SUBCOMMITTEE #3:
Health & Human Services

Chair, Senator Mark DeSaulnier

Senator Elaine K. Alquist
Senator Bill Emmerson

May 22, 2012

1:30 PM

Room 4203
(John L. Burton Hearing Room)

Staff: Jennifer Troia, Brady Van Engelen (DCSS)
& Catherine Freeman (CSD)

PLEASE NOTE:

Only those items contained in this agenda will be discussed at this hearing. *Please* see the Senate File for dates and times of subsequent hearings. Issues will be discussed in the order noted in the Agenda unless otherwise directed by the Chair.

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VOTE-ONLY AGENDA

4170 Department of Aging (CDA)

Staffing Changes Related to Adult Day Health Care (ADHC) & Community Based Adult Services (CBAS) Programs

Budget Issue: The 2011-12 budget included statutory and budgetary changes to eliminate the Medi-Cal ADHC program. After the subsequent settlement of a related lawsuit, *Darling et al v. Douglas*, this elimination occurred on February 29, 2012; but as part of the settlement, the ADHC program was then replaced with a new program called Community-Based Adult Services (CBAS) on March 1, 2012. The new program is intended to provide necessary medical and social services to individuals with intensive health care needs.

CDA proposes a net reduction of $787,000 ($473,000 GF) resulting from the elimination of the ADHC program and implementation of the new CBAS program. CDA, via an interagency agreement with the Department of Health Care Services, previously certified ADHCs for participation in the Medi-Cal program. Under the proposed structure of the new CBAS program, the Department would retain this role. These requests would remove base funding and authority for 23 positions associated with the ADHC program from the CDA budget and create 16 positions and corresponding funding associated with CBAS. Other issues related to the transition from the ADHC to CBAS program are being heard under the Department of Health Care Services' budget.

Staff Recommendation: Approve the proposed staffing and resources.

4300 Department of Developmental Services (DDS)

Estimate Changes & Technical Adjustments

Budget Issue: DDS proposes, as is customary during the May Revision, to update its estimates based on more recent data than was available at the time of the Governor's January budget release.

Caseload Estimates: The Governor's January and May estimates of the developmental services caseload looking ahead to January 1, 2013 include:

Program	January Estimate	May Revision
Regional Centers/Community	256,059	255,972
Developmental Centers	1,533	1,544

<u>Other Technical Changes</u>: The May Revision also reflects the Administration's requests to make technical changes described below.

For Developmental Centers:

- **Workload Adjustments (Issues 201, 202, 203, and 206)—**It is requested that Schedule (1) of Item 4300-003-0001 be increased by $1,197,000, reimbursements be increased by $620,000, Item 4300-003-0890 be decreased by $20,000, and Schedule (1)(a) of Item 4300-004-0001 be decreased by $138,000, and Schedule (1)(b) be increased by $138,000 to reflect adjustments in Level-of-Care and Non-Level-of-Care Staffing, operating expenses and equipment, and a fund shift in the Foster Grandparent Program.

- **Lanterman Developmental Center Closure Update (Issue 204)—**It is requested that Schedule (1) of Item 4300-003-0001 be decreased by $1,091,000 and reimbursements be decreased by $494,000 to reflect changes in staff support costs associated with leave buyout, unemployment insurance, and resident transition activities.

- **Federal Certification of Porterville Developmental Center (Issue 200)—**It is requested that reimbursements be decreased by $13.0 million to reflect the federal Centers for Medicare and Medicaid Services' (CMS) denial of certification to expand Medi-Cal eligibility to a portion of the population in the Secure Treatment Program.

- **$200.0 Million General Fund Trigger Reduction Adjustment (Issue 209)—**It is requested that Schedule (1) of Item 4300-003-0001 be decreased by $9.1 million and reimbursements be increased by $1.3 million to reflect a reallocation of the $200.0 million General Fund trigger reductions proposed in the Governor's Budget from regional center Purchase of Services to developmental centers.

For Regional Centers:

- **Quality Assurance Fees** (Issues 301 and 302)—It is requested that Schedule (1) of Item 4300-101-0001 be increased by $76,000, Schedule (2) be increased by $411,000, and reimbursements be increased by $139,000 to reflect updated day treatment and transportation costs for Intermediate Care Facility/Developmentally Disabled (ICF/DD) residents.

- **Money Follows the Person Grant Fund Shift (Issue 316)—**It is requested that reimbursements be decreased by $2,134,000 to reflect new federal restrictions on the amount that Money Follows the Person grant expenditures can be reimbursed for administrative costs.

