Within 30*
3 *days of the receipt of this notification, the Director of Finance*
4 *shall perform the activities described in paragraphs (1) to (5),*
5 *inclusive, of subdivision (b).*

6 *(e) Notwithstanding any provision of Section 12301.02, the*
7 *reduction of services required by Section 12301.02 shall be*
8 *mitigated by the percentage offset determined by the Director of*
9 *Finance in paragraph (4) of subdivision (b).*

10 *(f) (1) Any change in the percentage reduction of services as*
11 *provided in Section 12301.02 shall occur on the first day of the*
12 *first full month occurring 30 days after the determination provided*
13 *for in subdivision (b) is made by the Director of Finance.*

14 *(2) Any change in the percentage reduction of services as*
15 *provided in Section 12301.02 due to a determination of the*
16 *Director of Finance required by subdivision (c) shall occur on*
17 *July 1 of the fiscal year immediately following the determination.*

18 *(3) If a change in the percentage reduction of services as*
19 *provided in Section 12301.02 is triggered based on a determination*
20 *of the Director of Finance required by subdivision (d), that change*
21 *in hours of service shall occur on July 1 after the notification*
22 *referenced in subdivision (d) from the Director of Health Care*
23 *Services is received, if the notification is received between the*
24 *preceding September 30 and January 2. If the notification is*
25 *received on any other date, then a change in hours shall occur on*
26 *the first of the month that is nine months after the notification is*
27 *received.*

28 *(g) In preparation of every Governor's Budget and for every*
29 *May Revision, the Director of Finance shall perform the obligation*
30 *described in paragraphs (1) to (3), inclusive, of subdivision (b).*

31 *SEC. 4. Section 12301.04 is added to the Welfare and*
32 *Institutions Code, to read:*

33 *12301.04. (a) There is hereby created in the State Treasury*
34 *an In-Home Supportive Services Reinvestment Fund, which shall*
35 *receive moneys to the extent that an assessment described in*
36 *Section 12301.05 is implemented retroactively.*

37 *(b) The fund shall be used to provide goods or services for*
38 *one-time direct reinvestments benefiting IHSS recipients.*

39 *(c) The fund shall be used in a manner that does not create*
40 *ongoing General Fund obligations.*

1 (d) Pursuant to Section 12301.03, the Director of Finance shall
2 estimate the amount of retroactive assessment due to the fund. In
3 each fiscal year for which there are estimated retroactive revenues,
4 the Director of Finance shall provide the Controller a schedule
5 of what portion of the assessment shall be deposited in the fund.

6 (e) The resources in the fund shall be reinvested for the benefit
7 of IHSS recipients, in compliance with the requirements in this
8 section and those in the settlement agreement pertaining to *Oster*
9 *v. Lightbourne*, N.D. Cal., Case No. CV 09-04668 CW, U.S. Court
10 of Appeals for the Ninth Circuit, Case No. 12-15366, and
11 *Dominguez v. Brown*, N.D. Cal., Case No. CV 09-02306 CW, U.S.
12 Court of Appeals for the Ninth Circuit, Case No. 09-16359.

13 (f) The Director of Finance shall consult with plaintiffs in the
14 lawsuits identified in subdivision (e) in order to develop a plan to
15 reinvest the funds for the benefit of IHSS recipients. After the plan
16 is developed and prior to the allocation of any funds, it shall be
17 submitted to the appropriate policy and fiscal committees of the
18 Legislature.

19 (1) If notice of federal approval of retroactive implementation
20 of the assessment is received by the Director of Finance between
21 January 1 and May 10 of any year, and the plan anticipates any
22 expenditure of the funds before June 30 of that year, the Director
23 of Finance shall notify the Joint Legislative Budget Committee at
24 least 30 days prior to allocating any of those funds, for a purpose
25 authorized by this section, if the allocation is proposed to be used
26 in the current fiscal year.

27 (2) (A) If notice of federal approval of retroactive
28 implementation of the assessment is received by the Director of
29 Finance between January 1 and May 10 of any year, and the plan
30 anticipates any expenditure of the funds after June 30 of that year,
31 for a purpose authorized by this section, the Director of Finance
32 shall seek legislative approval of those budget year expenditures
33 through the annual Budget Act or in other legislation.

