

Senate Bill No. 68

Passed the Senate May 13, 2013

Secretary of the Senate

Passed the Assembly May 20, 2013

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2013, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend the Budget Act of 2012 (Chapters 21 and 29 of the Statutes of 2012) by amending Items 4140-001-3085, 4140-101-3085, 4140-490, 4300-003-0001, 4300-101-0001, and 5180-111-0001 of, and by adding Item 0250-491 to, Section 2.00 of, and by amending Section 39.00 of, that act, relating to the State Budget, and making an appropriation therefor, to take effect immediately, Budget Bill.

LEGISLATIVE COUNSEL'S DIGEST

SB 68, Committee on Budget and Fiscal Review. Budget Act of 2012.

The Budget Act of 2012 made 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 and making other changes in the Budget Act of 2012.

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

Appropriation: yes.

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

SECTION 1. Item 0250-491 is added to Section 2.00 of the Budget Act of 2012, to read:

0250-491—Reappropriation, Capital Outlay, Judicial Branch. The appropriation provided in the following citation is reappropriated for the purpose of acquiring equity or other real property interests in the New East County Courthouse in the County of Alameda and is subject to the limitations, unless otherwise specified, provided for in the appropriation:

3138—Immediate and Critical Needs Account

(1) Item 0250-301-3138, Budget Act of 2010 (Ch. 712, Statutes of 2010)

(1) 91.01.001 – Alameda County: New East County Courthouse—Construction.

Provisions:

1. The Judicial Branch may enter into a lease-purchase agreement with the County of Alameda for the New East County Courthouse project that will provide lease payments to the county subject to approval by the Director of Finance. At least 30 days prior to entering into any agreement, the Judicial Council shall notify the chairpersons of the committees in each house of the Legislature that consider appropriations and the Joint Legislative Budget Committee of the terms and conditions of the agreement. If the Joint Legislative Budget Committee does not express any opposition, the Judicial Council may proceed with the agreement after 30 days from when the Judicial Branch gave notice to the chairpersons.

SEC. 2. Item 4140-001-3085 of Section 2.00 of the Budget Act of 2012 is amended to read:

4140-001-3085—For support of Office of Statewide Health Planning and Development, for payment to Item 4140-001-0121, payable from the Mental Health Services Fund..... 10,924,000

Provisions:

1. Notwithstanding subdivision (a) of Section 1.80 or any other provision of law, the funds appropriated in this item for the purposes provided for in Sections 5820, 5821, and 5822 of the Welfare and Institutions Code shall be available for expenditure and encumbrance until June 30, 2018.

SEC. 3. Item 4140-101-3085 of Section 2.00 of the Budget Act of 2012 is amended to read:

4140-101-3085—For local assistance, Office of Statewide Health Planning and Development, for payment to Item 4140-101-0001, payable from the Mental Health Services Fund..... 27,650,000

Provisions:

1. Notwithstanding subdivision (a) of Section 1.80 or any other provision of law, the funds appropriated in this item in support of the Mental Health Services Act

shall be available for expenditure and encumbrance until June 30, 2018.

2. The funds appropriated in this item are for the purposes of the workforce, education, and training (WET) programs established pursuant to Sections 5820, 5821, and 5822 of the Welfare and Institutions Code. It is the intent of the Legislature that a total of \$6,000,000 in WET funds be appropriated for purposes of Sections 5820, 5821, and 5822 of the Welfare and Institutions Code in a manner subject to the requirements set forth in subdivisions (a) and (e) of Section 5820 of, and subdivision (a) of Section 5848 of, the Welfare and Institutions Code. It is further the intent of the Legislature that \$9,000,000 be appropriated for implementation of the Regional Partnerships component of the WET programs in equal amounts over a three-year period beginning in the 2014–15 fiscal year. The funds appropriated in this item are available for expenditure without regard to fiscal year.

SEC. 4. Item 4140-490 of Section 2.00 of the Budget Act of 2012 is amended to read:

4140-490—Reappropriation, Office of Statewide Health Planning and Development. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2018:

3085—Mental Health Services Fund

- (1) Item 4140-001-3085, Budget Act of 2011 (Ch. 33, Stats. 2011)
- (2) Item 4140-001-3085, Budget Act of 2009 (Ch. 1, 2009–10 3rd Ex. Sess., as revised by Ch. 1, 2009–10 4th Ex. Sess.), as reappropriated by Item 4140-490, Budget Act of 2010 (Ch. 712, Stats. 2010)
- (3) Item 4140-001-3085, Budget Act of 2010 (Ch. 712, Stats. 2010), as reappropriated by Item 4140-490, Budget Act of 2011 (Ch. 33, Stats. 2011)

0890—Federal Trust Fund

- (1) Item 4140-001-0890, Budget Act of 2011 (Ch. 33, Stats. 2011)
- (2) Item 4140-101-0890, Budget Act of 2011 (Ch. 33, Stats. 2011)

