

AMENDED IN ASSEMBLY AUGUST 19, 2016

AMENDED IN ASSEMBLY JUNE 12, 2016

AMENDED IN ASSEMBLY MAY 25, 2016

SENATE BILL

No. 834

Introduced by Committee on Budget and Fiscal Review

January 7, 2016

~~An act to amend Section 1180.4 of the Health and Safety Code, to amend Section 10430 of the Public Contract Code, to amend Sections 4519.5, 4659.2, 4681.5, 4681.6, 4685.8, 4690.5, 4691.6, 4691.9, and 4870 of, to add Sections 4437, 4474.15, 4474.6, and 4572 to, and to repeal Section 4435.1 of, the Welfare and Institutions Code, and to amend Section 15 of Chapter 3 of the Statutes of 2016, Second Extraordinary Session, relating to developmental services, and making an appropriation therefor, to take effect immediately, bill related to the budget. An act to amend Sections 19829.9845, 19829.9846, 22871.3, 22874.3, 22879, 22944.5, and 22958.1 of the Government Code, relating to state employment, and making an appropriation therefor, to take effect immediately, bill related to the budget.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 834, as amended, Committee on Budget and Fiscal Review. ~~Developmental services.~~ *State employment: memorandum of understanding: Bargaining Unit 7.*

(1) Existing law provides that a provision of a memorandum of understanding reached between the state employer and a recognized employee organization representing state civil service employees that requires the expenditure of funds does not become effective unless approved by the Legislature in the annual Budget Act.

This bill would approve provisions of a memorandum of understanding entered into between the state employer and State Bargaining Unit 7, the California Statewide Law Enforcement Association, that require the expenditure of funds and would provide that these provisions will become effective even if these provisions are approved by the Legislature in legislation other than the annual Budget Act.

This bill would provide that provisions of the memorandum of understanding approved by this bill that require the expenditure of funds will not take effect unless funds for those provisions are specifically appropriated by the Legislature and would authorize the state employer and the affected employee organization to meet and confer to renegotiate the affected provisions if funds for those provisions are not specifically appropriated by the Legislature. The bill would appropriate \$38,611,000 in augmentation of certain items of the Budget Act of 2016, according to a specified schedule, for State Bargaining Unit 7 employee compensation for expenditure in the 2016–17 fiscal year. The bill would appropriate to the Controller from the General Fund, unallocated special funds, including federal funds and unallocated nongovernmental cost funds, and any other fund from which state employees are compensated, the amount necessary for the payment of compensation and employee benefits to state employees covered by the memorandum of understanding described above if the Budget Act is not enacted on or before July 1 in the 2017–18 or 2018–19 fiscal years, as specified.

(2) The Public Employees' Medical and Hospital Care Act (PEMHCA), which is administered by the Board of Administration of the Public Employees' Retirement System, prescribes methods for calculating the state employer contribution for postemployment health care benefits for eligible retired public employees and their families and for the vesting of these benefits. PEMHCA requires the employer contribution for an employee or annuitant who is in employment or retired from state service to be adjusted by the Legislature in the annual Budget Act, as specified. PEMHCA prescribes different ways of calculating the employer contributions for employees and annuitants depending on date of hire, years of service, and bargaining unit.

This bill, for state employees who are first employed and become members of the retirement system on or after January 1, 2017, and are represented by State Bargaining Unit 7, as specified, would limit the employer contribution for annuitants to 80% of the weighted average

of the health benefit plan premiums for an active employee enrolled for self-alone, during the benefit year to which the formula is applied, for the 4 health benefit plans with the largest state civil service enrollment, as specified. The bill would similarly limit the employer contribution for an enrolled family member of an annuitant to 80% of the weighted average of the additional premiums required for enrollment of those family members during the benefit year to which the formula is applied and would provide the same limit on employer contributions for annuitants enrolled in Medicare health benefit plans.

(3) PEMHCA requires state employees to have a specified number of years of state service, depending on hiring date and other factors, before they may receive any portion of the employer contribution payable for annuitants for postretirement health benefits and increases the percentage they may receive based upon additional years of service.

This bill would prohibit state employees who are first employed and become members of the retirement system on or after January 1, 2017, and are represented by State Bargaining Unit 7, as specified, from receiving any portion of the employer contribution payable for annuitants unless the person is credited with at least 15 years of state service at the time of retirement. The bill would prescribe the percentage of the employer contribution payable for postretirement health benefits for these employees based on the number of completed years of credited state service at retirement, with 50% after 15 credited years of service and 100% after 25 or more years of service.

(4) PEMHCA generally requires that an employee or annuitant who is enrolled in, or whose family member is enrolled in, a Medicare health benefit plan be paid the amount of the Medicare Part B premiums, as specified, and prohibits this payment from exceeding the difference between the maximum employer contribution and the amount contributed by the employer toward the cost of premiums for the health benefit plan in which the employee or annuitant and his or her family members are enrolled. Existing law excepts from this requirement state employees who are first employed and become members of the retirement system on or after specified dates and are represented by specified state bargaining units.

This bill would also except from the requirement described above state employees who are first employed and become members of the retirement system on or after January 1, 2017, and are represented by State Bargaining Unit 7, as specified.

(5) PEMHCA establishes the Public Employees' Contingency Reserve Fund for the purpose of funding health benefits and funding administrative expenses. PEMHCA establishes the Annuitants' Health Care Coverage Fund, which is continuously appropriated, for the purpose of prefunding health care coverage for annuitants, including administrative costs. PEMHCA defines "prefunding" for these purposes. Existing law requires the state and employees of State Bargaining Unit 9, 10, or 12 to prefund retiree health care with the goal of reaching a 50% cost sharing of normal costs by July 1, 2019, and prescribes schedules of contribution percentages in this regard.

This bill would require the state and employees of State Bargaining Unit 7 to prefund retiree health care with the goal of reaching a 50% cost sharing of normal costs by July 1, 2019, and would prescribe a schedule of contribution percentages in this regard, with the contributions to be deposited in the Annuitants' Health Care Coverage Fund. By depositing new revenue in a continuously appropriated fund, this bill would make an appropriation.

(6) Existing law, the State Employees' Dental Care Act, authorizes the state to enter into contracts, upon negotiations with employee organizations, with carriers for dental care plans for employees, annuitants, and eligible family members. Existing law permits these plans to include premiums to be paid by employees and annuitants and also authorizes the plans to be self-funded if an employer determines it to be cost effective. Existing law prohibits specified employees from receiving an employer contribution for these benefits for annuitants unless the person is credited with 10 or more years of state service or for other specified employees unless the person is credited with 15 or more years of state service.

This bill would prohibit state employees, as specified, who are first employed and become members of the retirement system on or after January 1, 2017, and are represented by State Bargaining Unit 7 from receiving an employer contribution for dental benefits, as described above, for annuitants unless the person is credited with 15 or more years of state service. The bill would prescribe the percentage of the employer contribution payable for these dental benefits for these employees based on the number of completed years of credited state service at retirement, with 50% after 15 credited years of service and 100% after 25 or more years of service.

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

~~(1) Existing law vests in the State Department of Developmental Services jurisdiction over developmental centers for the provision of residential care to individuals with developmental disabilities, including the Sonoma Developmental Center, the Fairview Developmental Center, and the Porterville Developmental Center.~~

~~This bill would require the department to report quarterly to the Joint Legislative Budget Committee the estimated amount of General Fund expenditures used to backfill federal funding as a result of the decertification of intermediate care facility units at the Sonoma Developmental Center. The bill would also require, if the intermediate care facility units at the Fairview Developmental Center or the Porterville Developmental Center are decertified by the federal government in the 2016-17 fiscal year, the department to report quarterly to the Joint Legislative Budget Committee the estimated amount of General Fund expenditures used to backfill federal funding as a result of the decertification or decertifications.~~

~~(2) Existing law requires the department 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. Existing law requires the State Department of Developmental Services to submit, on or before October 1, 2015, a plan to the Legislature to close one or more developmental centers.~~

~~This bill would require the department to include an update to the Legislature in the 2017-18 May Revision regarding how the department will ensure access to crisis services after the closure of a developmental center and how the state will maintain its role in providing residential services to those whom private sector vendors cannot or will not serve. The bill would also require the department to post on its Internet Web site a monthly progress report regarding the development of residential capacity by each regional center, as specified.~~

~~(3) Existing law requires the State Department of Developmental Services to provide followup services to help ensure a smooth transition to the community when an individual transitions from a developmental center to a community living arrangement.~~

~~Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons. The Medi-Cal program is, in part, governed and funded by federal Medicaid provisions. Existing law authorizes the department to provide health care services to beneficiaries through various models of managed care,~~

including through a comprehensive program of managed health care plan services for Medi-Cal recipients residing in clearly defined geographical areas.

This bill would require the State Department of Developmental Services and the State Department of Health Care Services to coordinate the transition of health care services for Medi-Cal eligible consumers who are transitioning from a developmental center into the community, as specified. The bill would require the State Department of Health Care Services to issue transition requirements for specified consumers. The bill would authorize the State Department of Health Care Services to implement those provisions by means of all-county letters, plan letters, plan or provider bulletins, or similar instructions. The bill would provide that its provisions shall be implemented only to the extent that any necessary federal approvals are obtained and federal financial participation is available.

(4) Existing law, the Lanterman Developmental Disabilities Services Act, requires the State Department of Developmental Services to contract with regional centers to provide services and supports to individuals with developmental disabilities and their families.

Existing law also requires the department to implement an improved, unified quality assessment system, as specified. Existing law requires each regional center to, on or before August 1 of each year, submit to the department and the State Council on Developmental Disabilities a program budget plan for the subsequent budget year, as specified.

This bill would require the department to, on or before February 1 of each year, report to the Legislature and post on its Internet Web site specified supplemental budget information, including an estimate for the annual budget for each developmental center and the current fiscal year allocations of total and per capita funding for operations and purchase of services for each regional center. The bill would require the department to develop and implement a plan to monitor, evaluate, and improve the quality of community-based services through the use of a performance dashboard, to be published annually and include, among other things, recognized quality and access measures. The bill would require that, with the fiscal and research resources included as part of the Budget Act of 2016, the department annually assess specified data, including the performance dashboard data.

(5) Existing law requires the State Department of Developmental Services and regional centers to annually collaborate to compile specified data relating to purchase of service authorization, utilization,

~~and expenditure by each regional center. Existing law requires each regional center to annually report to the department regarding its implementation of specified requirements and requires the report to include, among other things, whether the data indicates a need to reduce disparities in the purchase of services among consumers in the regional center's catchment area, and if so, the regional center's recommendations and plan to promote equity and reduce disparities in the purchase of services. Existing law requires the department to, subject to available funding, allocate funding to regional centers to assist with the implementation of those recommendations and plans.~~

~~This bill would require each regional center to consult with stakeholders regarding activities that may be effective in addressing disparities in the receipt of regional center services and the regional center's proposed requests for the above-mentioned funding and would also require each regional center to identify the stakeholders consulted with and to include information on how it incorporated stakeholder input into its requests. The bill would require the department to review requests for funding within 45 days from a specified deadline and would require each regional center to report to the department, as specified, how the funding allocations were used, among other things.~~

~~(6) Existing law requires regional center vendors that provide residential services or supported living services, long-term health care facilities, as defined, and acute psychiatric hospitals, as defined, to report each death or serious injury of a person occurring during, or related to, the use of seclusion, physical restraint, or chemical restraint, as specified:~~

~~This bill would additionally require regional center vendors that provide crisis services to make those reports. The bill would also require regional center vendors that provide crisis or residential services or supported living services, long-term health care facilities, and acute psychiatric hospitals, to report any unexpected or suspicious death, regardless of whether the cause is immediately known, any allegation of sexual assault, as defined, in which the alleged perpetrator is a staff member, service provider, or facility employee or contractor, and any report made to the local law enforcement agency in the jurisdiction in which the facility is located that involves physical abuse, as defined, in which a staff member, service provider, or facility employee or contractor is implicated. In addition, the bill would require those entities to report on a monthly basis, as specified, the number of incidents of seclusion and the duration of time spent per incident in seclusion, the~~

number of incidents of the use of behavioral restraints and the duration of time spent per incident of restraint, and the number of times an involuntary emergency medication is used to control behavior.

~~(7) Existing law requires the State Department of Developmental Services, contingent upon approval of federal funding, to establish and implement a state Self-Determination Program, as defined, that would be available in every regional center catchment area to provide participants and their families, within an individual budget, increased flexibility and choice and greater control over decisions, resources, and needed and desired services and supports to implement their individual program plan (IPP), in accordance with prescribed requirements. Existing law makes each regional center responsible for implementing the Self-Determination Program, as specified. Existing law also requires each regional center to contract with local consumer of family-run organizations to conduct outreach through local meetings and to collaborate with local consumer or family-run organizations to jointly conduct training about the Self-Determination Program. Existing law requires each regional center to establish a local volunteer advisory committee to provide oversight of the Self-Determination Program.~~

~~This bill would require each regional center to consult with the local volunteer advisory committee in conducting the above-described outreach and training and would authorize the advisory committee to designate members to represent the committee at the training.~~

~~(8) The Lanterman Developmental Disabilities Services Act, requires the State Department of Developmental Services to contract with regional centers to provide respite services and supported employment services. Existing law, effective June 9, 2016, and commencing July 1, 2016, requires the rate for family-member provided respite services authorized by the department and in operation on June 30, 2016, to be increased by 5%.~~

~~This bill would additionally require the rates for out-of-home respites services in effect on June 30, 2016, to be increased by 5%.~~

~~(9) Existing law requires the State Department of Developmental Services to establish guidelines and oversee a program, to the extent funds are appropriated in the annual Budget Act for this purpose, to increase paid internship opportunities for individuals with developmental disabilities, as specified, and to fund incentive payments for these internships on and after July 1, 2016. Existing law requires the program to be administered by community service providers, subject to specified criteria. On and after July 1, 2016, existing law also provides incentive~~

~~payments for purposes of increasing employment placements by providers of supported employment services, as specified.~~

~~The bill would require the individual placed for employment to be employed for at least 30 days in order for a provider to receive the first incentive payment for an initial employment placement under these provisions. The bill would clarify that these payments are not available to providers that place individuals into internships, until the individual transitions into a competitive integrated employment placement. The bill would provide that these incentive payments apply to regional center service providers, rather than providers of supported employment services, and would prohibit payments made under the program from being in addition to specified placement payments for supported employment services. The bill would make other clarifying changes to these provisions with regard to payments, as specified.~~

~~(10) Existing law, the California Early Intervention Services Act, provides a statewide system of coordinated, comprehensive, family-centered, multidisciplinary, and interagency programs that are responsible for providing appropriate early intervention services and support to all eligible infants and toddlers, as defined, and their families. The act requires these services to be provided pursuant to the existing regional center system.~~

~~Existing law requires the State Department of Developmental Services to contract with an organization representing one or more family resource centers, as defined, to provide outreach, information, and referral services for at-risk babies who are not otherwise eligible for the early intervention services. Existing law also requires regional centers to refer at-risk babies to the family resource centers.~~

~~This bill would repeal the above requirement for the department to contract with an organization representing one or more family resource centers to provide outreach, information, and referral services for at-risk babies, and would repeal the requirement that regional centers refer at-risk babies to the family resource centers.~~

~~(11) Existing law requires the minimum wage for all industries, on and after January 1, 2016, to be not less than \$10 per hour. Existing law requires the minimum wage for all industries to be not less than specified amounts to be increased from January 1, 2017, to January 1, 2022, inclusive, for employers employing 26 or more employees and from January 1, 2018, to January 1, 2023, inclusive, for employers employing 25 or fewer employees, except as specified.~~

~~Existing law sets forth the State Department of Developmental Services's and the regional center's authority to establish provider rates. Existing law prohibits certain provider rate increases but, commencing July 1, 2014, authorizes increases to those rates as necessary to adjust employee wages to meet the state minimum wage law.~~

~~This bill would authorize adjustment of prescribed provider rates commencing January 1, 2017, if the adjustment is necessary in order to pay employees no less than the increased minimum wage, as described above.~~