34 (B) Notwithstanding subparagraph (A), if the Legislature does
35 not allocate moneys from the fund pursuant to subparagraph (A)
36 in the annual Budget Act or in other legislation, the Director of
37 Finance shall, on or after September 15, notify the Joint Legislative
38 Budget Committee at least 30 days prior to allocating any of those
39 funds, for a purpose authorized by this section, if the allocation is
40 proposed to be used in that current fiscal year.

(3) If notice of federal approval of retroactive implementation of the assessment is received by the Director of Finance after May 10 and before January 1 of any year, the Director of Finance shall notify the Joint Legislative Budget Committee at least 30 days prior to allocating any of those funds, for a purpose authorized by this section, if the allocation is proposed to be used in the current fiscal year.

(g) Notwithstanding Section 13340 of the Government Code, when the requirements of subdivision (f) have been met, the moneys in the fund are continuously appropriated to the State Department of Social Services for the purposes of this section.

SEC. 5. Section 12301.05 is added to the Welfare and Institutions Code, to read:

12301.05. It is the intent of the Legislature to enact legislation in 2013 to authorize an assessment on home care services, including, but not limited to, home health care and in-home supportive services, consistent with the settlement agreement pertaining to *Oster v. Lightbourne*, N.D. Cal., Case No. CV09-04668 CW, U.S. Court of Appeals for the Ninth Circuit, Case No. 12-15366, and *Dominguez v. Brown*, N.D. Cal., Case No. CV 09-02306 CW, U.S. Court of Appeals for the Ninth Circuit, Case No. 09-16359.

SEC. 6. Section 12301.07 of the Welfare and Institutions Code is repealed.

~~12301.07. (a) (1) Notwithstanding any other provision of law, if subdivision (b) of Section 3.94 of the Budget Act of 2011 is operative, the department shall implement a 20-percent reduction in authorized hours of service to each in-home supportive services recipient as specified in this section, effective January 1, 2012, which shall be applied to the recipient's hours as authorized pursuant to his or her most recent assessment.~~

~~(2) The reduction required by this section shall not preclude any reassessment to which a recipient would otherwise be entitled. However, hours authorized pursuant to a reassessment shall be subject to the reduction required by this section.~~

~~(3) For those recipients who have a documented unmet need, excluding protective supervision, because of the limitations contained in Section 12303.4, this reduction shall be applied first to the unmet need before being applied to the authorized hours. If 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 subdivision (f).

4 (4) 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 (5) The reduction in service hours made pursuant to paragraph
8 (1) 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 subdivision (f), 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 Care Supplement applications, developed pursuant
18 to subdivision (f).

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

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 (c) 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 (1) 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 subdivision (f), 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 subdivision (f) 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) Any aged, blind, or disabled individual who is eligible
26 for services under this article who receives a notice of action
27 indicating that his or her services will be reduced under subdivision
28 (a) but who believes he or she is at serious risk of out-of-home
29 placement unless all or part of the reduction is restored may submit
30 an IHSS Care Supplement application. When a recipient submits
31 an IHSS Care Supplement application within 15 days of receiving
32 the reduction notice or prior to the implementation of the reduction,
33 the recipient's in-home supportive services shall continue at the
34 level authorized by the most recent assessment, prior to any
35 reduction, until the county finds that the recipient does or does not
36 require restoration of any hours through the IHSS Care Supplement.
37 If the recipient disagrees with the county's determination
38 concerning the need for the IHSS Care Supplement, the recipient
39 may request a hearing on that determination.

~~(2) The department shall develop an assessment tool, in consultation with stakeholders, to be used by the counties to determine if a recipient is at serious risk of out-of-home placement as a consequence of the reduction of services pursuant to this section. The assessment tool shall be developed utilizing standard of care criteria for relevant out-of-home placements that serve individuals who are aged, blind, or who have disabilities and who would qualify for IHSS if living at home, including, but not limited to, criteria set forth in Chapter 7.0 of the Manual of Criteria for Medi-Cal Authorization published by the State Department of Health Care Services, as amended April 15, 2004, and the IHSS uniform assessment guidelines.~~

~~(3) Counties shall give a high priority to prompt screening of persons specified in this section to determine their need for an IHSS Care Supplement.~~

