

ASSEMBLY BILL

No. 1405

Introduced by Assembly Member Grove

February 27, 2015

An act to add Section 14670.09 to the Government Code, to add Section 4474.9 to the Welfare and Institutions Code, and to amend the Budget Act of 2014 (Chapter 25 of the Statutes of 2014) by amending Items 4300-003-0001 and 4300-101-0001 of Section 2.00 of that act, relating to developmental services, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1405, as introduced, Grove. Developmental centers: closure.

Existing law vests in the State Department of Developmental Services jurisdiction over state hospitals referred to as developmental centers for the provision of residential care to individuals with developmental disabilities. Existing law requires the State Department of Developmental Services to comply with procedural requirements when closing a developmental center, including submitting a detailed plan to the Legislature and holding at least one public hearing. Under existing law, the department allocates funds to private nonprofit entities known as regional centers, which are required to provide, or arrange for the provision of, services and supports for persons with developmental disabilities.

This bill would require the department to close the Fairview Developmental Center and the Sonoma Developmental Center on or before an unspecified date. The bill would create a taskforce for to determine the use of the properties and a plan for benefiting individuals with developmental disabilities in community-based programs and

settings, and would require the task force to consist of 15 members, as specified

Existing law requires the Director of General Services to lease specified property located at the Sonoma Developmental Center only for an agricultural or open-space purpose consistent with specified requirements.

The bill would additionally require the director to, on or after an unspecified date, lease all or part of the parcel at the Sonoma Developmental Center and the Fairview Developmental Center. The bill would require an unspecified percentage of the net proceeds received by the state from the lease of these properties to go to the General Fund and the rest to be deposited in the Lanterman Act Community-Based Services Fund, created by the bill. The bill would require all moneys in the Lanterman Act Community-Based Services Fund to be continuously appropriated without regard to fiscal years to the State Department of Developmental Service to augment existing purchase of services funds used by regional centers to purchase services and supports for persons with developmental disabilities. By creating a continuously appropriated fund, the bill would make an appropriation.

The Budget Act of 2014 appropriates \$260,659,000 from the General Fund to the State Department of Developmental Services for the support of the department’s developmental centers, and appropriates \$2,645,629,000 from the General Fund to the department for local assistance to regional centers.

This bill would amend the Budget Act of 2014 by revising items of appropriation for the State Department of Developmental Services related to developmental centers and regional centers, thereby making an appropriation. The bill would state the intent of the Legislature to transfer current funding for the operations of the Fairview Developmental Center and the Sonoma Developmental Center to fund purchase of services at regional centers.

Vote: 2/3. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

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

- 1 SECTION 1. Section 14670.09 is added to the Government
- 2 Code, to read:
- 3 14670.09. (a) Notwithstanding any other law, the Director of
- 4 General Services shall, on or after _____, lease, for current market

1 value, all or part of the parcel at the Sonoma Developmental
2 Center, located at 15000 Arnold Drive, in Eldridge, Sonoma
3 County and the Fairview Developmental Center, located at 2501
4 Harbor Boulevard, in Costa Mesa, Orange County.

5 (b) Notwithstanding any other law, the net proceeds received
6 by the state from the lease of the property shall be deposited as
7 follows:

8 (1) ____ percent to the General Fund.

9 (2) (A) ____ percent to the Lanterman Act Community-Based
10 Services Fund, hereby created in the State Treasury.
11 Notwithstanding Section 13340, all moneys in the fund are
12 continuously appropriated without regard to fiscal years to the
13 State Department of Developmental Services to augment existing
14 purchase of services funds used by regional centers to purchase
15 services and supports for persons with developmental disabilities

16 (B) The moneys in the Lanterman Act Community-Based
17 Services Fund shall be used to supplement, and not supplant,
18 existing funds for purchase of services by regional centers.

19 (3) “Net proceeds” for the purposes of this subdivision means
20 gross proceeds less all costs necessary for the completion of the
21 transaction, including costs incurred by the Department of General
22 Services.

23 SEC. 2. Section 4474.9 is added to the Welfare and Institutions
24 Code, to read:

25 4474.9. (a) The department shall close the Fairview
26 Developmental Center and the Sonoma Developmental Center on
27 or before ____.

28 (b) (1) A task force is hereby established to determine the use
29 of the properties and a plan for benefiting individuals with
30 developmental disabilities in community-based programs and
31 settings.

32 (2) The task force shall consist of 15 members as follows:

33 (A) Eleven members appointed by the Governor, at least three
34 of whom shall be family members of an individual residing at a
35 state developmental center, at least three of whom shall be a
36 director of a regional center, and at least three of whom shall be
37 directors or chief executive officers of community-based nonprofit
38 organizations that help individuals with developmental disabilities
39 find housing employment, day programs, and other services in the
40 community.

- 1 (B) Two members appointed by the Speaker of the Assembly.
- 2 (C) Two members appointed by the President pro Tempore of
- 3 the Senate.