~~(12) Existing law prohibits a regional center from approving a service level for a residential service provider if the approval would result in an increase in the rate to be paid to the provider that is greater than the rate that is in effect on June 30, 2008, unless the regional center demonstrates to the State Department of Developmental Services that the approval is necessary to protect the consumer's health or safety and the department has granted prior written authorization.~~

~~This bill would additionally prohibit that approval if it would result in an increase in state costs. The bill would require the department to, effective July 1, 2016, establish a rate schedule for residential community care facilities vendored to provide services to a maximum of four persons with developmental disabilities. The bill would exempt from the prohibition described above only residential community care facilities vendored to provide services to a maximum of four persons with developmental disabilities if either the regional center demonstrates to the department that the approval is necessary to protect the consumer's health or safety and the department has granted prior written authorization or if the approved service level is not higher than the service level in effect at the time of implementation of the new rate schedule. The bill would require regional centers to submit a specified report to the department by February 1, 2017, regarding the number residential community care facilities with those rates.~~

~~(13) Under existing law, the State Department of Social Services regulates the licensure and operation of various care facilities, including community care facilities and enhanced behavioral supports homes. Existing law prohibits community care facilities, among other health and care facilities, from using physical restraint or containment as an extended procedure.~~

~~This bill would prohibit enhanced behavioral supports homes from using physical restraint or containment for more than 15 consecutive minutes, except as specified.~~

~~(14) Existing law provides that specified contracts entered into by any state agency for goods, services, or other specified activities; whether awarded through competitive bidding or not, are void unless and until approved by the Department of General Services, and requires denial of approval if the contract does not meet the required specifications of the bidding process. That law exempts certain transactions and contracts from that law, as specified.~~

~~This bill would make those laws inapplicable, subject to the approval of the Director of Developmental Services, to specified employees of the department for the purpose of the employee becoming a vendor of a regional center for persons with developmental disabilities, as specified.~~

~~(15) Existing law appropriates \$287,000,000 to the State Department of Developmental Services to, commencing July 1, 2016, among other things, increase rates and wages for certain developmental services providers and fund incentive payments for competitive integrated employment opportunities and internships for individuals with developmental disabilities.~~

~~This bill would appropriate \$186,200,000 in reimbursements associated with the above-mentioned appropriated funds to the State Department of Developmental Services for the same specified purposes.~~

~~(16) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.~~

Vote: majority. Appropriation: yes. 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 that the*
- 2 *purposes of this act is to approve the agreement entered into by*
- 3 *the state employer and State Bargaining Unit 7 pursuant to Section*
- 4 *3517.5 of the Government Code.*
- 5 SEC. 2. *The provisions of the memorandum of understanding*
- 6 *prepared pursuant to Section 3517.5 of the Government Code and*
- 7 *entered into by the state employer and State Bargaining Unit 7,*
- 8 *dated June 9, 2016, and that require the expenditure of funds, are*
- 9 *hereby approved for the purposes of subdivision (b) of Section*
- 10 *3517.6 of the Government Code.*
- 11 SEC. 3. *The provisions of the memorandum of understanding*
- 12 *approved in Section 2 of this act that require the expenditure of*

1 *funds shall not take effect unless funds for these provisions are*
2 *specifically appropriated by the Legislature. If funds for these*
3 *provisions are not specifically appropriated by the Legislature,*
4 *either the state employer or the affected employee organization*
5 *may reopen negotiations on all or part of the memorandum of*
6 *understanding.*

7 *SEC. 4. Notwithstanding Section 3517.6 of the Government*
8 *Code, the provisions of the memorandum of understanding included*
9 *in Section 2 of this act that require the expenditure of funds shall*
10 *become effective even if the provisions of the memorandum of*
11 *understanding are approved by the Legislature in legislation other*
12 *than the annual Budget Act.*

13 *SEC. 5. The sum of thirty-eight million six hundred eleven*
14 *thousand dollars (\$38,611,000) is hereby appropriated for State*
15 *Bargaining Unit 7 for expenditure in the 2016–17 fiscal year in*
16 *augmentation of, and for the purpose of, state employee*
17 *compensation, as provided in Items 9800-001-0001,*
18 *9800-001-0494, and 9800-001-0988 of Section 2.00 of the Budget*
19 *Act of 2016, in accordance with the following schedule:*

20 *(a) Nine million six hundred sixty-seven thousand dollars*
21 *(\$9,667,000) from the General Fund in augmentation of Item*
22 *9800-001-0001.*

23 *(b) Nineteen million three hundred ninety-two thousand dollars*
24 *(\$19,392,000) from unallocated special funds in augmentation of*
25 *Item 9800-001-0494.*

26 *(c) Nine million five hundred fifty-two thousand dollars*
27 *(\$9,552,000) from other unallocated nongovernmental cost funds*
28 *in augmentation of Item 9800-001-0988.*

29 *SEC. 6. Section 19829.9845 of the Government Code is*
30 *amended to read:*

31 *19829.9845. (a) Notwithstanding Section 13340, for the*
32 *2017–18 fiscal year, if the Budget Act of 2017 is not enacted by*
33 *July 1, 2017, for the ~~memorandum~~ memoranda of understanding*
34 *entered into between the state employer and State Bargaining Unit*
35 *7 (effective July 2, 2016, to July 1, 2019, inclusive) and State*
36 *Bargaining Unit 12 (effective July 1, 2015, to July 1, 2019,*
37 *inclusive) there is hereby continuously appropriated to the*
38 *Controller from the General Fund, unallocated special funds,*
39 *including, but not limited to, federal funds and unallocated*
40 *nongovernmental cost funds, and any other fund from which state*

1 employees are compensated, the amount necessary for the payment
2 of compensation and employee benefits to state employees covered
3 by ~~the an~~ above memorandum of understanding until the Budget
4 Act of 2017 is enacted. The Controller may expend an amount no
5 greater than necessary to enable the Controller to compensate state
6 employees covered by ~~the an~~ above memorandum of understanding
7 for work performed between July 1, 2017, of the 2017–18 fiscal
8 year and the enactment of the Budget Act of 2017.

9 (b) If ~~the memorandum~~ *memoranda* of understanding entered
10 into between the state employer and State Bargaining Unit 7
11 (*effective July 2, 2016, to July 1, 2019, inclusive*) and State
12 Bargaining Unit 12 (*effective July 1, 2015, to July 1, 2019,*
13 *inclusive*) ~~is are~~ in effect and approved by the Legislature, the
14 compensation and contribution for employee benefits for state
15 employees represented by ~~this these~~ bargaining ~~unit units~~ shall be
16 at a rate consistent with the applicable memorandum of
17 understanding referenced above.

18 (c) Expenditures related to any warrant drawn pursuant to
19 subdivision (a) are not augmentations to the expenditure authority
20 of a department. Upon the enactment of the Budget Act of 2017,
21 these expenditures shall be subsumed by the expenditure authority
22 approved in the Budget Act of 2017 for each affected department.

23 (d) This section shall only apply to an employee covered by the
24 ~~term terms~~ of the State Bargaining Unit 7 (*effective July 2, 2016,*
25 *to July 1, 2019, inclusive*) and State Bargaining Unit 12 (*effective*
26 *July 1, 2015, to July 1, 2019, inclusive*) ~~memorandum memoranda~~
27 of understanding. Notwithstanding Section 3517.8, this section
28 shall not apply after the ~~term terms~~ of the ~~memorandum~~
29 *memoranda* of understanding ~~has have~~ expired. For purposes of
30 this section, the ~~memorandum~~ *memoranda* of understanding for
31 State Bargaining Unit 7 and State Bargaining Unit 12 ~~expires~~
32 *expire* on July 1, 2019.

33 *SEC. 7. Section 19829.9846 of the Government Code is*
34 *amended to read:*

35 19829.9846. (a) Notwithstanding Section 13340, for the
36 2018–19 fiscal year, if the Budget Act of 2018 is not enacted by
37 July 1, 2018, for the ~~memorandum memoranda~~ of understanding
38 entered into between the state employer and State Bargaining Unit
39 7 (*effective July 2, 2016, to July 1, 2019, inclusive*) and State
40 Bargaining Unit 12 (*effective July 1, 2015, to July 1, 2019,*

1 inclusive) there is hereby continuously appropriated to the
 2 Controller from the General Fund, unallocated special funds,
 3 including, but not limited to, federal funds and unallocated
 4 nongovernmental cost funds, and any other fund from which state
 5 employees are compensated, the amount necessary for the payment
 6 of compensation and employee benefits to state employees covered
 7 by ~~the~~ *an* above memorandum of understanding until the Budget
 8 Act of 2018 is enacted. The Controller may expend an amount no
 9 greater than necessary to enable the Controller to compensate state
 10 employees covered by ~~the~~ *an* above memorandum of understanding
 11 for work performed between July 1, 2018, of the 2018–19 fiscal
 12 year and the enactment of the Budget Act of 2018.

13 (b) If the ~~memorandum~~ *memoranda* of understanding entered
 14 into between the state employer and State Bargaining Unit 7
 15 (*effective July 2, 2016, to July 1, 2019, inclusive*) and State
 16 Bargaining Unit 12 (*effective July 1, 2015, to July 1, 2019,*
 17 *inclusive*) ~~is~~ *are* in effect and approved by the Legislature, the
 18 compensation and contribution for employee benefits for state
 19 employees represented by ~~this~~ *these* bargaining ~~unit~~ *units* shall be
 20 at a rate consistent with the applicable memorandum of
 21 understanding referenced above.

22 (c) Expenditures related to any warrant drawn pursuant to
 23 subdivision (a) are not augmentations to the expenditure authority
 24 of a department. Upon the enactment of the Budget Act of 2018,
 25 these expenditures shall be subsumed by the expenditure authority
 26 approved in the Budget Act of 2018 for each affected department.

27 (d) This section shall only apply to an employee covered by the
 28 ~~term~~ *terms* of the State Bargaining Unit 7 (*effective July 2, 2016,*
 29 *to July 1, 2019, inclusive*) and State Bargaining Unit 12 (*effective*
 30 *July 1, 2015, to July 1, 2019, inclusive*) ~~memorandum~~ *memoranda*
 31 of understanding. Notwithstanding Section 3517.8, this section
 32 shall not apply after the ~~term~~ *terms* of the ~~memorandum~~
 33 *memoranda* of understanding ~~has~~ *have* expired. For purposes of
 34 this section, the ~~memorandum~~ *memoranda* of understanding for
 35 State Bargaining Unit 7 and State Bargaining Unit 12 ~~expires~~
 36 *expire* on July 1, 2019.

37 SEC. 8. Section 22871.3 of the Government Code is amended
 38 to read:

39 22871.3. (a) The employer contribution for each annuitant
 40 enrolled in a basic plan shall be an amount equal to 80 percent of

1 the weighted average of the health benefit plan premiums for an
2 employee or annuitant enrolled for self-alone, during the benefit
3 year to which the formula is applied, for the four health benefit
4 plans that had the largest active state civil service enrollment,
5 excluding family members, during the previous benefit year. For
6 each annuitant with enrolled family members, the employer
7 contribution shall be an amount equal to 80 percent of the weighted
8 average of the additional premiums required for enrollment of
9 those family members, during the benefit year to which the formula
10 is applied, in the four health benefit plans that had the largest active
11 state civil service enrollment, excluding family members, during
12 the previous benefit year.

13 (b) The employer contribution for each annuitant enrolled in a
14 Medicare health benefit plan in accordance with Section 22844
15 shall be an amount equal to 80 percent of the weighted average of
16 the health benefit plan premiums for an annuitant enrolled in a
17 Medicare health benefit plan for self-alone, during the benefit year
18 to which the formula is applied, for the four Medicare health benefit
19 plans that had the largest state annuitant enrollment, excluding
20 family members, during the previous benefit year. For each
21 annuitant with enrolled family members, the employer contribution
22 shall be an amount equal to 80 percent of the weighted average of
23 the additional premiums required for enrollment of those family
24 members, during the benefit year to which the formula is applied,
25 in the four Medicare health benefit plans that had the largest state
26 annuitant enrollment, excluding family members, during the
27 previous benefit year. If the annuitant is eligible for Medicare Part
28 A, with or without cost, and Medicare Part B, regardless of whether
29 the annuitant is actually enrolled in Medicare Part A or Part B, the
30 employer contribution shall not exceed the amount calculated
31 under this subdivision.

32 (c) This section applies to:

33 (1) A state employee who is first employed by the state and
34 becomes a state member of the system on or after January 1, 2016,
35 and who is represented by State Bargaining Unit 9 or 10.

36 (2) A state employee related to State Bargaining Unit 9 or 10
37 who is excepted from the definition of “state employee” in
38 subdivision (c) of Section 3513 and first employed by the state
39 and becomes a state member of the system on or after January 1,
40 2016.

1 (3) A state employee represented by State Bargaining Unit-6 6,
2 7, or 12 who is first employed by the state and becomes a state
3 member of the system on or after January 1, 2017.

4 (4) A state employee related to State Bargaining Unit-6 6, 7, or
5 12 who is excepted from the definition of “state employee” in
6 subdivision (c) of Section 3513 and first employed by the state
7 and becomes a state member of the system on or after January 1,
8 2017.

9 (5) A judicial branch employee who is first employed by the
10 state and becomes a state member of the system on or after January
11 1, 2017. This paragraph does not apply to a judge who is subject
12 to Chapter 11 (commencing with Section 75000) or Chapter 11.5
13 (commencing with Section 75500) of Title 8.

14 (d) If the provisions of this section are in conflict with the
15 provisions of a memorandum of understanding reached pursuant
16 to Section 3517.5 or Chapter 12 (commencing with Section 3560)
17 of Division 4 of Title 1, the memorandum of understanding shall
18 be controlling without further legislative action, except that if those
19 provisions require the expenditure of funds, the provisions may
20 not become effective unless approved by the Legislature.

21 *SEC. 9. Section 22874.3 of the Government Code is amended*
22 *to read:*

23 22874.3. (a) Notwithstanding Sections 22870, 22871, 22873,
24 and ~~22874~~ 22874, a state employee, defined by subdivision (c) of
25 Section 3513, who is first employed by the state and becomes a
26 state member of the system on or after January 1, 2017, and who
27 is represented by State Bargaining Unit-~~6~~, 6 or 7 shall not receive
28 any portion of the employer contribution payable for annuitants
29 unless the person is credited with 15 years of state service at the
30 time of retirement.

31 (b) The percentage of the employer contribution payable for
32 postretirement health benefits for an employee subject to this
33 section shall be based on the completed years of credited state
34 service at retirement as shown in the following table:

<i>Credited Years</i>	Credited Years Percentage
<i>of Service-Contribution</i>	<i>of Employer</i>
	<i>Contribution</i>
39 15.....	50
40 16.....	55

1 17..... 60
2 18..... 65
3 19..... 70
4 20..... 75
5 21..... 80
6 22..... 85
7 23..... 90
8 24..... 95
9 25 or more..... 100

10

11 (c) This section shall apply only to state employees that retire
12 for service. For purposes of this section, “state service” means
13 service rendered as an employee of the state or an appointed or
14 elected officer of the state for compensation.

15 (d) This section does not apply to:

16 (1) Former state employees previously employed before January
17 1, 2017, who return to state employment on or after January 1,
18 2017.

19 (2) State employees hired prior to January 1, 2017, who become
20 subject to representation by State Bargaining Unit 6 *or* 7 on or
21 after January 1, 2017.

22 (3) State employees on an approved leave of absence employed
23 before January 1, 2017, who return to active employment on or
24 after January 1, 2017.

25 (4) State employees hired after January 1, 2017, who are first
26 represented by a State Bargaining Unit other than Bargaining Unit
27 ~~6~~, 6 *or* 7, who later become represented by State Bargaining Unit
28 ~~6~~. 6 *or* 7.

29 (e) Notwithstanding Section 22875, this section shall also apply
30 to a related state employee who is excepted from the definition of
31 “state employee” in subdivision (c) of Section 3513 and is first
32 employed by the state and becomes a state member of the system
33 on or after January 1, 2017.