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

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

~~(h) If the Director of Health Care Services determines that federal approval is necessary to implement this section, this section shall be implemented only after any state plan amendments required pursuant to Section 14132.95 are approved.~~

SEC. 7. *Section 12306.1 of the Welfare and Institutions Code, as amended by Section 39 of Chapter 439 of the Statutes of 2012, is amended to read:*

12306.1. (a) When any increase in provider wages or benefits is negotiated or agreed to by a public authority or nonprofit consortium under Section 12301.6, then the county shall use county-only funds to fund both the county share and the state share, including employment taxes, of any increase in the cost of the program, unless otherwise provided for in the annual Budget Act or appropriated by statute. No increase in wages or benefits negotiated or agreed to pursuant to this section shall take effect unless and until, prior to its implementation, the department has obtained the approval of the State Department of Health Care Services for the increase pursuant to a determination that it is consistent with federal law and to ensure federal financial participation for the services under Title XIX of the federal Social Security Act, and unless and until all of the following conditions have been met:

(1) Each county has provided the department with documentation of the approval of the county board of supervisors of the proposed public authority or nonprofit consortium rate, including wages and related expenditures. The documentation shall be received by the department before the department and the State Department of Health Care Services may approve the increase.

(2) Each county has met department guidelines and regulatory requirements as a condition of receiving state participation in the rate.

(b) Any rate approved pursuant to subdivision (a) shall take effect commencing on the first day of the month subsequent to the month in which final approval is received from the department. The department may grant approval on a conditional basis, subject to the availability of funding.

(c) The state shall pay 65 percent, and each county shall pay 35 percent, of the nonfederal share of wage and benefit increases negotiated by a public authority or nonprofit consortium pursuant

1 to Section 12301.6 and associated employment taxes, only in
2 accordance with subdivisions (d) to (f), inclusive.

3 (d) (1) The state shall participate as provided in subdivision (c)
4 in wages up to seven dollars and fifty cents (\$7.50) per hour and
5 individual health benefits up to sixty cents (\$0.60) per hour for all
6 public authority or nonprofit consortium providers. This paragraph
7 shall be operative for the 2000–01 fiscal year and each year
8 thereafter unless otherwise provided in paragraphs (2), (3), (4),
9 and (5), and without regard to when the wage and benefit increase
10 becomes effective.

11 (2) The state shall participate as provided in subdivision (c) in
12 a total of wages and individual health benefits up to nine dollars
13 and ten cents (\$9.10) per hour, if wages have reached at least seven
14 dollars and fifty cents (\$7.50) per hour. Counties shall determine,
15 pursuant to the collective bargaining process provided for in
16 subdivision (c) of Section 12301.6, what portion of the nine dollars
17 and ten cents (\$9.10) per hour shall be used to fund wage increases
18 above seven dollars and fifty cents (\$7.50) per hour or individual
19 health benefit increases, or both. This paragraph shall be operative
20 for the 2001–02 fiscal year and each fiscal year thereafter, unless
21 otherwise provided in paragraphs (3), (4), and (5).

22 (3) The state shall participate as provided in subdivision (c) in
23 a total of wages and individual health benefits up to ten dollars
24 and ten cents (\$10.10) per hour, if wages have reached at least
25 seven dollars and fifty cents (\$7.50) per hour. Counties shall
26 determine, pursuant to the collective bargaining process provided
27 for in subdivision (c) of Section 12301.6, what portion of the ten
28 dollars and ten cents (\$10.10) per hour shall be used to fund wage
29 increases above seven dollars and fifty cents (\$7.50) per hour or
30 individual health benefit increases, or both. This paragraph shall
31 be operative commencing with the next state fiscal year for which
32 the May Revision forecast of General Fund revenue, excluding
33 transfers, exceeds by at least 5 percent, the most current estimate
34 of revenue, excluding transfers, for the year in which paragraph
35 (2) became operative.