SEC. 5. Item 4300-003-0001 of Section 2.00 of the Budget Act of 2012 is amended to read:

4300-003-0001—For support of Department of Developmental Services, for Developmental Centers..... 279,980,000

Schedule:

- (1) 20-Developmental Centers Program.... 534,015,000
- (2) Reimbursements..... -253,531,000
- (3) Amount payable from the Federal Trust Fund (Item 4300-003-0890)..... -504,000

Provisions:

1. A loan shall be available from the General Fund to the State Department of Developmental Services not to exceed a cumulative total of \$77,000,000. The loan funds will be transferred to this item as needed to meet cashflow needs due to delays in collecting reimbursements from the Health Care Deposit Fund and are subject to the repayment provisions of Section 16351 of the Government Code.
2. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-001-0001 in order to appropriately align General Fund and Medi-Cal reimbursements from the State Department of Health Care Services with budgeted activities. Within 10 working days after approval of a transfer as authorized by this provision, the Department of Finance shall notify the chairpersons of the fiscal committees of each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee of the transfer, including the amount transferred, how the amount was determined, and how the amount will be utilized.
3. Upon order of the Department of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-101-0001. Within 10

working days after approval of a transfer as authorized by this provision, the Department of Finance shall notify the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee of the transfer, including the amount transferred, how the amount transferred was determined, and how the amount transferred will be utilized.

- 4. The State Department of Developmental Services (DDS) shall notify the chairperson of each fiscal committee and policy committee of each house of the Legislature of specific outcomes resulting from citations and the results of annual surveys conducted by the State Department of Public Health, as well as findings of any other governmental agency authorized to conduct investigations or surveys of state developmental centers. The DDS shall forward the notifications, including a copy of the specific findings, to the chairpersons of the committees within 10 working days of its receipt of these findings. The DDS also shall forward these findings, within three working days of submission, to the appropriate investigating agency. In addition, the DDS shall provide notification to the chairpersons of the committees, within three working days, of its receipt of information concerning any investigation initiated by the United States Department of Justice and the private nonprofit corporation designated by the Governor pursuant to Division 4.7 (commencing with Section 4900) of the Welfare and Institutions Code or concerning any findings or recommendations resulting from any of these investigations.

SEC. 6. Item 4300-101-0001 of Section 2.00 of the Budget Act of 2012 is amended to read:

4300-101-0001—For local assistance, Department of Developmental Services, for Regional Centers..... 2,339,327,000

Schedule:

- (1) 10.10.010-Operations..... 532,942,000
- (2) 10.10.020-Purchase of Services..... 3,588,836,000

(3) 10.10.060-Early Intervention Program.....	20,381,000
(4) 10.10.080-Prevention Program.....	2,003,000
(6) Reimbursements.....	-1,743,156,000
(7) Amount payable from the Developmental Disabilities Program Development Fund (Item 4300-101-0172).....	-9,523,000
(8) Amount payable from the Federal Trust Fund (Item 4300-101-0890).....	-52,006,000
(9) Amount payable from the Developmental Disabilities Services Account (Item 4300-101-0496).....	-150,000

Provisions:

1. Upon order of the Director of Finance, the Controller shall transfer such funds as are necessary between this item and Item 4300-003-0001. Within 10 working days after approval of a transfer as authorized by this provision, the Department of Finance shall notify the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee of the transfer, including the amount transferred, how the amount transferred was determined, and how the amount transferred will be utilized.
2. A loan shall be made available from the General Fund to the State Department of Developmental Services not to exceed a cumulative total of \$210,000,000. The loan funds shall be transferred to this item as needed to meet cashflow needs due to delays in collecting reimbursements from the Health Care Deposit Fund and are subject to the repayment provisions of Section 16351 of the Government Code.
3. Upon order of the Director of Finance, the Controller shall transfer funds as are necessary between this item and Item 5160-001-0001 to provide for the transportation costs to and from work activity programs of clients who are receiving vocational rehabilitation services through the Vocational Rehabilitation/Work Activity Program (VR/WAP).