34 *SEC. 10. Section 22879 of the Government Code is amended*
35 *to read:*

36 22879. (a) The board shall pay monthly to an employee or
37 annuitant who is enrolled in, or whose family member is enrolled
38 in, a Medicare health benefit plan under this part the amount of
39 the Medicare Part B premiums, exclusive of penalties, except as
40 provided in Section 22831. This payment may not exceed the

1 difference between the maximum employer contribution and the
2 amount contributed by the employer toward the cost of premiums
3 for the health benefit plan in which the employee or annuitant and
4 his or her family members are enrolled. No payment may be made
5 in any month if the difference is less than one dollar (\$1).

6 (b) This section shall be applicable only to state employees,
7 annuitants who retired while state employees, and the family
8 members of those persons.

9 (c) With respect to an annuitant, the board shall pay to the
10 annuitant the amount required by this section from the same source
11 from which his or her allowance is paid. Those amounts are hereby
12 appropriated monthly from the General Fund to reimburse the
13 board for those payments.

14 (d) There is hereby appropriated from the appropriate funds the
15 amounts required by this section to be paid to active state
16 employees.

17 (e) This section does not apply to:

18 (1) A state employee who is first employed by the state and
19 becomes a state member of the system on or after January 1, 2016,
20 and who is represented by State Bargaining Unit 9 or 10.

21 (2) A state employee related to State Bargaining Unit 9 or 10
22 who is excepted from the definition of “state employee” in
23 subdivision (c) of Section 3513 and is first employed by the state
24 and becomes a state member of the system on or after January 1,
25 2016.

26 (3) A state employee who is first employed by the state and
27 becomes a state member of the system on or after January 1, 2017,
28 and who is represented by State Bargaining Unit 6, 7, or 12.

29 (4) A state employee related to State Bargaining Unit 6, 7, or
30 12 who is excepted from the definition of “state employee” in
31 subdivision (c) of Section 3513 and is first employed by the state
32 and becomes a state member of the system on or after January 1,
33 2017.

34 (5) A judicial branch employee who is first employed by the
35 state and becomes a state member of the system on or after January
36 1, 2017. This paragraph does not apply to a judge who is subject
37 to Chapter 11 (commencing with Section 75000) or Chapter 11.5
38 (commencing with Section 75500) of Title 8.

39 *SEC. 11. Section 22944.5 of the Government Code is amended*
40 *to read:*

1 22944.5. (a) (1) The state and employees in State Bargaining
2 Unit 7, 9, 10, or 12 shall prefund retiree health care, with the goal
3 of reaching a 50-percent cost sharing of actuarially determined
4 normal costs for both employer and employees by July 1, 2019.

5 (2) The state and employees in State Bargaining Unit 6 shall
6 prefund retiree health care, with the goal of reaching a 50-percent
7 cost sharing of actuarially determined normal costs for both
8 employer and employees by July 1, 2018.

9 (3) The state and employees in the judicial branch shall prefund
10 retiree health care, with the goal of reaching a 50-percent cost
11 sharing of actuarially determined normal costs for both employer
12 and employees by July 1, 2017.

13 (b) (1) The employees in State Bargaining Unit 9 shall make
14 contributions to prefund retiree health care based on the following
15 schedule, and the state shall make a matching contribution:

16 (A) Effective July 1, 2017, 0.5 percent of pensionable
17 compensation.

18 (B) Effective July 1, 2018, an additional 0.5 percent for a total
19 employee contribution of 1.0 percent of pensionable compensation.

20 (C) Effective July 1, 2019, an additional 1.0 percent for a total
21 employee contribution of 2.0 percent of pensionable compensation.

22 (2) The employees in State Bargaining Unit 10 shall make
23 contributions to prefund retiree health care based on the following
24 schedule, and the state shall make a matching contribution:

25 (A) Effective July 1, 2017, 0.7 percent of pensionable
26 compensation.

27 (B) Effective July 1, 2018, an additional 0.7 percent for a total
28 employee contribution of 1.4 percent of pensionable compensation.

29 (C) Effective July 1, 2019, an additional 1.4 percent for a total
30 employee contribution of 2.8 percent of pensionable compensation.

31 (3) The employees in State Bargaining Unit 6 shall make
32 contributions to prefund retiree health care based on the following
33 schedule, and the state shall make a matching contribution:

34 (A) Effective July 1, 2016, 1.3 percent of pensionable
35 compensation.

36 (B) Effective July 1, 2017, an additional 1.3 percent for a total
37 employee contribution of 2.6 percent of pensionable compensation.

38 (C) Effective July 1, 2018, an additional 1.4 percent for a total
39 employee contribution of 4.0 percent of pensionable compensation.

1 (4) The state employees in the judicial branch shall make
2 contributions to prefund retiree health care based on the following
3 schedule, and the state shall make a matching contribution:

4 (A) Effective July 1, 2016, 1.5 percent of pensionable
5 compensation.

6 (B) Effective July 1, 2017, up to an additional 1.5 percent for
7 a total employee contribution of up to 3.0 percent of pensionable
8 compensation. The additional amount shall be determined by the
9 Director of Finance no later than April 1, 2017, based on the
10 actuarially determined normal costs identified in the state valuation.

11 (C) This paragraph does not apply to a judge who is subject to
12 Chapter 11 (commencing with Section 75000) or Chapter 11.5
13 (commencing with Section 75500) of Title 8.

14 (5) The employees in State Bargaining Unit 12 shall make
15 contributions to prefund retiree health care based on the following
16 schedule, and the state shall make a matching contribution:

17 (A) Effective July 1, 2017, 1.9 percent of pensionable
18 compensation.

19 (B) Effective July 1, 2018, an additional 1.4 percent for a total
20 employee contribution of 3.3 percent of pensionable compensation.

21 (C) Effective July 1, 2019, an additional 1.3 percent for a total
22 employee contribution of 4.6 percent of pensionable compensation.

23 (6) *The employees in State Bargaining Unit 7 shall make*
24 *contributions to prefund retiree health care based on the following*
25 *schedule, and the state shall make a matching contribution:*

26 (A) *Effective July 1, 2017, 1.3 percent of pensionable*
27 *compensation.*

28 (B) *Effective July 1, 2018, an additional 1.4 percent for a total*
29 *employee contribution of 2.7 percent of pensionable compensation.*

30 (C) *Effective July 1, 2019, an additional 1.3 percent for a total*
31 *employee contribution of 4.0 percent of pensionable compensation.*

32 (c) This section only applies to employees who are eligible for
33 health benefits, including permanent intermittent employees.

34 (d) Contributions paid pursuant to this section shall be deposited
35 in the Annuitants' Health Care Coverage Fund and shall not be
36 refundable under any circumstances to an employee or his or her
37 beneficiary or survivor.

38 (e) If the provisions of this section are in conflict with the
39 provisions of a memorandum of understanding reached pursuant
40 to Section 3517.5, the memorandum of understanding shall be

1 controlling without further legislative action, except that if those
2 provisions of a memorandum of understanding require the
3 expenditure of funds, the provisions shall not become effective
4 unless approved by the Legislature in the annual Budget Act.

5 (f) This section shall also apply to a state employee related to
6 a bargaining unit described in subdivision (a) who is excepted
7 from the definition of “state employee” in subdivision (c) of
8 Section 3513.

9 *SEC. 12. Section 22958.1 of the Government Code is amended*
10 *to read:*

11 22958.1. (a) Notwithstanding Sections 22953, 22957, and
12 22958, the following employees shall not receive any portion of
13 the employer contribution payable for annuitants unless the person
14 is credited with 15 or more years of state service, as defined by
15 this section, at the time of retirement:

16 (1) A state employee, as defined by subdivision (c) of Section
17 3513, who is first employed by the state and becomes a state
18 member of the system on or after January 1, 2017, and is
19 represented by State Bargaining Unit-6 6, 7, or 12.

20 (2) A state employee related to State Bargaining Unit-6 6, 7, or
21 12 who is excepted from the definition of “state employee” in
22 subdivision (c) of Section 3513 and is first employed by the state
23 and becomes a state member of the system on or after January 1,
24 2017.

25 (b) The percentage of the employer contribution payable for
26 postretirement dental care benefits for an employee subject to this
27 section shall be based on the funding provision of the plan and the
28 completed years of credited state service at retirement as shown
29 in the following table:
30

31 Credited Years	Percentage of Employer
32 of Service	Contribution
33 15.....	50
34 16.....	55
35 17.....	60
36 18.....	65
37 19.....	70
38 20.....	75
39 21.....	80
40 22.....	85

1 23..... 90
 2 24..... 95
 3 25 or more..... 100

4

5 (c) This section shall apply only to state employees that retire
 6 for service. For purposes of this section, “state service” means
 7 service rendered as an employee of the state or an appointed or
 8 elected officer of the state for compensation.

9 (d) This section does not apply to:

10 (1) Former state employees previously employed prior to
 11 January 1, 2017, who return to state employment on or after
 12 January 1, 2017.

13 (2) State employees hired prior to January 1, 2017, who become
 14 subject to representation by State Bargaining Unit-6 6, 7, or 12 on
 15 or after January 1, 2017.

16 (3) State employees on an approved leave of absence employed
 17 before January 1, 2017, who return to active employment on or
 18 after January 1, 2017.

19 (4) State employees hired after January 1, 2017, who are first
 20 represented by a State Bargaining Unit other than Bargaining Unit
 21 6 6, 7, or 12, who later become represented by State Bargaining
 22 Unit-6 6, 7, or 12.

23 (e) In those cases where the state has assumed from a public
 24 agency a function and the related personnel, service rendered by
 25 that personnel for compensation as employees or appointed or
 26 elected officers of that public agency may not be credited as state
 27 service for the purposes of this section unless the former employer
 28 has paid or agreed to pay the state the amount actuarially
 29 determined to equal the cost for any employee dental benefits that
 30 were vested at the time that the function and the related personnel
 31 were assumed by the state, and the Department of Finance finds
 32 that the contract contains a benefit factor sufficient to reimburse
 33 the state for the amount necessary to fully compensate for the
 34 postretirement dental benefit costs of those personnel. For
 35 noncontracting public agencies, the state agency that has assumed
 36 the function shall certify the completed years of public agency
 37 service to be credited to the employee as state service credit under
 38 this section.

39 *SEC. 13. This act is a bill providing for appropriations related*
 40 *to the Budget Bill within the meaning of subdivision (e) of Section*

1 *12 of Article IV of the California Constitution, has been identified*
2 *as related to the budget in the Budget Bill, and shall take effect*
3 *immediately.*

4 SECTION 1. ~~Section 1180.4 of the Health and Safety Code is~~
5 ~~amended to read:~~

6 ~~1180.4. (a) A facility described in subdivision (a) of Section~~
7 ~~1180.2 or subdivision (a) of Section 1180.3 shall conduct an initial~~
8 ~~assessment of each person prior to a placement decision or upon~~
9 ~~admission to the facility, or as soon thereafter as possible. This~~
10 ~~assessment shall include input from the person and from someone~~
11 ~~whom he or she desires to be present, such as a family member,~~
12 ~~significant other, or authorized representative designated by the~~
13 ~~person, and if the desired third party can be present at the time of~~
14 ~~admission. This assessment shall also include, based on the~~
15 ~~information available at the time of initial assessment, all of the~~
16 ~~following:~~

17 ~~(1) A person's advance directive regarding deescalation or the~~
18 ~~use of seclusion or behavioral restraints.~~

19 ~~(2) Identification of early warning signs, triggers, and~~
20 ~~precipitants that cause a person to escalate, and identification of~~
21 ~~the earliest precipitant of aggression for persons with a known or~~
22 ~~suspected history of aggressiveness, or persons who are currently~~
23 ~~aggressive.~~

24 ~~(3) Techniques, methods, or tools that would help the person~~
25 ~~control his or her behavior.~~

26 ~~(4) Preexisting medical conditions or any physical disabilities~~
27 ~~or limitations that would place the person at greater risk during~~
28 ~~restraint or seclusion.~~

29 ~~(5) Any trauma history, including any history of sexual or~~
30 ~~physical abuse that the affected person feels is relevant.~~

31 ~~(b) A facility described in subdivision (a) of Section 1180.2 or~~
32 ~~subdivision (a) of Section 1180.3 may use seclusion or behavioral~~
33 ~~restraints for behavioral emergencies only when a person's~~
34 ~~behavior presents an imminent danger of serious harm to self or~~
35 ~~others.~~

36 ~~(c) A facility described in subdivision (a) of Section 1180.2 or~~
37 ~~subdivision (a) of Section 1180.3 shall not use either of the~~
38 ~~following:~~

39 ~~(1) A physical restraint or containment technique that obstructs~~
40 ~~a person's respiratory airway or impairs the person's breathing or~~

1 respiratory capacity, including techniques in which a staff member
2 places pressure on a person's back or places his or her body weight
3 against the person's torso or back.

4 (2) A pillow, blanket, or other item covering the person's face
5 as part of a physical or mechanical restraint or containment process.

6 (d) ~~A facility described in subdivision (a) of Section 1180.2 or~~
7 ~~subdivision (a) of Section 1180.3 shall not use physical or~~
8 ~~mechanical restraint or containment on a person who has a known~~
9 ~~medical or physical condition and there is reason to believe that~~
10 ~~the use would endanger the person's life or seriously exacerbate~~
11 ~~the person's medical condition.~~

12 (e) ~~(1) A facility described in subdivision (a) of Section 1180.2~~
13 ~~or subdivision (a) of Section 1180.3 shall not use prone mechanical~~
14 ~~restraint on a person at risk for positional asphyxiation as a result~~
15 ~~of one of the following risk factors that are known to the provider:~~

16 (A) ~~Obesity.~~

17 (B) ~~Pregnancy.~~

18 (C) ~~Agitated delirium or excited delirium syndromes.~~

19 (D) ~~Cocaine, methamphetamine, or alcohol intoxication.~~

20 (E) ~~Exposure to pepper spray.~~

21 (F) ~~Preexisting heart disease, including, but not limited to, an~~
22 ~~enlarged heart or other cardiovascular disorders.~~

23 (G) ~~Respiratory conditions, including emphysema, bronchitis,~~
24 ~~or asthma.~~

25 (2) ~~Paragraph (1) shall not apply when written authorization~~
26 ~~has been provided by a physician, made to accommodate a person's~~
27 ~~stated preference for the prone position or because the physician~~
28 ~~judges other clinical risks to take precedence. The written~~
29 ~~authorization may not be a standing order, and shall be evaluated~~
30 ~~on a case-by-case basis by the physician.~~

31 (f) ~~A facility described in subdivision (a) of Section 1180.2 or~~
32 ~~subdivision (a) of Section 1180.3 shall avoid the deliberate use of~~
33 ~~prone containment techniques whenever possible, utilizing the~~
34 ~~best practices in early intervention techniques, such as deescalation.~~
35 ~~If prone containment techniques are used in an emergency situation,~~
36 ~~a staff member shall observe the person for any signs of physical~~
37 ~~duress throughout the use of prone containment. Whenever~~
38 ~~possible, the staff member monitoring the person shall not be~~
39 ~~involved in restraining the person.~~

1 ~~(g) A facility described in subdivision (a) of Section 1180.2 or~~
2 ~~subdivision (a) of Section 1180.3 shall not place a person in a~~
3 ~~face-down position with the person's hands held or restrained~~
4 ~~behind the person's back.~~

5 ~~(h) A facility described in subdivision (a) of Section 1180.2 or~~
6 ~~subdivision (a) of Section 1180.3 shall not use physical restraint~~
7 ~~or containment as an extended procedure. A facility described in~~
8 ~~subdivision (a) of Section 4684.80 of the Welfare and Institutions~~
9 ~~Code that is licensed by the State Department of Social Services~~
10 ~~shall not use physical restraint or containment for more than 15~~
11 ~~consecutive minutes. The department may, by regulation, authorize~~
12 ~~an exception to the 15-minute maximum duration if necessary to~~
13 ~~protect the immediate health and safety of residents or others from~~
14 ~~risk of imminent serious physical harm.~~

15 ~~(i) A facility described in subdivision (a) of Section 1180.2 or~~
16 ~~subdivision (a) of Section 1180.3 shall keep under constant,~~
17 ~~face-to-face human observation a person who is in seclusion and~~
18 ~~in any type of behavioral restraint at the same time. Observation~~
19 ~~by means of video camera may be utilized only in facilities that~~
20 ~~are already permitted to use video monitoring under federal~~
21 ~~regulations specific to that facility.~~