36 (4) The state shall participate as provided in subdivision (c) in
37 a total of wages and individual health benefits up to eleven dollars
38 and ten cents (\$11.10) per hour, if wages have reached at least
39 seven dollars and fifty cents (\$7.50) per hour. Counties shall
40 determine, pursuant to the collective bargaining process provided

1 for in subdivision (c) of Section 12301.6, what portion of the eleven
2 dollars and ten cents (\$11.10) per hour shall be used to fund wage
3 increases or individual health benefits, or both. This paragraph
4 shall be operative commencing with the next state fiscal year for
5 which the May Revision forecast of General Fund revenue,
6 excluding transfers, exceeds by at least 5 percent, the most current
7 estimate of revenues, excluding transfers, for the year in which
8 paragraph (3) became operative.

9 (5) The state shall participate as provided in subdivision (c) in
10 a total cost of wages and individual health benefits up to twelve
11 dollars and ten cents (\$12.10) per hour, if wages have reached at
12 least seven dollars and fifty cents (\$7.50) per hour. Counties shall
13 determine, pursuant to the collective bargaining process provided
14 for in subdivision (c) of Section 12301.6, what portion of the
15 twelve dollars and ten cents (\$12.10) per hour shall be used to fund
16 wage increases above seven dollars and fifty cents (\$7.50) per hour
17 or individual health benefit increases, or both. This paragraph shall
18 be operative commencing with the next state fiscal year for which
19 the May Revision forecast of General Fund revenue, excluding
20 transfers, exceeds by at least 5 percent, the most current estimate
21 of revenues, excluding transfers, for the year in which paragraph
22 (4) became operative.

23 ~~(6) Notwithstanding paragraphs (2) to (5), inclusive, the state~~
24 ~~shall participate as provided in subdivision (c) in a total cost of~~
25 ~~wages up to nine dollars and fifty cents (\$9.50) per hour and in~~
26 ~~individual health benefits up to sixty cents (\$0.60) per hour. This~~
27 ~~paragraph shall become operative on July 1, 2009.~~

28 ~~(7) (A) The Legislature finds and declares that injunctions~~
29 ~~issued by the courts have prevented the state from implementing~~
30 ~~the changes described in paragraph (6) during the pendency of~~
31 ~~litigation. To avoid confusion for providers, recipients, and other~~
32 ~~stakeholders, it is therefore the intent of the Legislature to~~
33 ~~temporarily suspend the reductions described in that paragraph~~
34 ~~until July 1, 2012, to allow the litigation to reach a final result.~~

35 ~~(B) Paragraph (6) shall not be implemented until July 1, 2012,~~
36 ~~and as of that date shall only be implemented if a court of~~
37 ~~competent jurisdiction has issued an order, that is not subject to~~
38 ~~appeal or for which the time to appeal has expired, upholding its~~
39 ~~validity.~~

(e) (1) On or before May 14 immediately prior to the fiscal year for which state participation is provided under paragraphs (2) to (5), inclusive, of subdivision (d), the Director of Finance shall certify to the Governor, the appropriate committees of the Legislature, and the department that the condition for each subdivision to become operative has been met.

(2) For purposes of certifications under paragraph (1), the General Fund revenue forecast, excluding transfers, that is used for the relevant fiscal year shall be calculated in a manner that is consistent with the definition of General Fund revenues, excluding transfers, that was used by the Department of Finance in the 2000–01 Governor’s Budget revenue forecast as reflected on Schedule 8 of the Governor’s Budget.

(f) Any increase in overall state participation in wage and benefit increases under paragraphs (2) to (5), inclusive, of subdivision (d), shall be limited to a wage and benefit increase of one dollar (\$1) per hour with respect to any fiscal year. With respect to actual changes in specific wages and health benefits negotiated through the collective bargaining process, the state shall participate in the costs, as approved in subdivision (c), up to the maximum levels as provided under paragraphs (2) to ~~(6)~~, (5), inclusive, of subdivision (d).

(g) For the period during which Section 12306.15 is operative, each county’s share of the costs of negotiated wage and benefit increases specified in subdivision (c) shall remain, but the County IHSS Maintenance of Effort pursuant to Section 12306.15 shall be in lieu of that share.

(h) This section shall become inoperative only if Chapter 45 of the Statutes of 2012 is deemed inoperative pursuant to Section 15 of that chapter.

