

AMENDED IN SENATE JUNE 21, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

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 amended, 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~~ *Under existing law, 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. *Existing law authorizes these state funds to be replaced by reimbursements under the federal Supplemental Security Disability Insurance and the federal Supplemental Security Income programs, as specified.*

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~~, ~~funding~~ and would instead require each independent living center to receive at least \$235,000 in base grant funds allocated by the department, to the extent funds are appropriated by the Legislature and allocated by the department to the independent living centers from reimbursements under the federal programs. The bill would prohibit the department from redirecting specified funds that support independent living centers to provide the funding for the base grant funds for centers that are newly eligible for the base grant funds pursuant to this bill.

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. The Legislature finds and declares all of the*
- 2 *following:*
- 3 *(a) Independent living is a vested civil right under federal and*
- 4 *state law, and independent living with home and community-based*
- 5 *services is a viable alternative to significantly more costly*
- 6 *institutionalization in nursing homes and other settings.*
- 7 *(b) Independent living centers (ILCs) are among only a few*
- 8 *federally funded entities that are mandated to help individuals*
- 9 *with disabilities who desire to live in their homes and communities*
- 10 *transition out of institutional settings, such as nursing homes and*
- 11 *other institutions.*
- 12 *(c) ILCs work with individuals with all types of disabilities to*
- 13 *advance their personal independence and to remove barriers to*
- 14 *their equal inclusion in education, healthcare, employment,*
- 15 *housing, transportation, and other aspects of society.*
- 16 *(d) There is currently a large difference in the amount of funding*
- 17 *that each ILC in the state receives.*
- 18 *(e) In 1998, the base grant funding was set at two hundred*
- 19 *thirty-five thousand dollars (\$235,000), with the exception of three*

1 ILCs that do not receive the minimum base grant funding that is
2 available to the other 25 ILCs.

3 (f) The ILCs excluded from base grant funding are the Disability
4 Resources Agency for Independent Living, serving the Counties
5 of Amador, Calaveras, Mariposa, San Joaquin, Stanislaus, and
6 Tuolumne, the Independent Living Center of Kern County, serving
7 the County of Kern, and Placer Independent Resources Services,
8 Inc., serving the Counties of Alpine, El Dorado, and Placer.

9 (g) Authorization for the base grant funding of two hundred
10 thirty-five thousand dollars (\$235,000) for each of the three ILCs
11 would be a wise and prudent investment to bring the three ILCs
12 up to the minimum base grant funding, and it is an important first
13 step to begin to address the broader issue of the underfunding of
14 all ILCs.

15 (h) Although this act authorizes funding for the three ILCs, it
16 does not make an appropriation. The seven hundred five thousand
17 dollars (\$705,000) per year funding shall come from federal social
18 security reimbursements.

19 SECTION 1.

20 SEC. 2. Section 19806 of the Welfare and Institutions Code is
21 amended to read:

22 19806. (a) An independent living center shall not be required
23 to provide any matching funds through private contributions as a
24 condition of receiving state funds except to acquire state incentive
25 funds.

26 (b) Each independent living center shall ~~receive, to the extent~~
27 ~~funds are appropriated by the Legislature,~~ receive at least two
28 hundred thirty-five thousand dollars (\$235,000) in base grant funds
29 allocated by the department.

30 ~~(c) State funds described in subdivision (b) may be replaced by~~
31 ~~department, to the extent funds are appropriated by the Legislature~~
32 ~~and allocated by the department to the independent living centers~~
33 ~~from reimbursements under the Supplemental Security Disability~~
34 ~~Insurance and the Supplemental Security Income programs~~
35 ~~provided for under Titles II and XVII of the Federal Social Security~~
36 ~~Act, Subchapter II (commencing with Section 401) and Subchapter~~
37 ~~XVII (commencing with Section 1381) of Chapter 7 of Title 42~~
38 ~~of the United States Code to the extent appropriated by the~~
39 ~~Legislature and allocated by the department to independent living~~
40 ~~centers under this chapter. Code. Beginning with the 1998-99~~

1 fiscal year, and each year thereafter, to the extent these funds from
2 the Social Security Act are not appropriated by the Legislature as
3 were appropriated in the 1997–98 fiscal year, an amount equal to
4 the combined state and federal fund allocation to independent
5 living centers in the Budget Act of 1997 shall be appropriated to,
6 and allocated by, the department to independent living centers
7 under this chapter.