- **Targeted Case Management Administration Fund Shift (Issue 317)—**It is requested that reimbursements be decreased by $328,000 to reflect a decrease in federal financial participation due to reduced eligible expenditures.

- **$200.0 Million General Fund Trigger Reduction Adjustment (Issue 322)—**It is requested that Schedule (1) of Item 4300-101-0001 be decreased by $7.0 million, Schedule (2) of Item 4300-101-0001 be decreased by $3.4 million and reimbursements be decreased by $20.8 million to reflect the reallocation of a portion of the $200.0 million

General Fund trigger from regional center Purchase of Services budget to the developmental center budget.

- **Race-to-the-Top Grant for the Early Intervention Program (Issue 321)—**It is requested that Schedule (3) of Item 4300-101-0001 and reimbursements be increased by $286,000 to reflect the DDS share of federal Race-to-the-Top grant funds for the Early Intervention Program.

- **Extend Liquidation Period for Prior Year Appropriations (Issue 001 and 002) —**It is requested that Budget Bill language be approved for a one-year extension of the liquidation period for funds appropriated in the 2009 and 2010 Budget Acts in order to achieve approved General Fund savings targets (See Attachment 1). The DDS is in the process of retroactively rebilling the federal government for day treatment and transportation services provided to Medi-Cal beneficiaries residing in licensed ICF/DDs.

Subcommittee Recommendation: Adopt the above described technical adjustments, with any changes to conform as appropriate to other actions that have been or will be taken.

Proposed Funding Change for Early Start Services

Budget Issue: In 2009-10, Governor Schwarzenegger vetoed $50 million GF from the budget for developmental services provided to children from birth to age five who have, or are at risk for, developmental delays or disabilities. The California Children and Families Commission (created by Proposition 10 in 1998 and commonly known as the First 5 Commission) then provided $50 million to prevent the loss of services that would otherwise have resulted. The Commission provided these funds again in the 2010-11 and 2011-12 budget years. The Governor's January budget did not assume continuation of these First 5 funds in 2012-13. The May Revision does, however, assume $40 million in First 5 funding for Early Start services in 2012-13.

Additional background on Early Start services and on Proposition 10 was included in the Subcommittee's agenda for March 26.

Staff Recommendation: Approve the May Revision proposal to anticipate $40 million in First 5 funding for Early Start services.

4700 Department of Community Services & Development

Lead Hazard Control Program

Budget Issue: The May Revision requests a one-time Federal Trust Fund augmentation in the amount of $1.9 million for the U.S. Department of Housing and Urban Development Lead Hazard Control Program. The augmentation will allow the department to evaluate and remediate lead-based paint hazards in pre-1978 low-income privately-owned homes.

Staff Recommendation: Approve the proposed augmentation. The LAO concurs in this recommendation.

5160 Department of Rehabilitation

Proposed Elimination of the Orientation Center for the Blind Trust Fund Committee

Budget Issue: The May Revision proposes eliminating the Orientation Center for the Blind Trust Fund Committee (Committee). There are no GF costs or savings associated with the proposal.

Background: The Committee was established in 1997 to consult with the Department concerning the use of funds in the Orientation Center for the Blind Trust Fund (Fund). The Fund's revenues include gifts and donations that are used to supplement the services and programs provided by the Orientation Center to their students. The Committee is made up of three members, all of whom must be graduates from the Orientation Center. They serve on a voluntary basis and are not compensated for their service.

The Administration indicates that the Committee is unnecessary as the Blind Advisory Committee (BAC) (which was created in statute in 2003) has a broader scope and could absorb the Committee's functions. The BAC provides consultation to the Department on strategies to increase competitive employment, enlarge economic opportunities, enhance independence and self-sufficiency, and otherwise improve services for persons who are blind and visually impaired.

Stakeholder Comments: The California Council of the Blind opposes the proposed elimination of the Committee and indicates its opinion that the BAC does not have the same expertise or capacity as the Committee.

Staff Comment & Recommendation: Given the concerns raised and the lack of a fiscal impact related to the proposal, staff recommends rejecting the proposed elimination at this time.

5180 Department of Social Services (DSS)

Estimate Changes & Technical Adjustments

Budget Issue: DSS proposes, as is customary during the May Revision, to update caseload and workload estimates based on more recent data than was available at the time of the Governor's January budget release.