SEC. 8. Section 12306.1 of the Welfare and Institutions Code, as amended by Section 38 of Chapter 439 of the Statutes of 2012, is amended to read:

12306.1. (a) When any increase in provider wages or benefits is negotiated or agreed to by a public authority or nonprofit consortium under Section 12301.6, then the county shall use county-only funds to fund both the county share and the state share, including employment taxes, of any increase in the cost of the program, unless otherwise provided for in the annual Budget Act or appropriated by statute. No increase in wages or benefits

1 negotiated or agreed to pursuant to this section shall take effect
2 unless and until, prior to its implementation, the department has
3 obtained the approval of the State Department of Health Care
4 Services for the increase pursuant to a determination that it is
5 consistent with federal law and to ensure federal financial
6 participation for the services under Title XIX of the federal Social
7 Security Act, and unless and until all of the following conditions
8 have been met:

9 (1) Each county has provided the department with
10 documentation of the approval of the county board of supervisors
11 of the proposed public authority or nonprofit consortium rate,
12 including wages and related expenditures. The documentation shall
13 be received by the department before the department and the State
14 Department of Health Care Services may approve the increase.

15 (2) Each county has met department guidelines and regulatory
16 requirements as a condition of receiving state participation in the
17 rate.

18 (b) Any rate approved pursuant to subdivision (a) shall take
19 effect commencing on the first day of the month subsequent to the
20 month in which final approval is received from the department.
21 The department may grant approval on a conditional basis, subject
22 to the availability of funding.

23 (c) The state shall pay 65 percent, and each county shall pay 35
24 percent, of the nonfederal share of wage and benefit increases
25 negotiated by a public authority or nonprofit consortium pursuant
26 to Section 12301.6 and associated employment taxes, only in
27 accordance with subdivisions (d) to (f), inclusive.

28 (d) (1) The state shall participate as provided in subdivision (c)
29 in wages up to seven dollars and fifty cents (\$7.50) per hour and
30 individual health benefits up to sixty cents (\$0.60) per hour for all
31 public authority or nonprofit consortium providers. This paragraph
32 shall be operative for the 2000–01 fiscal year and each year
33 thereafter unless otherwise provided in paragraphs (2), (3), (4),
34 and (5), and without regard to when the wage and benefit increase
35 becomes effective.

36 (2) The state shall participate as provided in subdivision (c) in
37 a total of wages and individual health benefits up to nine dollars
38 and ten cents (\$9.10) per hour, if wages have reached at least seven
39 dollars and fifty cents (\$7.50) per hour. Counties shall determine,
40 pursuant to the collective bargaining process provided for in

1 subdivision (c) of Section 12301.6, what portion of the nine dollars
2 and ten cents (\$9.10) per hour shall be used to fund wage increases
3 above seven dollars and fifty cents (\$7.50) per hour or individual
4 health benefit increases, or both. This paragraph shall be operative
5 for the 2001–02 fiscal year and each fiscal year thereafter, unless
6 otherwise provided in paragraphs (3), (4), and (5).

7 (3) The state shall participate as provided in subdivision (c) in
8 a total of wages and individual health benefits up to ten dollars
9 and ten cents (\$10.10) per hour, if wages have reached at least
10 seven dollars and fifty cents (\$7.50) per hour. Counties shall
11 determine, pursuant to the collective bargaining process provided
12 for in subdivision (c) of Section 12301.6, what portion of the ten
13 dollars and ten cents (\$10.10) per hour shall be used to fund wage
14 increases above seven dollars and fifty cents (\$7.50) per hour or
15 individual health benefit increases, or both. This paragraph shall
16 be operative commencing with the next state fiscal year for which
17 the May Revision forecast of General Fund revenue, excluding
18 transfers, exceeds by at least 5 percent, the most current estimate
19 of revenue, excluding transfers, for the year in which paragraph
20 (2) became operative.

21 (4) The state shall participate as provided in subdivision (c) in
22 a total of wages and individual health benefits up to eleven dollars
23 and ten cents (\$11.10) per hour, if wages have reached at least
24 seven dollars and fifty cents (\$7.50) per hour. Counties shall
25 determine, pursuant to the collective bargaining process provided
26 for in subdivision (c) of Section 12301.6, what portion of the eleven
27 dollars and ten cents (\$11.10) per hour shall be used to fund wage
28 increases or individual health benefits, or both. This paragraph
29 shall be operative commencing with the next state fiscal year for
30 which the May Revision forecast of General Fund revenue,
31 excluding transfers, exceeds by at least 5 percent, the most current
32 estimate of revenues, excluding transfers, for the year in which
33 paragraph (3) became operative.