22 ~~(j) A facility described in subdivision (a) of Section 1180.2 or~~
23 ~~subdivision (a) of Section 1180.3 shall afford to persons who are~~
24 ~~restrained the least restrictive alternative and the maximum freedom~~
25 ~~of movement, while ensuring the physical safety of the person and~~
26 ~~others, and shall use the least number of restraint points.~~

27 ~~(k) A person in a facility described in subdivision (a) of Section~~
28 ~~1180.2 and subdivision (a) of Section 1180.3 has the right to be~~
29 ~~free from the use of seclusion and behavioral restraints of any form~~
30 ~~imposed as a means of coercion, discipline, convenience, or~~
31 ~~retaliation by staff. This right includes, but is not limited to, the~~
32 ~~right to be free from the use of a drug used in order to control~~
33 ~~behavior or to restrict the person's freedom of movement, if that~~
34 ~~drug is not a standard treatment for the person's medical or~~
35 ~~psychiatric condition.~~

36 ~~SEC. 2. Section 10430 of the Public Contract Code is amended~~
37 ~~to read:~~

38 ~~10430. This chapter does not apply to any of the following:~~

39 ~~(a) The Regents of the University of California and the Trustees~~
40 ~~of the California State University, except that Article 9~~

1 ~~(commencing with Section 10420) shall apply to the Trustees of~~
2 ~~the California State University.~~

3 ~~(b) (1) Transactions covered under Chapter 3 (commencing~~
4 ~~with Section 12100), except that Sections 10365.5, 10410, and~~
5 ~~10411 shall apply to all transactions under that chapter.~~

6 ~~(2) Notwithstanding paragraph (1), Section 10365.5 shall not~~
7 ~~apply to incidental advice or suggestions made outside of the scope~~
8 ~~of a consulting services contract.~~

9 ~~(3) (A) Notwithstanding paragraph (1), Section 10365.5 shall~~
10 ~~not apply to a contract that is part of a single competitive~~
11 ~~procurement conducted in more than one stage for information~~
12 ~~technology goods or services, when the Director of the Department~~
13 ~~of General Services and the Chief Information Officer determine~~
14 ~~that there is no conflict of interest under Section 10365.5 and that~~
15 ~~it is in the best interest of the state to utilize this procurement~~
16 ~~method. Nothing in this section shall preclude the applicability of~~
17 ~~Section 12112 to this procurement method.~~

18 ~~(B) The Department of General Services shall annually submit~~
19 ~~a report on its Internet Web site describing each determination~~
20 ~~granted pursuant to subparagraph (A), listing the basis for the~~
21 ~~determination, and disclosing the total amount of money paid or~~
22 ~~to be paid to the contractor under the contract that was the subject~~
23 ~~of the determination. The department shall provide notice to the~~
24 ~~Joint Legislative Budget Committee within 30 days of the posting~~
25 ~~of the report.~~

26 ~~(C) For purposes of this paragraph, “information technology”~~
27 ~~means information technology goods or services, or both, as~~
28 ~~appropriate.~~

29 ~~(e) Except as otherwise provided in this chapter, any entity~~
30 ~~exempted from Section 10295. However, the Board of Governors~~
31 ~~of the California Community Colleges shall be governed by this~~
32 ~~chapter, except as provided in Sections 10295, 10335, and 10389.~~
33 ~~The Department of Water Resources shall be governed by this~~
34 ~~chapter, except as provided in Sections 10295.6, 10304.1, 10335,~~
35 ~~and 10340.~~

36 ~~(d) Transactions covered under Chapter 10 (commencing with~~
37 ~~Section 4525) of Division 5 of Title 1 of the Government Code.~~

38 ~~(e) Except as provided for in subdivision (c), members of boards~~
39 ~~or commissions who receive no payment other than payment for~~

1 each meeting of the board or commission, payment for preparatory
2 time, and payment for per diem.

3 (f) ~~The emergency purchase of protective vests for correctional~~
4 ~~peace officers whose duties require routine contact with state prison~~
5 ~~inmates. This subdivision shall remain operative only until January~~
6 ~~1, 1987.~~

7 (g) ~~Spouses of state officers or employees and individuals and~~
8 ~~entities that employ spouses of state officers and employees, that~~
9 ~~are vendored to provide services to regional center clients pursuant~~
10 ~~to Section 4648 of the Welfare and Institutions Code if the vendor~~
11 ~~of services, in that capacity, does not receive any material financial~~
12 ~~benefit, distinguishable from the benefit to the public generally,~~
13 ~~from any governmental decision made by the state officer or~~
14 ~~employee.~~

15 (h) ~~Subject to the approval of the Director of Developmental~~
16 ~~Services, or his or her designee, a state employee of the department~~
17 ~~who is qualified to provide necessary services for regional center~~
18 ~~consumers, for the purpose of that employee becoming a vendor~~
19 ~~of a regional center pursuant to Section 4648 of the Welfare and~~
20 ~~Institutions Code. The state employee shall terminate employment~~
21 ~~with any state agency or department before providing certification~~
22 ~~to the regional center pursuant to paragraph (9) of subdivision (a)~~
23 ~~of Section 54326 of Title 17 of the California Code of Regulations,~~
24 ~~as part of the vendorization process. A contract entered into by a~~
25 ~~regional center and a state employee, in his or her capacity as a~~
26 ~~private citizen, to become a vendor of the regional center does not~~
27 ~~constitute a state contract within the meaning of Section 1090 of~~
28 ~~the Government Code. Accordingly, the state employee has no~~
29 ~~financial interest in a state contract under these circumstances.~~

30 ~~SEC. 3. Section 4435.1 of the Welfare and Institutions Code~~
31 ~~is repealed.~~

32 ~~SEC. 4. Section 4437 is added to the Welfare and Institutions~~
33 ~~Code, to read:~~

34 ~~4437. (a) The State Department of Developmental Services~~
35 ~~shall, on or before February 1 of each year, report to the Legislature~~
36 ~~and post on its Internet Web site supplemental budget information,~~
37 ~~which shall include both of the following:~~

38 ~~(1) For each developmental center, an estimate for the annual~~
39 ~~budget, including a breakdown of the staffing costs for Porterville~~

1 ~~Developmental Center’s general treatment area and secured~~
2 ~~treatment area.~~

3 ~~(2) For each regional center, all of the following information:~~

4 ~~(A) Current fiscal year allocations of total and per capita funding~~
5 ~~for operations and purchase of services.~~

6 ~~(B) The number of persons with developmental disabilities~~
7 ~~being served by the regional center in the current fiscal year.~~

8 ~~(C) The past fiscal year and current fiscal year information on~~
9 ~~the funding for its community placement plan, including a~~
10 ~~breakdown of the funding for startup, assessment, placement, and~~
11 ~~deflection.~~

12 ~~(D) Staff information.~~

13 ~~(b) A report to be submitted pursuant to subdivision (a) shall~~
14 ~~be submitted in compliance with Section 9795 of the Government~~
15 ~~Code.~~

16 ~~SEC. 5. Section 4474.15 is added to the Welfare and~~
17 ~~Institutions Code, immediately following Section 4474.11, to read:~~

18 ~~4474.15. (a) The State Department of Developmental Services~~
19 ~~shall include an update to the Legislature in the 2017–18 May~~
20 ~~Revision regarding how the department will provide access to~~
21 ~~crisis services after the closure of a developmental center and how~~
22 ~~the state will maintain its role in providing residential services to~~
23 ~~those whom private sector vendors cannot or will not serve. As~~
24 ~~part of this plan, the department shall assess the option of~~
25 ~~expanding the community state staff program authorized in Section~~
26 ~~4474.2 to allow the department’s employees to serve as regional~~
27 ~~crisis management teams that provide assessment, consultation,~~
28 ~~and resolution for persons with developmental disabilities in crisis~~
29 ~~in the community.~~

30 ~~(b) The State Department of Developmental Services shall post~~
31 ~~on its Internet Web site a monthly progress report regarding the~~
32 ~~development of residential capacity by each regional center. The~~
33 ~~report shall include information on monthly targets for individuals~~
34 ~~moving out of a developmental center based on transition activities~~
35 ~~and community resource development activities by each regional~~
36 ~~center. The report shall also provide an explanation of any targets~~
37 ~~that have not been met.~~

38 ~~(c) (1) The requirement for submitting a report imposed under~~
39 ~~subdivision (a) is inoperative on January 1, 2020, pursuant to~~
40 ~~Section 10231.5 of the Government Code.~~

1 ~~(2) A report to be submitted pursuant to subdivision (a) shall~~
2 ~~be submitted in compliance with Section 9795 of the Government~~
3 ~~Code.~~

4 ~~SEC. 6. Section 4474.6 is added to the Welfare and Institutions~~
5 ~~Code, to read:~~

6 ~~4474.6. (a) The State Department of Developmental Services~~
7 ~~and the State Department of Health Care Services shall coordinate~~
8 ~~the transition of health care services for Medi-Cal eligible~~
9 ~~consumers who are transitioning from a developmental center into~~
10 ~~the community.~~

11 ~~(b) In order to meet the unique medical health needs of~~
12 ~~consumers who will be transitioning from a developmental center~~
13 ~~into the community, whose individual program plans document~~
14 ~~the need for coordinated medical and specialty care, and who are~~
15 ~~Medi-Cal eligible, the State Department of Health Care Services~~
16 ~~shall issue transition requirements including referral practices,~~
17 ~~service authorization practices, coordination of case management~~
18 ~~services, education and training services, and the management and~~
19 ~~sharing of medical records, to applicable Medi-Cal managed care~~
20 ~~health plans and monitor compliance. These transition requirements~~
21 ~~shall include, but are not limited to, processes for individuals~~
22 ~~assigned to a Medi-Cal managed care plan which promote~~
23 ~~coordination of care during and following the transition,~~
24 ~~identification of providers prior to a transition occurring, and the~~
25 ~~continuation of medically necessary covered services. These~~
26 ~~processes shall be described in a transition plan which will be~~
27 ~~shared with stakeholders prior to being finalized. The final~~
28 ~~transition plan shall be submitted to the Joint Legislative Budget~~
29 ~~Committee no later than December 31, 2016.~~

30 ~~(c) Notwithstanding Chapter 3.5 (commencing with Section~~
31 ~~11340) of Part 1 of Division 3 of Title 2 of the Government Code,~~
32 ~~the State Department of Health Care Services may implement,~~
33 ~~interpret, or make specific this section, in whole or in part, by~~
34 ~~means of all-county letters, plan letters, plan or provider bulletins,~~
35 ~~policy letters, or other similar instructions, without taking~~
36 ~~regulatory action.~~

37 ~~(d) The State Department of Health Care Services shall~~
38 ~~implement this section only to the extent that any necessary federal~~
39 ~~approvals are obtained and federal financial participation is~~
40 ~~available.~~

1 ~~SEC. 7. Section 4519.5 of the Welfare and Institutions Code~~
2 ~~is amended to read:~~

3 ~~4519.5. (a) The department and the regional centers shall~~
4 ~~annually collaborate to compile data in a uniform manner relating~~
5 ~~to purchase of service authorization, utilization, and expenditure~~
6 ~~by each regional center with respect to all of the following:~~

7 ~~(1) The age of the consumer, categorized by the following:~~

8 ~~(A) Birth to two years of age, inclusive.~~

9 ~~(B) Three to 21 years of age, inclusive.~~

10 ~~(C) Twenty-two years of age and older.~~

11 ~~(2) Race or ethnicity of the consumer.~~

12 ~~(3) Primary language spoken by the consumer, and other related~~
13 ~~details, as feasible.~~

14 ~~(4) Disability detail, in accordance with the categories~~
15 ~~established by subdivision (a) of Section 4512, and, if applicable,~~
16 ~~a category specifying that the disability is unknown.~~

17 ~~(5) Residence type, subcategorized by age, race or ethnicity,~~
18 ~~and primary language.~~

19 ~~(6) Number of instances when the written copy of the individual~~
20 ~~program plan was provided at the request of the consumer and,~~
21 ~~when appropriate, his or her parents, legal guardian or conservator,~~
22 ~~or authorized representative, in a language other than a threshold~~
23 ~~language, as defined by paragraph (3) of subdivision (a) of Section~~
24 ~~1810.410 of Title 9 of the California Code of Regulations, if that~~
25 ~~written copy was provided more than 60 days after the request.~~

26 ~~(b) The data reported pursuant to subdivision (a) shall also~~
27 ~~include the number and percentage of individuals, categorized by~~
28 ~~age, race or ethnicity, and disability, and by residence type, as set~~
29 ~~forth in paragraph (5) of subdivision (a), who have been determined~~
30 ~~to be eligible for regional center services, but are not receiving~~
31 ~~purchase of service funds.~~

32 ~~(c) By March 31, 2013, each regional center shall post the data~~
33 ~~described in this section that is specific to the regional center on~~
34 ~~its Internet Web site. Commencing on December 31, 2013, each~~
35 ~~regional center shall annually post this data by December 31. Each~~
36 ~~regional center shall maintain all previous years' data on its Internet~~
37 ~~Web site.~~

38 ~~(d) By March 31, 2013, the department shall post the information~~
39 ~~described in this section on a statewide basis on its Internet Web~~
40 ~~site. Commencing December 31, 2013, the department shall~~

1 annually post this information by December 31. The department
2 shall maintain all previous years' data on its Internet Web site.
3 The department shall also post notice of any regional center
4 stakeholder meetings on its Internet Web site.

5 ~~(e) Within three months of compiling the data with the~~
6 ~~department, and annually thereafter, each regional center shall~~
7 ~~meet with stakeholders in one or more public meetings regarding~~
8 ~~the data. The meeting or meetings shall be held separately from~~
9 ~~any meetings held pursuant to Section 4660. The regional center~~
10 ~~shall provide participants of these meetings with the data and any~~
11 ~~associated information related to improvements in the provision~~
12 ~~of developmental services to underserved communities and shall~~
13 ~~conduct a discussion of the data and the associated information in~~
14 ~~a manner that is culturally and linguistically appropriate for that~~
15 ~~community, including providing alternative communication~~
16 ~~services, as required by Sections 11135 to 11139.7, inclusive, of~~
17 ~~the Government Code and implementing regulations. Regional~~
18 ~~centers shall inform the department of the scheduling of those~~
19 ~~public meetings 30 days prior to the meeting. Notice of the~~
20 ~~meetings shall also be posted on the regional center's Internet Web~~
21 ~~site 30 days prior to the meeting and shall be sent to individual~~
22 ~~stakeholders and groups representing underserved communities~~
23 ~~in a timely manner. Each regional center shall, in holding the~~
24 ~~meetings required by this subdivision, consider the language needs~~
25 ~~of the community and shall schedule the meetings at times and~~
26 ~~locations designed to result in a high turnout by the public and~~
27 ~~underserved communities.~~

28 ~~(f) (1) Each regional center shall annually report to the~~
29 ~~department regarding its implementation of the requirements of~~
30 ~~this section. The report shall include, but shall not be limited to,~~
31 ~~all of the following:~~

32 ~~(A) Actions the regional center took to improve public~~
33 ~~attendance and participation at stakeholder meetings, including,~~
34 ~~but not limited to, attendance and participation by underserved~~
35 ~~communities.~~

36 ~~(B) Copies of minutes from the meeting and attendee comments.~~

37 ~~(C) Whether the data described in this section indicates a need~~
38 ~~to reduce disparities in the purchase of services among consumers~~
39 ~~in the regional center's catchment area. If the data does indicate~~

1 that need, the regional center’s recommendations and plan to
2 promote equity, and reduce disparities, in the purchase of services.

3 (2) Each regional center and the department shall annually post
4 the reports required by paragraph (1) on its Internet Web site by
5 August 31.

6 (g) (1) The department shall consult with stakeholders,
7 including consumers and families that reflect the ethnic and
8 language diversity of regional center consumers, regional centers,
9 advocates, providers, the protection and advocacy agency described
10 in Section 4901, and those entities designated as University Centers
11 for Excellence in Developmental Disabilities Education, Research,
12 and Service pursuant to Section 15061 of Title 42 of the United
13 States Code, to achieve the following objectives:

- 14 (A) Review the data compiled pursuant to subdivision (a).
- 15 (B) Identify barriers to equitable access to services and supports
16 among consumers and develop recommendations to help reduce
17 disparities in purchase of service expenditures.
- 18 (C) Encourage the development and expansion of culturally
19 appropriate services, service delivery, and service coordination.
- 20 (D) Identify best practices to reduce disparity and promote
21 equity.