4 SEC. 3. Item 4300-003-0001 of Section 2.00 of the Budget
 5 Act of 2014 is amended to read:

6
 7 4300-003-0001—For support of Department of Develop-
 8 mental Services, for Developmental Centers..... 260,659,000 ____
 9 Schedule:

10 (1) 20-Developmental Centers Program....	511,159,000	
11		_____
12 (2) Reimbursements.....	-250,116,000	
13 (3) Amount payable from the Federal Trust		
14 Fund (Item 4300-003-0890).....	-384,000	

15 Provisions:

- 16 1. A loan shall be available from the General Fund to the
- 17 State Department of Developmental Services not to
- 18 exceed a cumulative total of \$27,000,000. The loan
- 19 funds will be transferred to this item as needed to meet
- 20 cashflow needs due to delays in collecting reimburse-
- 21 ments from the Health Care Deposit Fund and are
- 22 subject to the repayment provisions of Section 16351
- 23 of the Government Code.
- 24 2. Upon order of the Department of Finance, the Con-
- 25 troller shall transfer such funds as are necessary be-
- 26 tween this item and Item 4300-001-0001 in order to
- 27 appropriately align General Fund and Medi-Cal reim-
- 28 bursements from the State Department of Health Care
- 29 Services with budgeted activities. Within 10 working
- 30 days after approval of a transfer as authorized by this
- 31 provision, the Department of Finance shall notify the
- 32 chairpersons of the fiscal committees of each house
- 33 of the Legislature and the Chairperson of the Joint
- 34 Legislative Budget Committee of the transfer, includ-
- 35 ing the amount transferred, how the amount was deter-
- 36 mined, and how the amount will be utilized.
- 37 3. Upon order of the Department of Finance, the Con-
- 38 troller shall transfer such funds as are necessary be-
- 39 tween this item and Item 4300-101-0001. Within 10
- 40 working days after approval of a transfer as authorized

1 by this provision, the Department of Finance shall
 2 notify the chairpersons of the fiscal committees in each
 3 house of the Legislature and the Chairperson of the
 4 Joint Legislative Budget Committee of the transfer,
 5 including the amount transferred, how the amount
 6 transferred was determined, and how the amount
 7 transferred will be utilized.

8 4. The State Department of Developmental Services
 9 (DDS) shall notify the chairperson of each fiscal
 10 committee and policy committee of each house of the
 11 Legislature of specific outcomes resulting from cita-
 12 tions and the results of annual surveys conducted by
 13 the State Department of Public Health, as well as
 14 findings of any other governmental agency authorized
 15 to conduct investigations or surveys of state develop-
 16 mental centers. The DDS shall forward the notifica-
 17 tions, including a copy of the specific findings, to the
 18 chairpersons of the committees within 10 working
 19 days of its receipt of these findings. The DDS also
 20 shall forward these findings, within three working days
 21 of submission, to the appropriate investigating agency.
 22 In addition, the DDS shall provide notification to the
 23 chairpersons of the committees, within three working
 24 days, of its receipt of information concerning any in-
 25 vestigation initiated by the United States Department
 26 of Justice and the private nonprofit corporation desig-
 27 nated by the Governor pursuant to Division 4.7 (com-
 28 mencing with Section 4900) of the Welfare and Insti-
 29 tutions Code or concerning any findings or recommen-
 30 dations resulting from any of these investigations.

31
 32 SEC. 4. Item 4300-101-0001 of Section 2.00 of the Budget
 33 Act of 2014 is amended to read:

34

35 4300-101-0001—For local assistance, Department of Devel-	
36 opmental Services, for Regional Centers.....	2,645,629,000
37 Schedule:	
38 (1) 10.10.010-Operations.....	576,631,000

1	(2) 10.10.020-Pur-	
2	chase of Ser-	
3	vices.....	4,076,564,0004,076,564,000
4	(3) 10.10.060-Early Intervention Pro-	
5	gram.....	19,450,000
6	(4) 10.10.080-Prevention Program.....	2,003,000
7	(5) Reimbursements.....	-1,970,694,000
8	(6) Amount payable from the Developmen-	
9	tal Disabilities Program Development	
10	Fund (Item 4300-101-0172).....	-5,808,000
11	(7) Amount payable from the Developmen-	
12	tal Disabilities Services Account (Item	
13	4300-101-0496).....	-150,000
14	(8) Amount payable from the Federal Trust	
15	Fund (Item 4300-101-0890).....	-52,367,000
16	Provisions:	
17	1. Upon order of the Director of Finance, the Controller	
18	shall transfer such funds as are necessary between this	
19	item and Item 4300-003-0001. Within 10 working	
20	days after approval of a transfer as authorized by this	
21	provision, the Department of Finance shall notify the	
22	chairpersons of the fiscal committees in each house	
23	of the Legislature and the Chairperson of the Joint	
24	Legislative Budget Committee of the transfer, includ-	
25	ing the amount transferred, how the amount transferred	
26	was determined, and how the amount transferred will	
27	be utilized.	
28	2. A loan or loans shall be made available from the	
29	General Fund to the State Department of Developmen-	
30	tal Services not to exceed a cumulative total of	
31	\$395,000,000. The loan funds shall be transferred to	
32	this item as needed to meet cashflow needs due to de-	
33	lays in collecting reimbursements from the Health	
34	Care Deposit Fund. All moneys so transferred shall	
35	be repaid as soon as sufficient reimbursements have	
36	been collected to meet immediate cash needs and in	
37	installments as reimbursements accumulate if the loan	
38	is outstanding for more than one year.	
39	3. Notwithstanding Section 26.00, the Department of	
40	Finance may authorize transfer of expenditure author-	

1 ity between Schedules (1) and (2) in order to more
2 accurately reflect expenditures in the Early Interven-
3 tion Program (Part C of the Individuals with Disabili-
4 ties Education Act).

- 5 4. Notwithstanding Section 26.00, the Department of
6 Finance may authorize transfer of expenditure author-
7 ity from Schedule (4) 10.10.080-Prevention Program
8 to Schedule (2) 10.10.020-Purchase of Services to
9 more accurately reflect expenditures in the Prevention
10 and Early Start Programs.

11
12 SEC. 5. It is the intent of the Legislature to transfer current
13 funding for the operations of the Fairview Developmental Center
14 and the Sonoma Developmental Center to fund purchase of services
15 at regional centers.

O