34 (5) The state shall participate as provided in subdivision (c) in
35 a total cost of wages and individual health benefits up to twelve
36 dollars and ten cents (\$12.10) per hour, if wages have reached at
37 least seven dollars and fifty cents (\$7.50) per hour. Counties shall
38 determine, pursuant to the collective bargaining process provided
39 for in subdivision (c) of Section 12301.6, what portion of the
40 twelve dollars and ten cents (\$12.10) per hour shall be used to fund

1 wage increases above seven dollars and fifty cents (\$7.50) per hour
2 or individual health benefit increases, or both. This paragraph shall
3 be operative commencing with the next state fiscal year for which
4 the May Revision forecast of General Fund revenue, excluding
5 transfers, exceeds by at least 5 percent, the most current estimate
6 of revenues, excluding transfers, for the year in which paragraph
7 (4) became operative.

8 ~~(6) Notwithstanding paragraphs (2) to (5), inclusive, the state~~
9 ~~shall participate as provided in subdivision (e) in a total cost of~~
10 ~~wages up to nine dollars and fifty cents (\$9.50) per hour and in~~
11 ~~individual health benefits up to sixty cents (\$0.60) per hour. This~~
12 ~~paragraph shall become operative on July 1, 2009.~~

13 ~~(7) (A) The Legislature finds and declares that injunctions issued~~
14 ~~by the courts have prevented the state from implementing the~~
15 ~~changes described in paragraph (6) during the pendency of~~
16 ~~litigation. To avoid confusion for providers, recipients, and other~~
17 ~~stakeholders, it is therefore the intent of the Legislature to~~
18 ~~temporarily suspend the reductions described in that paragraph~~
19 ~~until July 1, 2012, to allow the litigation to reach a final result.~~

20 ~~(B) Paragraph (6) shall not be implemented until July 1, 2012,~~
21 ~~and as of that date shall only be implemented if a court of~~
22 ~~competent jurisdiction has issued an order, that is not subject to~~
23 ~~appeal or for which the time to appeal has expired, upholding its~~
24 ~~validity.~~

25 (e) (1) On or before May 14 immediately prior to the fiscal
26 year for which state participation is provided under paragraphs (2)
27 to (5), inclusive, of subdivision (d), the Director of Finance shall
28 certify to the Governor, the appropriate committees of the
29 Legislature, and the department that the condition for each
30 subdivision to become operative has been met.

31 (2) For purposes of certifications under paragraph (1), the
32 General Fund revenue forecast, excluding transfers, that is used
33 for the relevant fiscal year shall be calculated in a manner that is
34 consistent with the definition of General Fund revenues, excluding
35 transfers, that was used by the Department of Finance in the
36 2000–01 Governor’s Budget revenue forecast as reflected on
37 Schedule 8 of the Governor’s Budget.

38 (f) Any increase in overall state participation in wage and benefit
39 increases under paragraphs (2) to (5), inclusive, of subdivision (d),
40 shall be limited to a wage and benefit increase of one dollar (\$1)

1 per hour with respect to any fiscal year. With respect to actual
2 changes in specific wages and health benefits negotiated through
3 the collective bargaining process, the state shall participate in the
4 costs, as approved in subdivision (c), up to the maximum levels
5 as provided under paragraphs (2) to ~~(6)~~, (5), inclusive, of
6 subdivision (d).

7 (g) This section shall become operative only if Chapter 45 of
8 the Statutes of 2012 is deemed inoperative pursuant to Section 15
9 of that chapter.

10 *SEC. 9. Section 12309 of the Welfare and Institutions Code is*
11 *amended to read:*

12 12309. (a) In order to assure that in-home supportive services
13 are delivered in all counties in a uniform manner, the department
14 shall develop a uniform needs assessment tool.

15 (b) (1) Each county shall, in administering this article, use the
16 uniform needs assessment tool developed pursuant to subdivision
17 (a) in collecting and evaluating information.

18 (2) For purposes of paragraph (1), “information” includes, but
19 is not limited to, all of the following:

20 (A) The recipient’s living environment.

21 (B) Alternative resources.

22 (C) The recipient’s functional abilities.