22 (2) The department shall report the status of its efforts to satisfy
23 the requirements of paragraph (1) during the 2016–17 legislative
24 budget subcommittee hearing process.

25 (h) (1) Subject to available funding, the department shall
26 allocate funding to regional centers to assist with implementation
27 of the recommendations and plans developed pursuant to
28 subdivisions (f) and (g). Activities funded through these allocations
29 may include, but are not limited to, pay differentials supporting
30 direct care bilingual staff of community-based service providers,
31 parent or caregiver education programs, cultural competency
32 training for regional center staff, outreach to underserved
33 populations, or additional culturally appropriate service types or
34 service delivery models.

35 (2) Each regional center shall consult with stakeholders
36 regarding activities that may be effective in addressing disparities
37 in the receipt of regional center services and the regional center’s
38 proposed requests for the funding specified in paragraph (1). Each
39 regional center shall identify the stakeholders it consulted with

1 and include information on how it incorporated the input of
2 stakeholders into its requests.

3 (3) The department shall review requests for funding within 45
4 days from the deadline specified in the department's guidance to
5 regional centers.

6 (4) Each regional center shall report to the department in the
7 annual report required by subdivision (f) how the funding
8 allocations were used and shall include recommendations of
9 priorities for activities that may be effective in addressing
10 disparities, based on the consultation with stakeholders.

11 SEC. 8. Section 4572 is added to the Welfare and Institutions
12 Code, to read:

13 4572. The State Department of Developmental Services shall
14 develop and implement a plan to monitor, evaluate, and improve
15 the quality of community-based services through the use of a
16 performance dashboard. The department shall work with
17 stakeholders, including, but not limited to, regional centers,
18 consumer advocates, providers, and the Legislature, on the
19 development of the dashboard. The dashboard shall be published
20 annually and shall include, but not be limited to, all of the following
21 metrics:

22 (a) Recognized quality and access measures.

23 (b) Measures to indicate the movement toward compliance with
24 the federal Home and Community-Based Services Waiver rules
25 (CMS 2249-F and CMS 2296-F).

26 (c) Measures to evaluate the changes in the number of consumers
27 who work in competitive integrated employment.

28 (d) The number of complaints referred to the department
29 pursuant to subdivision (c) of Section 4731, for every 1,000
30 consumers served, by each regional center.

31 (e) The number of administrative fair hearings held pursuant to
32 Article 3 (commencing with Section 4710) of Chapter 7, separated
33 by eligibility and service issues, for individuals ages three and
34 over, for every one thousand consumers served, by each regional
35 center.

36 SEC. 9. Section 4659.2 of the Welfare and Institutions Code
37 is amended to read:

38 4659.2. (a) For the purposes of this section, the following
39 definitions apply:

- 1 ~~(1) “Physical restraint” means any behavioral or mechanical~~
2 ~~restraint, as defined in Section 1180.1 of the Health and Safety~~
3 ~~Code.~~
- 4 ~~(2) “Chemical restraint” means a drug that is used to control~~
5 ~~behavior and that is used in a manner not required to treat the~~
6 ~~patient’s medical conditions.~~
- 7 ~~(3) “Seclusion” means involuntary confinement of a person~~
8 ~~alone in a room or an area as defined in subdivision (e) of Section~~
9 ~~1180.1 of the Health and Safety Code.~~
- 10 ~~(4) “Long-term health care facility” means a facility, as defined~~
11 ~~in Section 1418 of the Health and Safety Code, that is required to~~
12 ~~report to a regional center pursuant to Section 54327 of Title 17~~
13 ~~of the California Code of Regulations.~~
- 14 ~~(5) “Acute psychiatric hospital” means a facility, as defined in~~
15 ~~subdivision (b) of Section 1250 of the Health and Safety Code,~~
16 ~~including an institution for mental disease, that is a regional center~~
17 ~~vendor.~~
- 18 ~~(6) “Regional center vendor” means an agency, individual, or~~
19 ~~service provider that a regional center has approved to provide~~
20 ~~vendored or contracted services or supports pursuant to paragraph~~
21 ~~(3) of subdivision (a) of Section 4648.~~
- 22 ~~(b) (1) All regional center vendors that provide crisis or~~
23 ~~residential services or supported living services, long-term health~~
24 ~~care facilities, and acute psychiatric hospitals shall report to the~~
25 ~~agency designated pursuant to subdivision (i) of Section 4900 all~~
26 ~~of the following:~~
- 27 ~~(A) Each death or serious injury of a person occurring during,~~
28 ~~or related to, the use of seclusion, physical restraint, or chemical~~
29 ~~restraint, or any combination thereof.~~
- 30 ~~(B) Any unexpected or suspicious death, regardless of whether~~
31 ~~the cause is immediately known.~~
- 32 ~~(C) Any allegation of sexual assault, as defined in Section~~
33 ~~15610.63, in which the alleged perpetrator is a staff member,~~
34 ~~service provider, or facility employee or contractor.~~
- 35 ~~(D) Any report made to the local law enforcement agency in~~
36 ~~the jurisdiction in which the facility is located that involves~~
37 ~~physical abuse, as defined in Section 15610.63, in which a staff~~
38 ~~member, service provider, or facility employee or contractor is~~
39 ~~implicated.~~

1 ~~(2) The reports described in paragraph (1) shall be made no later~~
2 ~~than the close of the business day following the death or serious~~
3 ~~injury. The report shall include the encrypted identifier of the~~
4 ~~person involved, and the name, street address, and telephone~~
5 ~~number of the facility.~~

6 ~~(e) (1) On a monthly basis all regional center vendors that~~
7 ~~provide crisis or residential services or supported living services,~~
8 ~~long-term health care facilities, and acute psychiatric hospitals~~
9 ~~shall report to the agency designated pursuant to subdivision (i)~~
10 ~~of Section 4900 all of the following:~~

11 ~~(A) The number of incidents of seclusion and the duration of~~
12 ~~time spent per incident in seclusion.~~

13 ~~(B) The number of incidents of the use of behavioral restraints~~
14 ~~and the duration of time spent per incident of restraint.~~

15 ~~(C) The number of times an involuntary emergency medication~~
16 ~~is used to control behavior.~~

17 ~~(2) The reports required pursuant to paragraph (1) shall include~~
18 ~~the name, street address, and telephone number of the facility.~~

19 ~~SEC. 10. Section 4681.5 of the Welfare and Institutions Code~~
20 ~~is amended to read:~~

21 ~~4681.5. (a) Notwithstanding any other law or regulation, a~~
22 ~~regional center shall not approve a service level for a residential~~
23 ~~service provider, as defined in Section 56002 of Title 17 of the~~
24 ~~California Code of Regulations, if the approval would result in an~~
25 ~~increase in state costs or the rate to be paid to the provider that is~~
26 ~~greater than the rate that is in effect on June 30, 2008, or, for~~
27 ~~residential service providers subject to subdivision (b), unless the~~
28 ~~regional center demonstrates to the department that the approval~~
29 ~~is necessary to protect the consumer's health or safety and the~~
30 ~~department has granted prior written authorization.~~

31 ~~(b) Notwithstanding subdivision (a) or any other law or~~
32 ~~regulation, the department shall, effective July 1, 2016, establish~~
33 ~~a rate schedule for residential community care facilities vendored~~
34 ~~to provide services to a maximum of four persons with~~
35 ~~developmental disabilities.~~

36 ~~(c) Community care facilities with rates established pursuant~~
37 ~~to subdivision (b) are subject to the regulatory requirements~~
38 ~~contained in Subchapter 4 (commencing with Section 56001) of~~
39 ~~Chapter 3 of Division 2 of Title 17 of the California Code of~~
40 ~~Regulations.~~

1 ~~(d) Rate changes made as a result of implementing the rate~~
 2 ~~schedule established pursuant to subdivision (b) for community~~
 3 ~~care facilities vendored to provide services to a maximum of four~~
 4 ~~persons with developmental disabilities are not subject to the~~
 5 ~~restrictions of subdivision (a) if the approved service level is not~~
 6 ~~higher than the service level in effect at the time of the change.~~

7 ~~(e) No later than February 1, 2017, regional centers shall report~~
 8 ~~to the department on the number of residential community care~~
 9 ~~facilities with rates established pursuant to subdivision (b). The~~
 10 ~~report shall include, but not be limited to, both of the following:~~

11 ~~(1) The number of facilities vendored since July 1, 2016, by~~
 12 ~~service level and vendored capacity.~~

13 ~~(2) The number of facilities vendored prior to July 1, 2016, that~~
 14 ~~have subsequently been approved for a new rate, by service level,~~
 15 ~~vendored capacity, and prior vendored capacity, if applicable.~~

16 ~~SEC. 11. Section 4681.6 of the Welfare and Institutions Code~~
 17 ~~is amended to read:~~

18 ~~4681.6. (a) Notwithstanding any other law or regulation,~~
 19 ~~commencing July 1, 2008:~~

20 ~~(1) A regional center shall not pay an existing residential service~~
 21 ~~provider, for services where rates are determined through a~~
 22 ~~negotiation between the regional center and the provider, a rate~~
 23 ~~higher than the rate in effect on June 30, 2008, unless the increase~~
 24 ~~is required by a contract between the regional center and the vendor~~
 25 ~~that is in effect on June 30, 2008, or the regional center~~
 26 ~~demonstrates that the approval is necessary to protect the~~
 27 ~~consumer's health or safety and the department has granted prior~~
 28 ~~written authorization.~~

29 ~~(2) A regional center shall not negotiate a rate with a new~~
 30 ~~residential service provider, for services where rates are determined~~
 31 ~~through a negotiation between the regional center and the provider,~~
 32 ~~that is higher than the regional center's median rate for the same~~
 33 ~~service code and unit of service, or the statewide median rate for~~
 34 ~~the same service code and unit of service, whichever is lower. The~~
 35 ~~unit of service designation shall conform with an existing regional~~
 36 ~~center designation or, if none exists, a designation used to calculate~~
 37 ~~the statewide median rate for the same service. The regional center~~
 38 ~~shall annually certify to the department its median rate for each~~
 39 ~~negotiated rate service code, by designated unit of service. This~~

1 certification shall be subject to verification through the
2 department's biennial fiscal audit of the regional center.

3 (b) Notwithstanding subdivision (a), commencing January 1,
4 2017, regional centers may negotiate a rate adjustment with
5 residential service providers regarding rates that are otherwise
6 restricted pursuant to subdivision (a), if the adjustment is necessary
7 in order to pay employees no less than the minimum wage as
8 established by Section 1182.12 of the Labor Code, as amended by
9 Chapter 4 of the Statutes of 2016, and only for the purpose of
10 adjusting payroll costs associated with the minimum wage increase.
11 The rate adjustment shall be specific to the unit of service
12 designation that is affected by the increased minimum wage, shall
13 be specific to payroll costs associated with any increase necessary
14 to adjust employee pay only to the extent necessary to bring pay
15 into compliance with the increased state minimum wage, and shall
16 not be used as a general wage enhancement for employees paid
17 above the minimum wage. Regional centers shall maintain
18 documentation on the process to determine, and the rationale for
19 granting, any rate adjustment associated with the minimum wage
20 increase.

21 (c) Notwithstanding subdivision (a), commencing July 1, 2015,
22 regional centers may negotiate a rate adjustment with residential
23 service providers regarding rates that are otherwise restricted
24 pursuant to subdivision (a), if the adjustment is necessary to
25 implement Article 1.5 (commencing with Section 245) of Chapter
26 1 of Part 1 of Division 2 of the Labor Code, as added by Chapter
27 317 of the Statutes of 2014. The rate adjustment may be applied
28 only if a minimum of 24 hours or three days of paid sick leave per
29 year was not a benefit provided to employees as of June 30, 2015,
30 and shall be specific to payroll costs associated with any increase
31 necessary to compensate an employee up to a maximum of 24
32 hours or three days of paid sick leave in each year of employment.

33 (d) For purposes of this section, "residential service provider"
34 includes Adult Residential Facilities for Persons with Special
35 Health Care Needs, as described in Section 4684.50.

36 (e) This section shall not apply to those services for which rates
37 are determined by the State Department of Health Care Services,
38 or the State Department of Developmental Services, or are usual
39 and customary.

1 SEC. 12.— Section 4685.8 of the Welfare and Institutions Code
2 is amended to read:

3 4685.8. (a) The department shall implement a statewide
4 Self-Determination Program. The Self-Determination Program
5 shall be available in every regional center catchment area to provide
6 participants and their families, within an individual budget,
7 increased flexibility and choice, and greater control over decisions,
8 resources, and needed and desired services and supports to
9 implement their IPP. The statewide Self-Determination Program
10 shall be phased in over three years, and during this phase-in period,
11 shall serve up to 2,500 regional center consumers, inclusive of the
12 remaining participants in the self-determination pilot projects
13 authorized pursuant to Section 13 of Chapter 1043 of the Statutes
14 of 1998, as amended, and Article 4 (commencing with Section
15 4669.2) of Chapter 5. Following the phase-in period, the program
16 shall be available on a voluntary basis to all regional center
17 consumers, including residents in developmental centers who are
18 moving to the community, who are eligible for the
19 Self-Determination Program. The program shall be available to
20 individuals who reflect the disability, ethnic, and geographic
21 diversity of the state. The Department of Finance may approve,
22 upon a request from the department and no sooner than 30 days
23 following notification to the Joint Legislative Budget Committee,
24 an increase to the number of consumers served by the
25 Self-Determination Program before the end of the three-year
26 phase-in period.

27 (b) The department, in establishing the statewide program, shall
28 do both of the following:

29 (1) For the first three years of the Self-Determination Program,
30 determine, as part of the contracting process described in Sections
31 4620 and 4629, the number of participants each regional center
32 shall serve in its Self-Determination Program. To ensure that the
33 program is available on an equitable basis to participants in all
34 regional center catchment areas, the number of Self-Determination
35 Program participants in each regional center shall be based on the
36 relative percentage of total consumers served by the regional
37 centers minus any remaining participants in the self-determination
38 pilot projects authorized pursuant to Section 13 of Chapter 1043
39 of the Statutes of 1998, as amended, and Article 4 (commencing
40 with Section 4669.2) of Chapter 5 or another equitable basis.