8 ~~(d)~~

9 (c) (1) Available state incentive funds shall be allocated at the
10 beginning of each fiscal year based upon the average amount of
11 private contributions received by the independent living center in
12 the second and third preceding fiscal years.

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

16 (A) “Pool One” is defined as 60 percent of all state incentive
17 funds. “Pool Two” is defined as 40 percent of all state incentive
18 funds. Each independent living center shall be entitled to an equal
19 portion of Pool One, not to exceed the amounts raised pursuant to
20 paragraph (1).

21 (B) Incentive funds from Pool One not used after the initial
22 allocation pursuant to subparagraph (A) shall be added to Pool
23 Two for allocation among all centers that had unmatched private
24 contributions after distribution of Pool One funds. Pool Two funds
25 shall be awarded in direct proportion to each center’s percentage
26 of the total remaining unmatched private contributions raised by
27 those independent living centers.

28 (3) For the purpose of determining eligibility for state incentive
29 funds, ~~any~~ *an* independent living center that uses a fiscal year other
30 than the state fiscal year may elect to use a different fiscal year so
31 long as the closing date of the fiscal year so elected does not
32 precede the closing date of the equivalent state fiscal year by more
33 than 11 months.

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

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

4 ~~(e)~~

5 (d) For purposes of this section:

6 (1) “Private funds” does not include any funds originating from
7 any entity of the federal, state, city, or county government or any
8 political subdivision thereof. Notwithstanding the provisions of
9 this section, fees from any source for services provided may be
10 included as private contributions by an independent living center
11 for purposes of determining its allocation of incentive funds.

12 (2) “State incentive funds” means state funds appropriated by
13 the Legislature for purposes of this chapter, except those funds
14 allocated by the department pursuant to subdivisions (b) and ~~(g)~~
15 ~~of this section.~~ (f).

16 ~~(f)~~

17 (e) Any funds allocated under this chapter to any independent
18 living center, other than as part of the initial allocation for each
19 fiscal year, shall be made by contract amendment. Any contract
20 amendment shall require the provision of services in addition to
21 those required by the contract being amended. All those services
22 required by contract amendment shall not be performed prior to
23 the date the contract amendment is approved by the state.

24 ~~(g)~~

25 (f) To the extent funds are appropriated by the Legislature for
26 the purpose of providing assistive technology services described
27 in subdivision (d) of Section 19801, two hundred ten thousand
28 dollars (\$210,000) of those funds shall be allocated to the nonprofit
29 contractor selected by the Department of Rehabilitation to
30 coordinate delivery of assistive technology services and the
31 remainder shall be allocated equally among independent living
32 centers. The nonprofit contractor shall provide statewide assistive
33 technology information and referral and serve as a resource to the
34 independent living centers’ assistive technology service programs.

35 ~~(h)~~

36 (g) To the extent funds are appropriated by the Legislature, after
37 allocation of base grant and incentive funds and assistive
38 technology funds, remaining funds shall be allocated by the
39 department among independent living centers on the basis of the
40 ratio of the total of the general population in an independent living

1 center's geographic service areas as compared to the total of the
2 general population in all independent living centers geographic
3 services area statewide. The department shall adopt regulations
4 for the distribution of population funds by June 30, 1999.

5 *(h) The department shall not redirect funds allocated in the*
6 *2016–17 fiscal year for the support of independent living centers,*
7 *including funding for assistive technology, funding based on*
8 *population, or incentive funding, to provide the funding for the*
9 *base grant funds for an independent living center that has been*
10 *both established and maintained using federal funding under Title*
11 *VII(c) of the federal Rehabilitation Act of 1973, as amended, as*
12 *their primary base grant, as required by subdivision (b) pursuant*
13 *to the act that added this subdivision.*