Caseload Estimates: January and May estimates of the average monthly caseloads (rounded figures) associated with some DSS programs in 2012-13 include:

Program	January Budget (November forecast)	May Revision
CalFresh (food stamps)[1]	1,607,000 families	1,629,000 families
Supplemental Security Income/State Supplementary Payment (SSI/SSP)	1,305,000 cases	1,296,000 cases
CalWORKs	597,000 cases	570,000 cases
In-Home Supportive Services (IHSS)	459,600 recipients	452,400 recipients

To reflect corresponding changes in the programs' caseload and workload budgets, DSS requests the following technical changes to budget bill items, totaling a net decrease of $131,246,000 (decreases of $181,322,000 General Fund, $807,000 Child Support Collections Recovery Fund, and $74,892,000 reimbursements, partially offset by an increase of $125,775,000 Federal Trust Fund):

Program	Item	Change from Governor's Budget
CalWORKs / Kin-GAP	5180-101-0001 5180-101-0890 5180-601-0995	-$320,934,000 $853,272,000 -$2,745,000
Supplemental Security Income/State Supplementary Payment (SSI/SSP)	5180-111-0001	-$28,332,000
In-Home Supportive Services (IHSS)	5180-111-0001 5180-611-0995	$25,275,000 -$67,645,000
Other Assistance Payments	5180-101-0001 5180-101-0890	$106,719,000 -$802,289,000
County Administration and Automation Projects	5180-141-0001 5180-141-0890 5180-641-0995	$37,271,000 $67,253,000 $6,220,000
Community Care Licensing	5180-151-0001 5180-151-0890	$105,000 $46,000
Realigned Programs		
Adoption Assistance Program	5180-101-0890	-$6,204,000

[1] This reflects the non-assistance caseload.

Program	Item	Change from Governor's Budget
Foster Care	5180-101-0001 5180-101-0890 5180-101-8004 5180-141-0001 5180-141-0890	$4,000 $9,325,000 -$807,000 -$6,000 $2,126,000
Child Welfare Services (CWS)	5180-151-0001 5180-151-0890 5180-651-0995	-$1,424,000 -$218,000 -$11,227,000
Title IV-E Waiver	5180-153-0890	$2,464,000
Adult Protective Services	5180-651-0995	$505,000

<u>Revised Estimates Related to Previously Adopted Solutions</u>: The May Revision also reflects the Administration's revised estimates of savings related to the following previously adopted policies:

Program	Policy	Change from January
IHSS	Sales Tax on Supportive Services (Issue 202)	Erosion of $95.4 million GF savings due to assumption of no federal approval (though the federal government has not officially approved or disapproved of the implementing state plan amendment)
IHSS	Requirement for Certification of Need by Health Care Provider (Issue 203)	Erosion of $117.3 million GF savings due to revised estimating methodology based on initial implementation period
IHSS	Proposed Domestic & Related Services Reduction (Issue 205)	Erosion of $38.5 million GF savings given revised implementation date (from July 1 to October 1, 2012)

<u>Title IV-E Waiver Carryover (Issue 302):</u> In addition, the May Revision reflects a technical adjustment to carry over $6.6 million GF in unexpended waiver county funds from prior fiscal years. The IV-E Waiver is a five-year federal demonstration project that allows counties to test a "capped allocation" or block grant funding structure for child welfare services. Alameda and Los Angeles counties are currently participants in the waiver project.

<u>Staff Recommendation</u>: Adopt the above described caseload and other estimate adjustments—with the exception of the assumption related to the sales tax on supportive services, which staff recommends holding open. This action is subject to any changes to conform as appropriate to other actions that have been or will be taken.

Coordinated Care Initiative – Requested Positions

Budget Issue: DSS requests $460,000 ($230,000 GF) to permanently fund three staff positions across two departmental divisions and to fund annually for three years $100,000 ($50,000 GF) of contract costs. The requested resources are intended to support the Department's work related to the Governor's proposed Coordinated Care Initiative. More specifically, the Adult Programs Division of DSS would gain a research analyst and a staff services manager specialist, while the fiscal systems and accounting branch would gain an accounting administrator. The requested contract resources would support consulting regarding the development of a universal assessment tool for various long term supports and services, as proposed under the Initiative.

The Coordinated Care Initiative has been the subject of several previous full Budget and Subcommittee #3 hearings (including hearings on February 23, April 26, and May 21, with agendas for all three available online at http://sbud.senate.ca.gov/hearingagendas).

Staff Recommendation: Hold this issue open, as any action should ultimately be taken along with larger decisions regarding the Coordinated Care Initiative.

Other Conforming Issues: Child Care-Related Proposals, Transfers of Specified Alcohol & Drug Programs & Budget Bill Language Related to Health Care Reform

Budget Issue: The May Revision proposes adjustments to the DSS budget that correspond to child care, alcohol & drug programs, and health care reform-related proposals that will be heard during other Subcommittee or full Committee hearings.