1 ~~(2) Ensure all of the following:~~

2 ~~(A) Oversight of expenditure of self-determined funds and the~~
3 ~~achievement of participant outcomes over time.~~

4 ~~(B) Increased participant control over which services and~~
5 ~~supports best meet his or her needs and the IPP objectives. A~~
6 ~~participant's unique support system may include the purchase of~~
7 ~~existing service offerings from service providers or local~~
8 ~~businesses, hiring his or her own support workers, or negotiating~~
9 ~~unique service arrangements with local community resources.~~

10 ~~(C) Comprehensive person-centered planning, including an~~
11 ~~individual budget and services that are outcome based.~~

12 ~~(D) Consumer and family training to ensure understanding of~~
13 ~~the principles of self-determination, the planning process, and the~~
14 ~~management of budgets, services, and staff.~~

15 ~~(E) Choice of independent facilitators who can assist with the~~
16 ~~person-centered planning process and choice of financial~~
17 ~~management services providers vended by regional centers who~~
18 ~~can assist with payments and provide employee-related services.~~

19 ~~(F) Innovation that will more effectively allow participants to~~
20 ~~achieve their goals.~~

21 ~~(e) For purposes of this section, the following definitions apply:~~

22 ~~(1) "Financial management services" means services or~~
23 ~~functions that assist the participant to manage and direct the~~
24 ~~distribution of funds contained in the individual budget, and ensure~~
25 ~~that the participant has the financial resources to implement his or~~
26 ~~her IPP throughout the year. These may include bill paying services~~
27 ~~and activities that facilitate the employment of service and support~~
28 ~~workers by the participant, including, but not limited to, fiscal~~
29 ~~accounting, tax withholding, compliance with relevant state and~~
30 ~~federal employment laws, assisting the participant in verifying~~
31 ~~provider qualifications, including criminal background checks,~~
32 ~~and expenditure reports. The financial management services~~
33 ~~provider shall meet the requirements of Sections 58884, 58886,~~
34 ~~and 58887 of Title 17 of the California Code of Regulations and~~
35 ~~other specific qualifications established by the department. The~~
36 ~~costs of financial management services shall be paid by the~~
37 ~~participant out of his or her individual budget, except for the cost~~
38 ~~of obtaining the criminal background check specified in subdivision~~
39 ~~(w).~~

1 ~~(2) “Independent facilitator” means a person, selected and~~
2 ~~directed by the participant, who is not otherwise providing services~~
3 ~~to the participant pursuant to his or her IPP and is not employed~~
4 ~~by a person providing services to the participant. The independent~~
5 ~~facilitator may assist the participant in making informed decisions~~
6 ~~about the individual budget, and in locating, accessing, and~~
7 ~~coordinating services and supports consistent with the participant’s~~
8 ~~IPP. He or she is available to assist in identifying immediate and~~
9 ~~long-term needs, developing options to meet those needs, leading,~~
10 ~~participating, or advocating on behalf of the participant in the~~
11 ~~person-centered planning process and development of the IPP, and~~
12 ~~obtaining identified services and supports. The cost of the~~
13 ~~independent facilitator, if any, shall be paid by the participant out~~
14 ~~of his or her individual budget. An independent facilitator shall~~
15 ~~receive training in the principles of self-determination, the~~
16 ~~person-centered planning process, and the other responsibilities~~
17 ~~described in this paragraph at his or her own cost.~~

18 ~~(3) “Individual budget” means the amount of regional center~~
19 ~~purchase of service funding available to the participant for the~~
20 ~~purchase of services and supports necessary to implement the IPP.~~
21 ~~The individual budget shall be determined using a fair, equitable,~~
22 ~~and transparent methodology.~~

23 ~~(4) “IPP” means individual program plan, as described in Section~~
24 ~~4646.~~

25 ~~(5) “Participant” means an individual, and when appropriate,~~
26 ~~his or her parents, legal guardian or conservator, or authorized~~
27 ~~representative, who has been deemed eligible for, and has~~
28 ~~voluntarily agreed to participate in, the Self-Determination~~
29 ~~Program.~~

30 ~~(6) “Self-determination” means a voluntary delivery system~~
31 ~~consisting of a defined and comprehensive mix of services and~~
32 ~~supports, selected and directed by a participant through~~
33 ~~person-centered planning, in order to meet the objectives in his or~~
34 ~~her IPP. Self-determination services and supports are designed to~~
35 ~~assist the participant to achieve personally defined outcomes in~~
36 ~~community settings that promote inclusion. The Self-Determination~~
37 ~~Program shall only fund services and supports provided pursuant~~
38 ~~to this division that the federal Centers for Medicare and Medicaid~~
39 ~~Services determines are eligible for federal financial participation.~~

1 ~~(d) Participation in the Self-Determination Program is fully~~
2 ~~voluntary. A participant may choose to participate in, and may~~
3 ~~choose to leave, the Self-Determination Program at any time. A~~
4 ~~regional center shall not require or prohibit participation in the~~
5 ~~Self-Determination Program as a condition of eligibility for, or~~
6 ~~the delivery of, services and supports otherwise available under~~
7 ~~this division. Participation in the Self-Determination Program shall~~
8 ~~be available to any regional center consumer who meets the~~
9 ~~following eligibility requirements:~~

10 ~~(1) The participant has a developmental disability, as defined~~
11 ~~in Section 4512, and is receiving services pursuant to this division.~~

12 ~~(2) The consumer does not live in a licensed long-term health~~
13 ~~care facility, as defined in paragraph (44) of subdivision (a) of~~
14 ~~Section 54302 of Title 17 of the California Code of Regulations.~~
15 ~~An individual, and when appropriate his or her parent, legal~~
16 ~~guardian or conservator, or authorized representative, who is not~~
17 ~~eligible to participate in the Self-Determination Program pursuant~~
18 ~~to this paragraph may request that the regional center provide~~
19 ~~person-centered planning services in order to make arrangements~~
20 ~~for transition to the Self-Determination Program, provided that he~~
21 ~~or she is reasonably expected to transition to the community within~~
22 ~~90 days. In that case, the regional center shall initiate~~
23 ~~person-centered planning services within 60 days of that request.~~

24 ~~(3) The participant agrees to all of the following terms and~~
25 ~~conditions:~~

26 ~~(A) The participant shall receive an orientation to the~~
27 ~~Self-Determination Program prior to enrollment, which includes~~
28 ~~the principles of self-determination, the role of the independent~~
29 ~~facilitator and the financial management services provider,~~
30 ~~person-centered planning, and development of a budget.~~

31 ~~(B) The participant shall utilize the services and supports~~
32 ~~available within the Self-Determination Program only when generic~~
33 ~~services and supports are not available.~~

34 ~~(C) The participant shall only purchase services and supports~~
35 ~~necessary to implement his or her IPP and shall comply with any~~
36 ~~and all other terms and conditions for participation in the~~
37 ~~Self-Determination Program described in this section.~~

38 ~~(D) The participant shall manage Self-Determination Program~~
39 ~~services and supports within his or her individual budget.~~

1 ~~(E) The participant shall utilize the services of a financial~~
2 ~~management services provider of his or her own choosing and who~~
3 ~~is vendored by a regional center.~~

4 ~~(F) The participant may utilize the services of an independent~~
5 ~~facilitator of his or her own choosing for the purpose of providing~~
6 ~~services and functions as described in paragraph (2) of subdivision~~
7 ~~(c). If the participant elects not to use an independent facilitator,~~
8 ~~he or she may use his or her regional center service coordinator to~~
9 ~~provide the services and functions described in paragraph (2) of~~
10 ~~subdivision (c).~~

11 ~~(e) A participant who is not Medi-Cal eligible may participate~~
12 ~~in the Self-Determination Program and receive self-determination~~
13 ~~services and supports if all other program eligibility requirements~~
14 ~~are met and the services and supports are otherwise eligible for~~
15 ~~federal financial participation.~~

16 ~~(f) An individual receiving services and supports under a~~
17 ~~self-determination pilot project authorized pursuant to Section 13~~
18 ~~of Chapter 1043 of the Statutes of 1998, as amended, or pursuant~~
19 ~~to Article 4 (commencing with Section 4669.2) of Chapter 5, may~~
20 ~~elect to continue to receive self-determination services and supports~~
21 ~~pursuant to this section or the regional center shall provide for the~~
22 ~~participant's transition from the self-determination pilot program~~
23 ~~to other services and supports. This transition shall include the~~
24 ~~development of a new IPP that reflects the services and supports~~
25 ~~necessary to meet the individual's needs. The regional center shall~~
26 ~~ensure that there is no gap in services and supports during the~~
27 ~~transition period.~~

28 ~~(g) The additional federal financial participation funds generated~~
29 ~~by the former participants of the self-determination pilot projects~~
30 ~~authorized pursuant to Section 13 of Chapter 1043 of the Statutes~~
31 ~~of 1998, as amended, or pursuant to Article 4 (commencing with~~
32 ~~Section 4669.2) of Chapter 5, shall be used as follows:~~

33 ~~(1) First, to offset the cost to the department for the criminal~~
34 ~~background check conducted pursuant to subdivision (w) and other~~
35 ~~administrative costs incurred by the department in implementing~~
36 ~~the Self-Determination Program.~~

37 ~~(2) With the remaining funds, to offset the costs to the regional~~
38 ~~centers in implementing the Self-Determination Program,~~
39 ~~including, but not limited to, operations costs for caseload ratio~~
40 ~~enhancement, training for regional center staff, costs associated~~

1 with the participant's initial person-centered planning meeting,
2 the development of the participant's initial individual budget, and
3 the costs associated with training consumers and family members.

4 (h) If at any time during participation in the Self-Determination
5 Program a regional center determines that a participant is no longer
6 eligible to continue in, or a participant voluntarily chooses to exit,
7 the Self-Determination Program, the regional center shall provide
8 for the participant's transition from the Self-Determination Program
9 to other services and supports. This transition shall include the
10 development of a new IPP that reflects the services and supports
11 necessary to meet the individual's needs. The regional center shall
12 ensure that there is no gap in services and supports during the
13 transition period.

14 (i) An individual determined to be ineligible for or who
15 voluntarily exits the Self-Determination Program shall be permitted
16 to return to the Self-Determination Program upon meeting all
17 applicable eligibility criteria and upon approval of the participant's
18 planning team, as described in subdivision (j) of Section 4512. An
19 individual who has voluntarily exited the Self-Determination
20 Program shall not return to the program for at least 12 months.
21 During the first three years of the program, the individual's right
22 to return to the program is conditioned on his or her regional center
23 not having reached the participant cap imposed by paragraph (1)
24 of subdivision (b).

25 (j) An individual who participates in the Self-Determination
26 Program may elect to continue to receive self-determination
27 services and supports if he or she transfers to another regional
28 center catchment area, provided that he or she remains eligible for
29 the Self-Determination Program pursuant to subdivision (d). The
30 balance of the participant's individual budget shall be reallocated
31 to the regional center to which he or she transfers.

32 (k) The IPP team shall utilize the person-centered planning
33 process to develop the IPP for a participant. The IPP shall detail
34 the goals and objectives of the participant that are to be met through
35 the purchase of participant-selected services and supports. The
36 IPP team shall determine the individual budget to ensure the budget
37 assists the participant to achieve the outcomes set forth in his or
38 her IPP and ensures his or her health and safety. The completed
39 individual budget shall be attached to the IPP.

1 ~~(l) The participant shall implement his or her IPP, including~~
 2 ~~choosing and purchasing the services and supports allowable under~~
 3 ~~this section necessary to implement the plan. A participant is~~
 4 ~~exempt from the cost control restrictions regarding the purchases~~
 5 ~~of services and supports pursuant to Sections 4648.5 and 4686.5.~~
 6 ~~A regional center shall not prohibit the purchase of any service or~~
 7 ~~support that is otherwise allowable under this section.~~

8 ~~(m) A participant shall have all the rights established in Sections~~
 9 ~~4646 to 4646.6, inclusive, and Chapter 7 (commencing with Section~~
 10 ~~4700).~~

11 ~~(n) (1) Except as provided in paragraph (4), the IPP team shall~~
 12 ~~determine the initial and any revised individual budget for the~~
 13 ~~participant using the following methodology:~~

14 ~~(A) (i) Except as specified in clause (ii), for a participant who~~
 15 ~~is a current consumer of the regional center, his or her individual~~
 16 ~~budget shall be the total amount of the most recently available 12~~
 17 ~~months of purchase of service expenditures for the participant.~~

18 ~~(ii) An adjustment may be made to the amount specified in~~
 19 ~~clause (i) if both of the following occur:~~

20 ~~(I) The IPP team determines that an adjustment to this amount~~
 21 ~~is necessary due to a change in the participant's circumstances,~~
 22 ~~needs, or resources that would result in an increase or decrease in~~
 23 ~~purchase of service expenditures, or the IPP team identifies prior~~
 24 ~~needs or resources that were unaddressed in the IPP, which would~~
 25 ~~have resulted in an increase or decrease in purchase of service~~
 26 ~~expenditures.~~

27 ~~(II) The regional center certifies on the individual budget~~
 28 ~~document that regional center expenditures for the individual~~
 29 ~~budget, including any adjustment, would have occurred regardless~~
 30 ~~of the individual's participation in the Self-Determination Program.~~

31 ~~(iii) For purposes of clauses (i) and (ii), the amount of the~~
 32 ~~individual budget shall not be increased to cover the cost of the~~
 33 ~~independent facilitator or the financial management services.~~

34 ~~(B) For a participant who is either newly eligible for regional~~
 35 ~~center services or who does not have 12 months of purchase service~~
 36 ~~expenditures, his or her individual budget shall be calculated as~~
 37 ~~follows:~~

38 ~~(i) The IPP team shall identify the services and supports needed~~
 39 ~~by the participant and available resources, as required by Section~~
 40 ~~4646.~~

1 (ii) ~~The regional center shall calculate the cost of providing the~~
2 ~~services and supports to be purchased by the regional center by~~
3 ~~using the average cost paid by the regional center for each service~~
4 ~~or support unless the regional center determines that the consumer~~
5 ~~has a unique need that requires a higher or lower cost. The regional~~
6 ~~center shall certify on the individual budget document that this~~
7 ~~amount would have been expended using regional center purchase~~
8 ~~of service funds regardless of the individual's participation in the~~
9 ~~Self-Determination Program.~~

10 (iii) ~~For purposes of clauses (i) and (ii), the amount of the~~
11 ~~individual budget shall not be increased to cover the cost of the~~
12 ~~independent facilitator or the financial management services.~~

13 (2) ~~The amount of the individual budget shall be available to~~
14 ~~the participant each year for the purchase of program services and~~
15 ~~supports. An individual budget shall be calculated no more than~~
16 ~~once in a 12-month period, unless revised to reflect a change in~~
17 ~~circumstances, needs, or resources of the participant using the~~
18 ~~process specified in clause (ii) of subparagraph (A) of paragraph~~
19 ~~(1).~~

20 (3) ~~The individual budget shall be assigned to uniform budget~~
21 ~~categories developed by the department in consultation with~~
22 ~~stakeholders and distributed according to the timing of the~~
23 ~~anticipated expenditures in the IPP and in a manner that ensures~~
24 ~~that the participant has the financial resources to implement his or~~
25 ~~her IPP throughout the year.~~

26 (4) ~~The department, in consultation with stakeholders, may~~
27 ~~develop alternative methodologies for individual budgets that are~~
28 ~~computed in a fair, transparent, and equitable manner and are based~~
29 ~~on consumer characteristics and needs, and that include a method~~
30 ~~for adjusting individual budgets to address a participant's change~~
31 ~~in circumstances or needs.~~

32 (o) ~~Annually, participants may transfer up to 10 percent of the~~
33 ~~funds originally distributed to any budget category set forth in~~
34 ~~paragraph (3) of subdivision (n) to another budget category or~~
35 ~~categories. Transfers in excess of 10 percent of the original amount~~
36 ~~allocated to any budget category may be made upon the approval~~
37 ~~of the regional center or the participant's IPP team.~~

38 (p) ~~Consistent with the implementation date of the IPP, the IPP~~
39 ~~team shall annually ascertain from the participant whether there~~
40 ~~are any circumstances or needs that require a change to the annual~~

1 individual budget. Based on that review, the IPP team shall
2 calculate a new individual budget consistent with the methodology
3 identified in subdivision (n):

4 (q) (1) On or before December 31, 2014, the department shall
5 apply for federal Medicaid funding for the Self-Determination
6 Program by doing one or more of the following:

7 (A) Applying for a state plan amendment.

8 (B) Applying for an amendment to a current home- and
9 community-based waiver for individuals with developmental
10 disabilities.

11 (C) Applying for a new waiver.

12 (D) Seeking to maximize federal financial participation through
13 other means.

14 (2) To the extent feasible, the state plan amendment, waiver, or
15 other federal request described in paragraph (1) shall incorporate
16 the eligibility requirements, benefits, and operational requirements
17 set forth in this section. Except for the provisions of subdivisions
18 (k), (m), (p), and this subdivision, the department may modify
19 eligibility requirements, benefits, and operational requirements as
20 needed to secure approval of federal funding.

21 (3) Contingent upon approval of federal funding, the
22 Self-Determination Program shall be established.

23 (r) (1) The department, as it determines necessary, may adopt
24 regulations to implement the procedures set forth in this section.
25 Any regulations shall be adopted in accordance with the
26 requirements of Chapter 3.5 (commencing with Section 11340) of
27 Part 1 of Division 3 of Title 2 of the Government Code.

28 (2) Notwithstanding paragraph (1) and Chapter 3.5 (commencing
29 with Section 11340) of Part 1 of Division 3 of Title 2 of the
30 Government Code, and only to the extent that all necessary federal
31 approvals are obtained, the department, without taking any further
32 regulatory action, shall implement, interpret, or make specific this
33 section by means of program directives or similar instructions until
34 the time regulations are adopted. It is the intent of the Legislature
35 that the department be allowed this temporary authority as
36 necessary to implement program changes only until completion
37 of the regulatory process.