23 (c) (1) The uniform needs assessment tool developed pursuant
24 to subdivision (a) shall evaluate the recipient’s functioning in
25 activities of daily living and instrumental activities of daily living.

26 (2) The recipient’s functioning shall be quantified, using the
27 general hierarchical five-point scale for ranking each function, as
28 specified in subdivision (d).

29 (d) The recipient’s functioning ranks shall be as follows:

30 (1) Rank one. A recipient’s functioning shall be classified as
31 rank one if his or her functioning is independent, and he or she is
32 able to perform the function without human assistance, although
33 the recipient may have difficulty in performing the function, but
34 the completion of the function, with or without a device or mobility
35 aid, poses no substantial risk to his or her safety.

36 (2) Rank two. A recipient’s functioning shall be classified as
37 rank two if he or she is able to perform a function, but needs verbal
38 assistance, such as reminding, guidance, or encouragement.

39 (3) Rank three. A recipient’s functioning shall be classified as
40 rank three if he or she can perform the function with some human

1 assistance, including, but not limited to, direct physical assistance
2 from a provider.

3 (4) Rank four. A recipient's functioning shall be classified as
4 rank four if he or she can perform a function, but only with
5 substantial human assistance.

6 (5) Rank five. A recipient's functioning shall be classified as
7 rank five if he or she cannot perform the function, with or without
8 human assistance.

9 ~~(e) (1) Notwithstanding any other law, and effective September~~
10 ~~1, 2009, individuals shall be eligible for each domestic or related~~
11 ~~service only if assessed at a rank four or five, as defined in~~
12 ~~subdivision (d), in the activity of daily living relating to that~~
13 ~~service. The activities of daily living that relate to domestic and~~
14 ~~related services are defined in regulations and include housework,~~
15 ~~laundry, shopping and errands, meal preparation, and meal cleanup.~~
16 ~~The rank for each domestic and related service shall be determined~~
17 ~~based on an assessment of need for supportive services by the~~
18 ~~county, in accordance with this section and the hourly task~~
19 ~~guidelines as defined by Section 12301.2. This paragraph does not~~
20 ~~apply to individuals meeting one of the conditions specified in~~
21 ~~paragraph (2).~~

22 ~~(2) Paragraph (1) shall not apply to individuals authorized to~~
23 ~~receive either protective supervision pursuant to subdivision (b)~~
24 ~~of Section 12300 and Section 12301.21 or paramedical services~~
25 ~~pursuant to Section 12300.1, or to individuals authorized to receive~~
26 ~~over 120 hours of services per month.~~

27 ~~(3) To the extent necessary to maintain federal financial~~
28 ~~participation, the director may waive any or all of the provisions~~
29 ~~of paragraph (2), after consultation with the State Department of~~
30 ~~Health Care Services.~~

31 ~~(f) A recipient shall be assigned a functional index score. The~~
32 ~~functional index score for a recipient shall be a weighted average~~
33 ~~based on the individual functional index rankings, as described in~~
34 ~~subdivision (d), to provide a single measure of a recipient's relative~~
35 ~~dependence on human assistance for performance of activities of~~
36 ~~daily living that are used in the assessment of services provided~~
37 ~~pursuant to this article.~~

38 ~~(g) (1) Notwithstanding the rulemaking provisions of the~~
39 ~~Administrative Procedure Act (Chapter 3.5 (commencing with~~
40 ~~Section 11340) of Part 1 of Division 3 of Title 2 of the Government~~

Code) the department may implement and administer this section through all-county letters or similar instruction from the department until regulations are adopted. The department shall adopt emergency regulations implementing this section no later than July 1, 2010. The department may readopt any emergency regulation authorized by this section that is the same as or substantially equivalent to an emergency regulation previously adopted under this section.

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

(h) Subdivisions (e), (f), and (g) shall become operative on September 1, 2009.

(i) (1) The Legislature finds and declares that injunctions issued by the courts have prevented the state from implementing the changes described in subdivisions (e), (f), and (g) during the pendency of litigation. To avoid confusion for providers, recipients, and other stakeholders, it is therefore the intent of the Legislature to temporarily suspend the reductions described in those subdivisions until July 1, 2012, to allow the litigation to reach a final result.