With respect to child care, the May Revision proposes: 1) budget bill language to authorize a transfer of funds for staffing and operational costs associated with the proposed transfer of program oversight from the Department of Education to DSS (Issues 010, 110), and 2) savings of $55.7 million GF due to a proposed reduction in the Regional Market Reimbursement rate for payments to child care providers (Issue 107).

With respect to alcohol & drug programs, the May Revision includes a technical adjustment to budget authority and new budget bill language (Issues 301, 302) to reflect the proposed transfer of specified programs to DSS.

With respect to health care reform, the May Revision proposes budget bill language to allow the Director of Finance to augment the DSS budget by up to $18 million GF to address system changes necessary to implement the requirements of the federal Affordable Care Act (Issue 401).

Staff Recommendation: Hold these items open, as they will ultimately conform to other actions.

LEADER Replacement System (LRS)

Budget Issue: LEADER is one of three existing consortia systems that comprise the Statewide Automated Welfare System (SAWS). SAWS automates the eligibility, benefit, case management, and reporting processes for a variety of health and human services programs operated by the counties, including the CalWORKs welfare-to-work program, Food Stamps, Foster Care, Medi-Cal, Refugee Assistance, and County Medical Services. The LEADER system serves Los Angeles (LA) County. The Governor's January budget for 2012-13 included $12.9 million GF (and corresponding federal funds) for LRS. Based on updated estimates of the budget year costs incurred to move forward with development of LRS, the May Revision increases this amount to $28.2 million GF.

In 2011, OSI estimated a total cost of $370.2 million over four years ($196.1 million GF/TANF, $147.3 million federal funds and $26.8 million county funds) for development and implementation of LRS. Other than costs added to the project resulting from the 2011-12 budget's direction for the Administration to migrate existing data from the C-IV consortia to the new LRS, these overall costs are not anticipated to have changed since that time. For additional information about LRS and the migration, as well as prior actions taken with respect to these issues, please see the Subcommittee agenda for May 10, 2012.

Staff Recommendation: Approve the revised estimate for 2012-13 LRS development costs.

Case Management, Information, and Payrolling System (CMIPS) II

Budget Issue: In a January budget change proposal, OSI requested $97,968 for one limited-term Senior Information Systems Analyst to replace an expiring position to support development of the Case Management Information Payrolling (CMIPS) II automation system. Additionally, DSS requested $929,000 ($464,000 GF) for a one-year extension of eight existing limited-term positions. OSI and the Department indicated that the requested positions are necessary to ensure continuity of knowledge and meet a heavy programmatic workload during the final phases of the system's development. The Administration also sought authority to delay some project costs from the 2011-12 to the 2012-13 fiscal year. The May Revision proposes an additional shift of vendor payment costs from 2011-12 to 2012-13 (Issue 113).

Background on CMIPS II & Rationale for Position Requests: CMIPS is the automated, statewide system that handles payroll functions for all IHSS providers. The current vendor (formerly Electronic Data Systems, now Hewlett Packard) has operated the system since its inception in 1979. The state has been in the process of procuring and developing a more modern CMIPS II system since 1997. According to the Department, the most recent delay in the project's completion was due in part to the vendor's technical difficulties in getting data to convert accurately from the old to the new system. The vendor has since submitted a new plan for compliance with data conversion requirements and a revised schedule.

Staff Recommendation: Approve the staffing requests for DSS and OSI, as well as the shift of costs between fiscal years.

IHSS Public Authority Funding Methodology

Budget Issue: The 2011-12 budget included trailer bill language directing the Department, in consultation with stakeholders, to develop a new rate-setting methodology for public authority (PA) administrative costs, beginning with the 2012-13 fiscal year. The effort to develop these changes has taken longer than anticipated, and the California Association of Public Authorities has proposed extending the timeframe specified in statute to instead begin with the 2013-14 fiscal year.

Background: Under state law, a county board of supervisors may elect to establish a Public Authority (PA) to provide for specified functions related to the delivery of IHSS. The PAs are separate entities from the county in which they operate. PAs are the employers of IHSS providers for the purposes of collective bargaining over wages, hours, and other terms of employment. PAs also provide at least the following functions: 1) assistance to recipients in finding IHSS providers through the establishment of a registry; 2) investigation of the qualifications and background of potential providers; and 3) training for providers and recipients.