38 (s) The department, in consultation with stakeholders, shall
39 develop informational materials about the Self-Determination
40 Program. The department shall ensure that regional centers are

1 trained in the principles of self-determination, the mechanics of
2 the Self-Determination Program, and the rights of consumers and
3 families as candidates for, and participants in, the
4 Self-Determination Program.

5 (t) Each regional center shall be responsible for implementing
6 the Self-Determination Program as a term of its contract under
7 Section 4629. As part of implementing the program, the regional
8 center shall do both of the following:

9 (1) Contract with local consumer or family-run organizations
10 and consult with the local volunteer advisory committee established
11 pursuant to paragraph (1) of subdivision (x) to conduct outreach
12 through local meetings or forums to consumers and their families
13 to provide information about the Self-Determination Program and
14 to help ensure that the program is available to a diverse group of
15 participants, with special outreach to underserved communities.

16 (2) Collaborate with the local consumer or family-run
17 organizations identified in paragraph (1) to jointly conduct training
18 about the Self-Determination Program. The regional center shall
19 consult with the local volunteer advisory committee established
20 pursuant to paragraph (1) of subdivision (x) in planning for the
21 training, and the local volunteer advisory committee may designate
22 members to represent the advisory committee at the training.

23 (u) The financial management services provider shall provide
24 the participant and the regional center service coordinator with a
25 monthly individual budget statement that describes the amount of
26 funds allocated by budget category, the amount spent in the
27 previous 30-day period, and the amount of funding that remains
28 available under the participant's individual budget.

29 (v) Only the financial management services provider is required
30 to apply for vendorization in accordance with Subchapter 2
31 (commencing with Section 54300) of Chapter 3 of Division 2 of
32 Title 17 of the California Code of Regulations for the
33 Self-Determination Program. All other service and support
34 providers shall not be on the federal debarment list and shall have
35 applicable state licenses, certifications, or other state required
36 documentation, including documentation of any other qualifications
37 required by the department, but are exempt from the vendorization
38 requirements set forth in Title 17 of the California Code of
39 Regulations when serving participants in the Self-Determination
40 Program.

- 1 ~~(w) To protect the health and safety of participants in the~~
2 ~~Self-Determination Program, the department shall require a~~
3 ~~criminal background check in accordance with all of the following:~~
4 ~~(1) The department shall issue a program directive that identifies~~
5 ~~nonvended providers of services and supports who shall obtain~~
6 ~~a criminal background check pursuant to this subdivision. At a~~
7 ~~minimum, these staff shall include both of the following:~~
8 ~~(A) Individuals who provide direct personal care services to a~~
9 ~~participant.~~
10 ~~(B) Other nonvended providers of services and supports for~~
11 ~~whom a criminal background check is requested by a participant~~
12 ~~or the participant's financial management service.~~
13 ~~(2) Subject to the procedures and requirements of this~~
14 ~~subdivision, the department shall administer criminal background~~
15 ~~checks consistent with the department's authority and the process~~
16 ~~described in Sections 4689.2 to 4689.6, inclusive.~~
17 ~~(3) The department shall electronically submit to the Department~~
18 ~~of Justice fingerprint images and related information required by~~
19 ~~the Department of Justice of nonvended providers of services~~
20 ~~and supports, as specified in paragraph (1), for purposes of~~
21 ~~obtaining information as to the existence and content of a record~~
22 ~~of state or federal convictions and state or federal arrests and also~~
23 ~~information as to the existence and content of a record of state or~~
24 ~~federal arrests for which the Department of Justice establishes that~~
25 ~~the person is free on bail or on his or her recognizance pending~~
26 ~~trial or appeal.~~
27 ~~(4) When received, the Department of Justice shall forward to~~
28 ~~the Federal Bureau of Investigation requests for federal summary~~
29 ~~criminal history information received pursuant to this section. The~~
30 ~~Department of Justice shall review the information returned from~~
31 ~~the Federal Bureau of Investigation and compile and disseminate~~
32 ~~a response to the department.~~
33 ~~(5) The Department of Justice shall provide a state or federal~~
34 ~~response to the department pursuant to paragraph (1) of subdivision~~
35 ~~(p) of Section 11105 of the Penal Code.~~
36 ~~(6) The department shall request from the Department of Justice~~
37 ~~subsequent notification service, as provided pursuant to Section~~
38 ~~11105.2 of the Penal Code, for persons described in paragraph (1).~~

1 ~~(7) The Department of Justice shall charge a fee sufficient to~~
2 ~~cover the cost of processing the request described in this~~
3 ~~subdivision.~~

4 ~~(8) The fingerprints of any provider of services and supports~~
5 ~~who is required to obtain a criminal background check shall be~~
6 ~~submitted to the Department of Justice prior to employment. The~~
7 ~~costs of the fingerprints and the financial management service's~~
8 ~~administrative cost authorized by the department shall be paid by~~
9 ~~the services and supports provider or his or her employing agency.~~
10 ~~Any administrative costs incurred by the department pursuant to~~
11 ~~this subdivision shall be offset by the funds specified in subdivision~~
12 ~~(g).~~

13 ~~(9) If the criminal record information report shows a criminal~~
14 ~~history, the department shall take the steps specified in Section~~
15 ~~4689.2. The department may prohibit a provider of services and~~
16 ~~supports from becoming employed, or continuing to be employed,~~
17 ~~based on the criminal background check, as authorized in Section~~
18 ~~4689.6. The provider of services and supports who has been denied~~
19 ~~employment shall have the rights set forth in Section 4689.6.~~

20 ~~(10) The department may utilize a current department-issued~~
21 ~~criminal record clearance to enable a provider to serve more than~~
22 ~~one participant, as long as the criminal record clearance has been~~
23 ~~processed through the department and no subsequent arrest~~
24 ~~notifications have been received relative to the cleared applicant.~~

25 ~~(11) Consistent with subdivision (h) of Section 4689.2, the~~
26 ~~participant or financial management service that denies or~~
27 ~~terminates employment based on written notification from the~~
28 ~~department shall not incur civil liability or unemployment insurance~~
29 ~~liability.~~

30 ~~(x) To ensure the effective implementation of the~~
31 ~~Self-Determination Program and facilitate the sharing of best~~
32 ~~practices and training materials commencing with the~~
33 ~~implementation of the Self-Determination Program, local and~~
34 ~~statewide advisory committees shall be established as follows:~~

35 ~~(1) Each regional center shall establish a local volunteer advisory~~
36 ~~committee to provide oversight of the Self-Determination Program.~~
37 ~~The regional center and the State Council on Developmental~~
38 ~~Disabilities shall each appoint one-half of the membership of the~~
39 ~~committee. The committee shall consist of the regional center~~
40 ~~clients' rights advocate, consumers, family members, and other~~

1 advocates, and community leaders. A majority of the committee
2 shall be consumers and their family members. The committee shall
3 reflect the multicultural diversity and geographic profile of the
4 catchment area. The committee shall review the development and
5 ongoing progress of the Self-Determination Program, including
6 whether the program advances the principles of self-determination
7 and is operating consistent with the requirements of this section,
8 and may make ongoing recommendations for improvement to the
9 regional center and the department.

10 (2) ~~The State Council on Developmental Disabilities shall form~~
11 ~~a volunteer committee, to be known as the Statewide~~
12 ~~Self-Determination Advisory Committee, comprised of the chairs~~
13 ~~of the 21 local advisory committees or their designees. The council~~
14 ~~shall convene the Statewide Self-Determination Advisory~~
15 ~~Committee twice annually, or more frequently in the sole discretion~~
16 ~~of the council. The Statewide Self-Determination Advisory~~
17 ~~Committee shall meet by teleconference or other means established~~
18 ~~by the council to identify self-determination best practices,~~
19 ~~effective consumer and family training materials, implementation~~
20 ~~concerns, systemic issues, ways to enhance the program, and~~
21 ~~recommendations regarding the most effective method for~~
22 ~~participants to learn of individuals who are available to provide~~
23 ~~services and supports. The council shall synthesize information~~
24 ~~received from the Statewide Self-Determination Advisory~~
25 ~~Committee, local advisory committees, and other sources, share~~
26 ~~the information with consumers, families, regional centers, and~~
27 ~~the department, and make recommendations, as appropriate, to~~
28 ~~increase the program's effectiveness in furthering the principles~~
29 ~~of self-determination.~~

30 (y) ~~Commencing January 10, 2017, the department shall~~
31 ~~annually provide the following information to the appropriate~~
32 ~~policy and fiscal committees of the Legislature:~~

33 (1) ~~Number and characteristics of participants, by regional~~
34 ~~center, including the number of participants who entered the~~
35 ~~program upon movement from a developmental center.~~

36 (2) ~~Types and amount of services and supports purchased under~~
37 ~~the Self-Determination Program, by regional center.~~

38 (3) ~~Range and average of individual budgets, by regional center,~~
39 ~~including adjustments to the budget to address the adjustments~~

1 permitted in clause (ii) of subparagraph (A) of paragraph (1) of
2 subdivision (n):

3 ~~(4) The number and outcome of appeals concerning individual~~
4 ~~budgets, by regional center.~~

5 ~~(5) The number and outcome of fair hearing appeals, by regional~~
6 ~~center.~~

7 ~~(6) The number of participants who voluntarily withdraw from~~
8 ~~the Self-Determination Program and a summary of the reasons~~
9 ~~why, by regional center.~~

10 ~~(7) The number of participants who are subsequently determined~~
11 ~~to no longer be eligible for the Self-Determination Program and a~~
12 ~~summary of the reasons why, by regional center.~~

13 ~~(z) (1) The State Council on Developmental Disabilities, in~~
14 ~~collaboration with the protection and advocacy agency identified~~
15 ~~in Section 4900 and the federally funded University Centers for~~
16 ~~Excellence in Developmental Disabilities Education, Research,~~
17 ~~and Service, may work with regional centers to survey participants~~
18 ~~regarding participant satisfaction under the Self-Determination~~
19 ~~Program and, when data is available, the traditional service delivery~~
20 ~~system, including the proportion of participants who report that~~
21 ~~their choices and decisions are respected and supported and who~~
22 ~~report that they are able to recruit and hire qualified service~~
23 ~~providers, and to identify barriers to participation and~~
24 ~~recommendations for improvement.~~

25 ~~(2) The council, in collaboration with the protection and~~
26 ~~advocacy agency identified in Section 4900 and the federally~~
27 ~~funded University Centers for Excellence in Developmental~~
28 ~~Disabilities Education, Research, and Service, shall issue a report~~
29 ~~to the Legislature, in compliance with Section 9795 of the~~
30 ~~Government Code, no later than three years following the approval~~
31 ~~of the federal funding on the status of the Self-Determination~~
32 ~~Program authorized by this section, and provide recommendations~~
33 ~~to enhance the effectiveness of the program. This review shall~~
34 ~~include the program's effectiveness in furthering the principles of~~
35 ~~self-determination, including all of the following:~~

36 ~~(A) Freedom, which includes the ability of adults with~~
37 ~~developmental disabilities to exercise the same rights as all citizens~~
38 ~~to establish, with freely chosen supporters, family and friends,~~
39 ~~where they want to live, with whom they want to live, how their~~
40 ~~time will be occupied, and who supports them; and for families to~~

1 have the freedom to receive unbiased assistance of their own
2 choosing when developing a plan and to select all personnel and
3 supports to further the life goals of a minor child.

4 (B) Authority, which includes the ability of a person with a
5 disability, or family, to control a certain sum of dollars in order to
6 purchase services and supports of their choosing.

7 (C) Support, which includes the ability to arrange resources and
8 personnel, both formal and informal, that will assist a person with
9 a disability to live a life in his or her community that is rich in
10 community participation and contributions.

11 (D) Responsibility, which includes the ability of participants to
12 take responsibility for decisions in their own lives and to be
13 accountable for the use of public dollars, and to accept a valued
14 role in their community through, for example, competitive
15 employment, organizational affiliations, spiritual development,
16 and general caring of others in their community.

17 (E) Confirmation, which includes confirmation of the critical
18 role of participants and their families in making decisions in their
19 own lives and designing and operating the system that they rely
20 on.

21 SEC. 13. Section 4690.5 of the Welfare and Institutions Code
22 is amended to read:

23 4690.5. Notwithstanding any other law or regulation,
24 commencing July 1, 2016, and to the extent funds are appropriated
25 in the annual Budget Act for this purpose, the rate for family
26 member-provided respite services authorized by the department
27 and in effect on June 30, 2016, and the rates for out-of-home respite
28 services in effect on June 30, 2016, shall be increased by 5 percent.
29 The increase shall be applied as a percentage, and the percentage
30 shall be the same for all providers.

31 SEC. 14. Section 4691.6 of the Welfare and Institutions Code
32 is amended to read:

33 4691.6. (a) Notwithstanding any other law or regulation,
34 commencing July 1, 2006, the community-based day program,
35 work activity program, and in-home respite service agency rate
36 schedules authorized by the department and in operation June 30,
37 2006, shall be increased by 3 percent, subject to funds specifically
38 appropriated for this increase in the Budget Act of 2006. The
39 increase shall be applied as a percentage, and the percentage shall
40 be the same for all providers. Any subsequent increase shall be

1 governed by subdivisions (b), (c), (d), (e), (f), (g), (h), (i), (j), (k),
2 and (l), and Section 4691.9.

3 ~~(b) Notwithstanding any other law or regulation, the department~~
4 ~~shall not establish any permanent payment rate for a~~
5 ~~community-based day program or in-home respite service agency~~
6 ~~provider that has a temporary payment rate in effect on June 30,~~
7 ~~2008, if the permanent payment rate would be greater than the~~
8 ~~temporary payment rate in effect on or after June 30, 2008, unless~~
9 ~~the regional center demonstrates to the department that the~~
10 ~~permanent payment rate is necessary to protect the consumers’~~
11 ~~health or safety.~~

12 ~~(c) Notwithstanding any other law or regulation, neither the~~
13 ~~department nor any regional center shall approve any program~~
14 ~~design modification or revendorization for a community-based~~
15 ~~day program or in-home respite service agency provider that would~~
16 ~~result in an increase in the rate to be paid to the vendor from the~~
17 ~~rate that is in effect on or after June 30, 2008, unless the regional~~
18 ~~center demonstrates that the program design modification or~~
19 ~~revendorization is necessary to protect the consumers’ health or~~
20 ~~safety and the department has granted prior written authorization.~~

21 ~~(d) Notwithstanding any other law or regulation, the department~~
22 ~~shall not approve an anticipated rate adjustment for a~~
23 ~~community-based day program or in-home respite service agency~~
24 ~~provider that would result in an increase in the rate to be paid to~~
25 ~~the vendor from the rate that is in effect on or after June 30, 2008,~~
26 ~~unless the regional center demonstrates that the anticipated rate~~
27 ~~adjustment is necessary to protect the consumers’ health or safety.~~

28 ~~(e) Notwithstanding any other law or regulation, except as set~~
29 ~~forth in subdivisions (f) and (i), the department shall not approve~~
30 ~~any rate adjustment for a work activity program that would result~~
31 ~~in an increase in the rate to be paid to the vendor from the rate that~~
32 ~~is in effect on or after June 30, 2008, unless the regional center~~
33 ~~demonstrates that the rate adjustment is necessary to protect the~~
34 ~~consumers’ health and safety and the department has granted prior~~
35 ~~written authorization.~~

36 ~~(f) Notwithstanding any other law or regulation, commencing~~
37 ~~January 1, 2017, the department may approve rate adjustments for~~
38 ~~a work activity program that demonstrates to the department that~~
39 ~~the rate adjustment is necessary in order to pay employees who,~~
40 ~~prior to January 1, 2017, were being compensated at a wage that~~

1 is less than the minimum wage established on and after January
2 1, 2017, by Section 1182.12 of the Labor Code, as amended by
3 Chapter 4 of the Statutes of 2016. The rate adjustment pursuant to
4 this subdivision shall be specific to payroll costs associated with
5 any increase necessary to adjust employee pay only to the extent
6 necessary to bring pay into compliance with the increased state
7 minimum wage, and shall not constitute a general wage
8 enhancement for employees paid above the increased minimum
9 wage.