(2) Notwithstanding subdivision (h) or any other provision of law, subdivisions (e), (f), and (g) shall not be implemented until July 1, 2012, and as by that date shall only be implemented if a court of competent jurisdiction has issued an order, that is not subject to appeal or for which the time to appeal has expired, upholding their validity.

SEC. 10. Section 12309.2 of the Welfare and Institutions Code is repealed.

12309.2. (a) Notwithstanding any other law, except as provided in subdivision (b), and pursuant to subdivision (c) of Section 12309,

1 and effective September 1, 2009, eligibility for in-home supportive
2 services provided pursuant to Article 7 (commencing with Section
3 12300) of Chapter 3 shall also include functional index scores
4 calculated pursuant to subdivision (f) of Section 12309, as follows:

5 (1) Individuals with a functional index score of 2.0 and above
6 shall be eligible to receive all appropriate in-home supportive
7 services provided pursuant to this article.

8 (2) Individuals with a functional index score below 2.0 shall
9 not be eligible for any in-home supportive services provided
10 pursuant to this article.

11 (3) Paragraph (2) shall not apply to individuals authorized to
12 receive protective supervision pursuant to subdivision (b) of
13 Section 12300 and Section 12301.21 or paramedical services
14 pursuant to Section 12300.1, or to individuals authorized to receive
15 over 120 hours of services per month pursuant to Section 12301.2.

16 (4) To the extent necessary to maintain federal financial
17 participation, the director may waive any or all of the provisions
18 of paragraph (3), after consultation with the State Department of
19 Health Care Services.

20 (b) The department shall modify the notice of action forms to
21 inform individuals whose hours are reduced or for whom eligibility
22 is eliminated by the changes made to Section 12309 or this section
23 by the act adding this section of their functional rank and functional
24 index score. The form shall be modified no later than September
25 1, 2009.

26 (c) (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 instruction from the department
31 until regulations are adopted. The department shall adopt
32 emergency regulations implementing this section no later than July
33 1, 2010. The department may readopt any emergency regulation
34 authorized by this section that is the same as or substantially
35 equivalent to an emergency regulation previously adopted under
36 this section.

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

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

10 (d) This section shall become operative on September 1, 2009.

11 (e) (1) The Legislature finds and declares that injunctions issued
12 by the courts have prevented the state from implementing the
13 changes described in this section during the pendency of litigation.
14 To avoid confusion for providers, recipients, and other
15 stakeholders, it is therefore the intent of the Legislature to
16 temporarily suspend the reductions described in this section until
17 July 1, 2012, to allow the litigation to reach a final result.

18 (2) Notwithstanding subdivision (d) or any other provision of
19 law, this section shall not be implemented until July 1, 2012, and
20 as of that date shall only be implemented if a court of competent
21 jurisdiction has issued an order, that is not subject to appeal or for
22 which the time to appeal has expired, upholding its validity.

23 *SEC. 11. (a) Notwithstanding the rulemaking provisions of*
24 *the Administrative Procedure Act (Chapter 3.5 (commencing with*
25 *Section 11340) of Part 1 of Division 3 of Title 2 of the Government*
26 *Code), the State Department of Social Services and the State*
27 *Department of Health Care Services may implement and administer*
28 *this act through all-county letters or similar instruction from their*
29 *respective departments until regulations are adopted. Each*
30 *department shall adopt emergency regulations implementing this*
31 *act no later than July 1, 2015. Each department may readopt any*
32 *emergency regulation authorized by this section that is the same*
33 *as or substantially equivalent to an emergency regulation*
34 *previously adopted under this section.*

35 (b) For each department identified in subdivision (a), the initial
36 adoption of emergency regulations implementing this act and one
37 readoption of emergency regulations authorized by this section
38 shall be deemed an emergency and necessary for the immediate
39 preservation of the public peace, health, safety, or general welfare.
40 Initial emergency regulations and the one readoption of emergency

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

8 SEC. 12. The amount of one thousand dollars (\$1,000) is
9 hereby appropriated from the General Fund to the State
10 Department of Social Services for its administrative costs during
11 the 2013–14 fiscal year.

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

17 ~~SECTION 1. It is the intent of the Legislature to enact statutory~~
18 ~~changes relating to the Budget Act of 2013.~~