4. \$1,826,000 of the funds appropriated in this item may be used to augment service provider rates for the work needed to obtain information to secure federal participation under the Home and Community-Based Services Waiver program. Eligible providers are those service providers who are qualified providers under Title XIX of the Social Security Act, are not currently providing the required information, and are serving individuals enrolled under the Home and Community-Based Services Waiver program.
5. Notwithstanding Section 26.00, the Department of Finance may authorize transfer of expenditure authority between Schedules (1) and (2) in order to more accurately reflect expenditures in the Early Intervention Program (Part C of the Individuals with Disabilities Education Act).
6. It is the intent of the Legislature for the State Department of Health Care Services and the State Department of Developmental Services to collaboratively work with stakeholders, including providers and diverse constituency groups as deemed appropriate, regarding the bundling of rates for the reimbursement of intermediate care facilities for the developmentally disabled, including habilitative and nursing facilities. It is the intent of the Legislature that any changes made by the state shall be seamless to the providers of services affected by the changes, as well as to the consumers and their families that are provided services through the Regional Center system. The integrity of the individual program plan process described in the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code) shall be maintained throughout this process and shall not be affected by any changes made to implement the bundled rates.
7. Notwithstanding Section 26.00, the Department of Finance may authorize transfer of expenditure authority from Schedule (4) 10.10.080-Prevention Program to Schedule (2) 10.10.020-Purchase of Services to

more accurately reflect expenditures in the Prevention and Early Start Programs.

SEC. 7. Item 5180-111-0001 of Section 2.00 of the Budget Act of 2012 is amended to read:

5180-111-0001—For local assistance, Department of Social Services..... 4,439,035,000

Schedule:

- (1) 16.70-SSI/SSP..... 2,770,100,000
- (2) 25.15-IHSS..... 6,235,916,000
- (3) Reimbursements..... -4,566,981,000

Provisions:

1. Provisions 1 and 4 of Item 5180-101-0001 also apply to this item.
2. Notwithstanding Chapter 1 (commencing with Section 18000) of Part 6 of Division 9 of the Welfare and Institutions Code, a loan not to exceed \$364,000,000 shall be made available from the General Fund from funds not otherwise appropriated, to cover the federal share or reimbursable share, or both, of costs of a program or programs when the federal funds or reimbursements (from the Health Care Deposit Fund or counties) have not been received by this state prior to the usual time for transmitting payments for the federal or reimbursable share of costs for this state. That loan from the General Fund shall be repaid when the federal share of costs for the program or programs becomes available, or in the case of reimbursements, subject to Section 16351 of the Government Code. County reimbursements also shall be subject to Section 16314 of the Government Code, which specifies the rate of interest. The State Department of Social Services may offset a county’s share of cost of the In-Home Supportive Services (IHSS) program against local assistance payments made to the county if the county fails to reimburse its share of cost of the IHSS program to the state.
3. The State Department of Social Services shall provide technical assistance to counties to ensure that they

maximize the receipt of federal funds for the IHSS program, without compromising the quality of the services provided to IHSS recipients.

4. The Director of Finance may authorize the transfer of amounts from this item to Item 5180-001-0001 in order to fund increased costs due to workload associated with the retroactive reimbursement of Medi-Cal services for the IHSS program to comply with *Conlan v. Shewry* (2005) 131 Cal.App.4th 1354. The Department of Finance shall report to the Legislature the amount to be transferred pursuant to this provision and the number of positions to be established by the State Department of Social Services. The transfer shall be authorized at the time the report is made. The State Department of Social Services shall review the workload associated with the *Conlan v. Shewry* decision during the 2012–13 fiscal year and may administratively establish positions as the workload requires.
5. The Director of Finance may authorize the transfer of amounts from this item to Item 5180-001-0001 in order to fund the cost of the administrative hearing process associated with changes in aid or service payments in the IHSS program. The Department of Finance shall report to the Legislature the amount to be transferred pursuant to this provision. The transfer shall be authorized at the time the report is made.

SEC. 8. Section 39.00 of the Budget Act of 2012 is amended to read:

SEC. 39.00. The Legislature hereby finds and declares that the following bills are other bills providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution: AB 1465, AB 1466, AB 1467, AB 1468, AB 1469, AB 1470, AB 1471, AB 1472, AB 1473, AB 1474, AB 1475, AB 1476, AB 1477, AB 1478, AB 1479, AB 1480, AB 1481, AB 1482, AB 1483, AB 1484, AB 1485, AB 1486, AB 1487, AB 1488, AB 1489, AB 1490, AB 1491, AB 1492, AB 1493, AB 1494, AB 1495, AB 1496, AB 1497, AB 1498, AB 1499, AB 1502, AB 1503, SB 1005, SB 1006, SB 1007, SB 1008, SB 1009, SB 1010, SB 1011, SB 1012, SB 1013, SB 1014, SB

1015, SB 1016, SB 1017, SB 1018, SB 1019, SB 1020, SB 1021, SB 1022, SB 1023, SB 1024, SB 1025, SB 1026, SB 1027, SB 1028, SB 1029, SB 1030, SB 1031, SB 1032, SB 1033, SB 1034, SB 1035, SB 1036, SB 1037, SB 1038, SB 1039, SB 1040, SB 1041, SB 1042, and SB 1043 of the 2011–12 Regular Session, and AB 112 and SB 67 of the 2013–14 Regular Session.

SEC. 9. This act is a Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution and shall take effect immediately.

Approved _____, 2013

Governor