10 (g) Notwithstanding any other law or regulation, commencing
11 January 1, 2017, community-based day program and in-home
12 respite services agency providers with temporary payment rates
13 set by the department may seek unanticipated rate adjustments
14 from the department due to the impacts of the increased minimum
15 wage as established by Section 1182.12 of the Labor Code, as
16 amended by Chapter 4 of the Statutes of 2016. The rate adjustment
17 shall be specific to payroll costs associated with any increase
18 necessary to adjust employee pay only to the extent necessary to
19 bring pay into compliance with the increased state minimum wage,
20 and shall not constitute a general wage enhancement for employees
21 paid above the increased minimum wage.

22 (h) Notwithstanding any other law or regulation, commencing
23 January 1, 2015, the in-home respite service agency rate schedule
24 authorized by the department and in operation December 31, 2014,
25 shall be increased by 5.82 percent, subject to funds specifically
26 appropriated for this increase for costs due to changes in federal
27 regulations implementing the federal Fair Labor Standards Act of
28 1938 (29 U.S.C. Sec. 201 et seq.). The increase shall be applied
29 as a percentage, and the percentage shall be the same for all
30 applicable providers.

31 (i) Notwithstanding any other law or regulation, commencing
32 July 1, 2015, the department may approve rate adjustments for a
33 work activity program that demonstrates to the department that
34 the rate adjustment is necessary to implement Article 1.5
35 (commencing with Section 245) of Chapter 1 of Part 1 of Division
36 2 of the Labor Code, as added by Chapter 317 of the Statutes of
37 2014. The rate adjustment may be applied only if a minimum of
38 24 hours or three days of paid sick leave per year was not a benefit
39 provided to employees as of June 30, 2015, and shall be specific
40 to payroll costs associated with any increase necessary to

1 compensate an employee up to a maximum of 24 hours or three
2 days of paid sick leave in each year of employment.

3 (j) Notwithstanding any other law or regulation, commencing
4 July 1, 2015, community-based day program and in-home respite
5 services agency providers with temporary payment rates set by
6 the department may seek unanticipated rate adjustments from the
7 department if the adjustment is necessary to implement Article 1.5
8 (commencing with Section 245) of Chapter 1 of Part 1 of Division
9 2 of the Labor Code, as added by Chapter 317 of the Statutes of
10 2014. The rate adjustment may be applied only if a minimum of
11 24 hours or three days of paid sick leave per year was not a benefit
12 provided to employees as of June 30, 2015, and shall be specific
13 to payroll costs associated with any increase necessary to
14 compensate an employee up to a maximum of 24 hours or three
15 days of paid sick leave in each year of employment.

16 (k) Notwithstanding any other law or regulation, commencing
17 July 1, 2016, and to the extent funds are appropriated in the annual
18 Budget Act for this purpose, the in-home respite service agency
19 rate schedule authorized by the department and in operation June
20 30, 2016, shall be increased by 5 percent. The increase shall be
21 applied as a percentage, and the percentage shall be the same for
22 all providers.

23 (l) Notwithstanding any other law or regulation, commencing
24 July 1, 2016, and to the extent funds are appropriated in the annual
25 Budget Act for this purpose, the independent living service rate
26 schedule authorized by the department and in operation June 30,
27 2016, shall be increased by 5 percent. The increase shall be applied
28 as a percentage, and the percentage shall be the same for all
29 providers.

30 SEC. 15. Section 4691.9 of the Welfare and Institutions Code
31 is amended to read:

32 4691.9. (a) Notwithstanding any other law or regulation,
33 commencing July 1, 2008:

34 (1) A regional center shall not pay an existing service provider,
35 for services where rates are determined through a negotiation
36 between the regional center and the provider, a rate higher than
37 the rate in effect on June 30, 2008, unless the increase is required
38 by a contract between the regional center and the vendor that is in
39 effect on June 30, 2008, or the regional center demonstrates that

1 the approval is necessary to protect the consumer's health or safety
2 and the department has granted prior written authorization.

3 ~~(2) A regional center shall not negotiate a rate with a new service
4 provider, for services where rates are determined through a
5 negotiation between the regional center and the provider, that is
6 higher than the regional center's median rate for the same service
7 code and unit of service, or the statewide median rate for the same
8 service code and unit of service, whichever is lower. The unit of
9 service designation shall conform with an existing regional center
10 designation or, if none exists, a designation used to calculate the
11 statewide median rate for the same service. The regional center
12 shall annually certify to the State Department of Developmental
13 Services its median rate for each negotiated rate service code, by
14 designated unit of service. This certification shall be subject to
15 verification through the department's biennial fiscal audit of the
16 regional center.~~

17 ~~(b) Notwithstanding subdivision (a), commencing January 1,
18 2017, regional centers may negotiate a rate adjustment with
19 providers regarding rates if the adjustment is necessary in order
20 to pay employees no less than the minimum wage as established
21 by Section 1182.12 of the Labor Code, as amended by Chapter 4
22 of the Statutes of 2016, and only for the purpose of adjusting
23 payroll costs associated with the minimum wage increase. The
24 rate adjustment shall be specific to the unit of service designation
25 that is affected by the increased minimum wage, shall be specific
26 to payroll costs associated with any increase necessary to adjust
27 employee pay only to the extent necessary to bring pay into
28 compliance with the increased state minimum wage, and shall not
29 be used as a general wage enhancement for employees paid above
30 the increased minimum wage. Regional centers shall maintain
31 documentation on the process to determine, and the rationale for
32 granting, any rate adjustment associated with the minimum wage
33 increase.~~

34 ~~(c) Notwithstanding any other law or regulation, commencing
35 January 1, 2015, rates for personal assistance and supported living
36 services in effect on December 31, 2014, shall be increased by
37 5.82 percent, subject to funds specifically appropriated for this
38 increase for costs due to changes in federal regulations
39 implementing the federal Fair Labor Standards Act of 1938 (29
40 U.S.C. Sec. 201 et seq.). The increase shall be applied as a~~

1 percentage, and the percentage shall be the same for all applicable
2 providers. As used in this subdivision, both of the following
3 definitions shall apply:

4 (1) “Personal assistance” is limited only to those services
5 provided by vendors classified by the regional center as personal
6 assistance providers, pursuant to the miscellaneous services
7 provisions contained in Title 17 of the California Code of
8 Regulations.

9 (2) “Supported living services” are limited only to those services
10 defined as supported living services in Title 17 of the California
11 Code of Regulations.

12 (d) Notwithstanding subdivision (a), commencing July 1, 2015,
13 regional centers may negotiate a rate adjustment with existing
14 service providers for services for which rates are determined
15 through negotiation between the regional center and the provider,
16 if the adjustment is necessary to implement Article 1.5
17 (commencing with Section 245) of Chapter 1 of Part 1 of Division
18 2 of the Labor Code, as added by Chapter 317 of the Statutes of
19 2014. The rate adjustment may be applied only if a minimum of
20 24 hours or three days of paid sick leave per year was not a benefit
21 provided to employees as of June 30, 2015, and shall be specific
22 to payroll costs associated with any increase necessary to
23 compensate an employee up to a maximum of 24 hours or three
24 days of paid sick leave in each year of employment.

25 (e) Notwithstanding any other law or regulation, commencing
26 July 1, 2016, and to the extent funds are appropriated in the annual
27 Budget Act for this purpose, rates for transportation services in
28 effect on June 30, 2016, shall be increased by 5 percent. The
29 increase shall be applied as a percentage to existing rates, and the
30 percentage shall be the same for all applicable providers.

31 (f) This section shall not apply to those services for which rates
32 are determined by the State Department of Health Care Services,
33 or the State Department of Developmental Services, or are usual
34 and customary.

35 SEC. 16. Section 4870 of the Welfare and Institutions Code is
36 amended to read:

37 4870. (a) To encourage competitive integrated employment
38 opportunities statewide for individuals with developmental
39 disabilities, the department shall establish guidelines and oversee
40 a program, to the extent funds are appropriated in the annual

1 ~~Budget Act for this purpose, to increase paid internship~~
 2 ~~opportunities for individuals with developmental disabilities that~~
 3 ~~produce outcomes consistent with the individual program plan.~~
 4 ~~The department shall consult with the State Council on~~
 5 ~~Developmental Disabilities, regional centers, employers, supported~~
 6 ~~employment provider organizations, and clients' rights advocates,~~
 7 ~~to establish a program that shall be administered by community~~
 8 ~~service providers and that meets all of the following criteria:~~

9 ~~(1) Payments for internships shall not exceed ten thousand four~~
 10 ~~hundred dollars (\$10,400) per year for each individual placed in~~
 11 ~~an internship.~~

12 ~~(2) Placements shall be made into competitive, integrated work~~
 13 ~~environments.~~

14 ~~(3) Placements shall be made into internships that develop skills~~
 15 ~~that will facilitate paid employment opportunities in the future.~~

16 ~~(4) Regional centers shall increase awareness of these internships~~
 17 ~~to consumers outside of current employment programs through~~
 18 ~~outreach to consumers once the program is implemented, as well~~
 19 ~~as during the individual program plan process.~~

20 ~~(b) The department shall require annual reporting by regional~~
 21 ~~centers and vendors that ensures program accountability and~~
 22 ~~achievement of program goals. This shall include, but is not limited~~
 23 ~~to, all of the following:~~

24 ~~(1) The number of interns placed who might not otherwise have~~
 25 ~~achieved the placement absent this internship program.~~

26 ~~(2) Types of employment in which interns are placed.~~

27 ~~(3) Length of internships.~~

28 ~~(4) Demographic information of interns.~~

29 ~~(5) Amount of each intern placement payment.~~

30 ~~(6) Employment-related supports provided by another agency~~
 31 ~~or individual to the intern.~~

32 ~~(7) Number of interns who subsequently entered paid~~
 33 ~~employment, including salary and benefit information.~~

34 ~~(8) Any additional information, as determined by the department.~~

35 ~~(c) The department shall include in its annual May Revision~~
 36 ~~fiscal estimate a description of the implementation of the program,~~
 37 ~~including, but not limited to, a description of the stakeholder~~
 38 ~~consultation, the data described in subdivision (b), aggregated by~~
 39 ~~regional center and statewide, and any recommendations for~~

1 program changes that may be necessary or desirable to maximize
2 program effectiveness and accountability.

3 ~~(d) Consistent with the individual program plan, the program~~
4 ~~shall increase sustained and appropriate competitive integrated~~
5 ~~employment placements by regional center service providers, as~~
6 ~~follows:~~

7 ~~(1) A payment of one thousand dollars (\$1,000) shall be made~~
8 ~~to the regional center service provider that, on or after July 1, 2016,~~
9 ~~places an individual into competitive integrated employment, and~~
10 ~~the individual is still competitively employed after 30 consecutive~~
11 ~~days, as described in subdivision (o) of Section 4851 and~~
12 ~~subdivision (d) of Section 4868.~~

13 ~~(2) An additional payment of one thousand two hundred fifty~~
14 ~~dollars (\$1,250) shall be made to the regional center service~~
15 ~~provider for an individual described in paragraph (1) who remains~~
16 ~~in competitive integrated employment for six consecutive months.~~

17 ~~(3) An additional payment of one thousand five hundred dollars~~
18 ~~(\$1,500) shall be made to the regional center service provider for~~
19 ~~an individual described in paragraphs (1) and (2) who remains in~~
20 ~~competitive integrated employment for 12 consecutive months.~~

21 ~~(e) Regional centers shall annually report to the department the~~
22 ~~payments for placements pursuant to subdivision (d). The~~
23 ~~information shall be reported in a format determined by the~~
24 ~~department, and shall include the number of individuals placed in~~
25 ~~internships or other employment as described in this section each~~
26 ~~year.~~

27 ~~(f) The payments made pursuant to this section shall not be in~~
28 ~~addition to the placement payments made pursuant to subdivision~~
29 ~~(d) of Section 4860.~~

30 ~~(g) Regional center service providers that place individuals into~~
31 ~~internships under subdivision (a) are not eligible for the~~
32 ~~employment placement incentives under this section, until the~~
33 ~~individual is transitioned into a competitive integrated employment~~
34 ~~placement that is not funded as an internship.~~

35 ~~SEC. 17. Section 15 of Chapter 3 of the Statutes of 2016,~~
36 ~~Second Extraordinary Session, is amended to read:~~

37 ~~SEC. 15. (a) The sum of two hundred eighty-seven million~~
38 ~~dollars (\$287,000,000) is hereby appropriated from the General~~
39 ~~Fund to the State Department of Developmental Services to provide~~
40 ~~all of the following, effective July 1, 2016:~~

1 ~~(1) Twenty-nine million seven hundred thousand dollars~~
2 ~~(\$29,700,000) for regional centers for staff, in an allocation to be~~
3 ~~determined by the department.~~

4 ~~(2) One million four hundred thousand dollars (\$1,400,000) for~~
5 ~~regional centers for administrative costs, in an allocation to be~~
6 ~~determined by the department. This amount includes an amount~~
7 ~~to be allocated by the department for regional center clients' rights~~
8 ~~advocates contracts pursuant to subdivision (b) of Section 4433.~~

9 ~~(3) Nine million nine hundred thousand dollars (\$9,900,000)~~
10 ~~for administrative costs for service providers, in an allocation to~~
11 ~~be determined by the department.~~

12 ~~(4) One hundred sixty-nine million five hundred thousand dollars~~
13 ~~(\$169,500,000) for a rate increase for staff providing direct services~~
14 ~~employed by a community-based provider organization, in a~~
15 ~~manner to be determined by the department.~~

16 ~~(5) A 5-percent rate increase for supported and independent~~
17 ~~living services.~~

18 ~~(6) Twenty million dollars (\$20,000,000) for competitive~~
19 ~~integrated employment incentive payments.~~

20 ~~(7) A 5-percent rate increase for in-home and out-of-home~~
21 ~~respite services.~~

22 ~~(8) A 5-percent increase for transportation services.~~

23 ~~(9) A three-dollar-and-forty-two-cent (\$3.42) per hour rate~~
24 ~~increase for supported employment providers.~~

25 ~~(10) Eleven million dollars (\$11,000,000) for bilingual staff at~~
26 ~~regional centers and implementing plans and recommendations to~~
27 ~~address disparities.~~

28 ~~(b) The sum of one hundred eighty-six million two hundred~~
29 ~~thousand dollars (\$186,200,000) in reimbursements associated~~
30 ~~with the funds appropriated in subdivision (a) is hereby~~
31 ~~appropriated to the State Department of Developmental Services~~
32 ~~for the purposes specified in subdivision (a):~~

33 ~~(c) These funds shall be available for encumbrance or~~
34 ~~expenditure until June 30, 2017, and available for liquidation until~~
35 ~~June 30, 2019.~~

36 ~~SEC. 18. With the fiscal and research resources included as~~
37 ~~part of the Budget Act of 2016, the State Department of~~
38 ~~Developmental Services shall annually assess disparities data~~
39 ~~reported by regional centers, caseload ratio requirements by~~
40 ~~regional centers, and performance dashboard data, collected~~

1 pursuant to Section 4572 of the Welfare and Institutions Code, as
2 it becomes available.

3 ~~SEC. 19. (a) The State Department of Developmental Services~~
4 ~~shall report quarterly to the Joint Legislative Budget Committee~~
5 ~~the estimated amount of General Fund expenditures used to backfill~~
6 ~~federal funding as a result of the decertification of intermediate~~
7 ~~care facility units at the Sonoma Developmental Center.~~

8 ~~(b) If the intermediate care facility units at the Fairview~~
9 ~~Developmental Center or the Porterville Developmental Center~~
10 ~~are decertified by the federal government in the 2016–17 fiscal~~
11 ~~year, the State Department of Developmental Services shall report~~
12 ~~quarterly to the Joint Legislative Budget Committee the estimated~~
13 ~~amount of General Fund expenditures used to backfill federal~~
14 ~~funding as a result of the decertification or decertifications.~~

15 ~~SEC. 20. This act is a bill providing for appropriations related~~
16 ~~to the Budget Bill within the meaning of subdivision (e) of Section~~
17 ~~12 of Article IV of the California Constitution, has been identified~~
18 ~~as related to the budget in the Budget Bill, and shall take effect~~
19 ~~immediately.~~