

ASSEMBLY BILL

No. 2565

Introduced by Assembly Member Salas

**(Coauthors: Assembly Members Bigelow, Brown, Dahle, Eggman,
Gray, Grove, Lackey, Linder, Mayes, and Olsen)**

**(Coauthors: Senators Beall, Berryhill, Cannella, Fuller, Gaines, Galgiani,
Hertzberg, Runner, and Vidak)**

February 19, 2016

An act to amend Section 19806 of the Welfare and Institutions Code, relating to public social services.

LEGISLATIVE COUNSEL'S DIGEST

AB 2565, as introduced, Salas. Independent Living Centers: state funding.

Under existing law, the Department of Rehabilitation is required to provide various services to individuals with physical or mental disabilities who are found to be eligible therefor, including independent living services. Existing law provides for the operation of independent living centers, which are private, nonprofit organizations that provide specified services to individuals with disabilities, in order to assist those individuals in their attempts to live fuller and freer lives outside institutions. The department has the responsibility and authority for the encouragement of the planning, developing, and funding of independent living centers.

Under existing law, each independent living center, except those centers which have been both established and maintained using specified federal funding as a base funding, is required to receive, to the extent funds are appropriated by the Legislature, at least \$235,000 in base grant funds allocated by the department.

This bill would delete the above provisions excluding the centers that were previously established and maintained with federal funding, thereby making those centers eligible for the prescribed state funding.

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

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

1 SECTION 1. Section 19806 of the Welfare and Institutions
2 Code is amended to read:

3 19806. (a) An independent living center shall not be required
4 to provide any matching funds through private contributions as a
5 condition of receiving state funds except to acquire state incentive
6 funds.

7 (b) Each independent living center, ~~except those centers which~~
8 ~~have been both established and maintained using federal funding~~
9 ~~under Title VII(e) of the federal Rehabilitation Act of 1973 as~~
10 ~~amended as their primary base grant, as determined by the~~
11 ~~department,~~ center shall ~~receive~~ receive, to the extent funds are
12 appropriated by the Legislature, at least two hundred thirty-five
13 thousand dollars (\$235,000) in base grant funds allocated by the
14 department. ~~The department shall allocate to those centers with~~
15 ~~Title VII(e) base grant funds of less than two hundred thirty-five~~
16 ~~thousand dollars (\$235,000) an amount that, when combined with~~
17 ~~the Title VII(e) grant, equals two hundred thirty-five thousand~~
18 ~~dollars (\$235,000).~~

19 (c) State funds described in subdivision (b) may be replaced by
20 reimbursements under the Supplemental Security Disability
21 Insurance and the Supplemental Security Income programs
22 provided for under Titles II and XVII of the Federal Social Security
23 Act, Subchapter II (commencing with Section 401) and Subchapter
24 XVII (commencing with Section 1381) of Chapter 7 of Title 42
25 of the United States Code to the extent appropriated by the
26 Legislature and allocated by the department to independent living
27 centers under this chapter. Beginning with the 1998–99 fiscal year,
28 and each year thereafter, to the extent these funds from the Social
29 Security Act are not appropriated by the Legislature as were
30 appropriated in the 1997–98 fiscal year, an amount equal to the
31 combined state and federal fund allocation to independent living
32 centers in the Budget Act of 1997 shall be appropriated to, and

1 allocated by, the department to independent living centers under
2 this chapter.

3 (d) (1) Available state incentive funds shall be allocated at the
4 beginning of each fiscal year based upon the average amount of
5 private contributions received by the independent living center in
6 the second and third preceding fiscal years.

7 (2) The maximum amount of incentive funds that may be
8 allocated to any independent living center in any single fiscal year
9 shall be computed as follows:

10 (A) "Pool One" is defined as 60 percent of all state incentive
11 funds. "Pool Two" is defined as 40 percent of all state incentive
12 funds. Each independent living center shall be entitled to an equal
13 portion of Pool One, not to exceed the amounts raised pursuant to
14 paragraph (1).

15 (B) Incentive funds from Pool One not used after the initial
16 allocation pursuant to subparagraph (A) shall be added to Pool
17 Two for allocation among all centers that had unmatched private
18 contributions after distribution of Pool One funds. Pool Two funds
19 shall be awarded in direct proportion to each center's percentage
20 of the total remaining unmatched private contributions raised by
21 those independent living centers.

22 (3) For the purpose of determining eligibility for state incentive
23 funds, any independent living center that uses a fiscal year other
24 than the state fiscal year may elect to use a different fiscal year so
25 long as the closing date of the fiscal year so elected does not
26 precede the closing date of the equivalent state fiscal year by more
27 than 11 months.

28 (4) The amount of private contributions claimed by an
29 independent living center for each fiscal year shall be verified by
30 the department by utilizing appropriate financial records including,
31 but not limited to, independent audits. Audits may be performed
32 by the department up to three years from the close of the fiscal
33 year during which state incentive funds were received by the
34 independent living center being audited.

35 (5) State incentive funds that are not distributed to independent
36 living centers shall not be allocated or retained by the department
37 for distribution as state incentive funds in later fiscal years.

38 (e) For purposes of this section:

39 (1) "Private funds" does not include any funds originating from
40 any entity of the federal, state, city, or county government or any

1 political subdivision thereof. Notwithstanding the provisions of
2 this section, fees from any source for services provided may be
3 included as private contributions by an independent living center
4 for purposes of determining its allocation of incentive funds.

5 (2) "State incentive funds" means state funds appropriated by
6 the Legislature for purposes of this chapter, except those funds
7 allocated by the department pursuant to subdivisions (b) and (g)
8 of this section.

9 (f) Any funds allocated under this chapter to any independent
10 living center, other than as part of the initial allocation for each
11 fiscal year, shall be made by contract amendment. Any contract
12 amendment shall require the provision of services in addition to
13 those required by the contract being amended. All those services
14 required by contract amendment shall not be performed prior to
15 the date the contract amendment is approved by the state.

16 (g) To the extent funds are appropriated by the Legislature for
17 the purpose of providing assistive technology services described
18 in subdivision (d) of Section 19801, two hundred ten thousand
19 dollars (\$210,000) of those funds shall be allocated to the nonprofit
20 contractor selected by the Department of Rehabilitation to
21 coordinate delivery of assistive technology services and the
22 remainder shall be allocated equally among independent living
23 centers. The nonprofit contractor shall provide statewide assistive
24 technology information and referral and serve as a resource to the
25 independent living centers' assistive technology service programs.

26 (h) To the extent funds are appropriated by the Legislature, after
27 allocation of base grant and incentive funds and assistive
28 technology funds, remaining funds shall be allocated by the
29 department among independent living centers on the basis of the
30 ratio of the total of the general population in an independent living
31 center's geographic service areas as compared to the total of the
32 general population in all independent living centers geographic
33 services area statewide. The department shall adopt regulations
34 for the distribution of population funds by June 30, 1999.