PA rates are county-specific and are computed by multiplying case-months by the average hours per case and the administrative hourly rates for each PA (established based on hourly wages, employer taxes, benefits, and administrative costs). Since 2009-10, the rates established by these formulas have, however, been reduced by 20 percent, as approved in the 2009-10 budget [in AB X4 1 (Chapter 1, Statutes of 2009, Fourth Extraordinary Session)]. In addition, the rates have been reduced by $8.7 million GF and corresponding other funds, as a result of Governor Schwarzenegger's 2009-10 veto of that amount of PA funding.

Staff Recommendation: Adopt trailer bill language extending the timeframe specified in statute for use of a newly developed ratesetting methodology for PA funding--to begin with the 2013-14 fiscal year, rather than 2012-13.

Sharing of Criminal Offender Record Information with the Department by the Public Authorities

Budget Issue: The California Association of Public Authorities proposes technical clean-up language to allow public authorities to share Criminal Offender Record

Information (CORIs) with the Department when a provider seeks an exception to criminal background exclusion policies adopted as part of the 2010-11 budget. The proposed language would amend WIC 12305.87 to change subsection (e)(2) and add public authorities to existing language requiring counties to submit CORIs to DSS for general exception applicants. CAPA states that per DSS, as of the end of December 2011, there were 41 general exception applications pending which could not be processed without the Department receiving the CORIs from the Public Authority.

Staff Comment & Recommendation: Adopt the proposed revision to WIC 12305.87, which is a technical change to the policies adopted in the 2010-11 budget.

Discussion Agenda

4300 Department of Developmental Services (DDS)

Proposals to Achieve $200 million Trigger Reduction

<u>Budget Issue:</u> The May Revision proposes policy changes and corresponding trailer bill language to implement a reduction of $200 million annually that was triggered in December 2011 by lower than anticipated state revenues (pursuant to AB 121, Chapter 41, Statutes of 2011). The Department indicates that the proposals are guided by three priorities: 1) preserving the entitlement to developmental services established by the Lanterman Act, 2) minimizing the impacts on consumers of DDS services, and 3) spreading the impacts across the developmental services system. To inform its development of these proposals, the Department conducted six workgroup meetings throughout the state with stakeholders and invited written input as well. The proposals include policies to:

A. Maximize Federal Funds

The Department proposes to capture additional federal financial participation through: 1) more aggressive enrollment in the state's Home and Community-Based Services (HCBS) Waiver (for $61.0 million GF savings in 2012-13), and 2) amending the state's plan for its Community First Choice Option (for $1.9 million GF savings in 2012-13). No trailer bill language is proposed related to these proposals.

The HCBS Waiver underlying this proposal, which is authorized under Section 1915(c) of the federal Social Security Act, allows the state to provide long-term care services in home and community-based, rather than institutional, settings. Services funded under the Waiver for individuals who are otherwise eligible for an institutional level of care can include case management, personal care, homemaker services, respite care, and others. Enrollment in the Waiver is a matter of choice for DDS consumers who qualify. The state's most recent 1915(c) Waiver was approved by the federal government for five years, effective March 29, 2012.

As of the end of April, there were approximately 96,400 Waiver participants. The recently approved Waiver anticipates that a maximum of 100,000 individuals will be enrolled, with an annual increase of 5,000 participants each March. The Administration proposes to conduct an aggressive campaign to encourage Regional Centers, families, and providers to increase enrollment to reach this cap of 100,000 in March 2013.

The Community First Choice Option (CFCO) is a state plan option available under Section 1915 (k) of the Social Security Act that provides an additional six percent in federal matching payments for certain eligible personal care services. California's CFCO plan, which is currently focused on services provided through the state's In-Home Supportive Services program, is under consideration by the federal government.

The Administration's proposal is to amend the state's plan one year after the issuance of federal regulations to include some services provided through the Regional Centers, potentially including components of Supported Living Services.

B. Implement Previously Enacted Legislation (SB 946)

Statutes that take effect July 1, 2012 (enacted by SB 946, Chapter 650, Statutes of 2011) will require health insurers to provide coverage for specified behavioral health treatment for individuals who are diagnosed to have pervasive developmental disorders or autism. Because of the requirement that Regional Centers use generic resources available to consumers before purchasing services, the Department estimates that this change will result in $69.4 million GF savings in 2012-13. In addition, the Department indicates that the Department of Managed Health Care recently announced that the CalPERS and Healthy Families insurance plans will be required to cover behavioral health treatment (as a result of requirements for mental health services to be provided on parity with other health services) as well. As a result, the Department assumes an additional $10.4 million GF savings in the developmental services system, for a total savings of $79.8 million GF.

C. Redesign Services for Individuals with Challenging Needs

In the largest proposed policy changes under the Governor's May Revision related to developmental services, the Department proposes to significantly amend the statutory criteria for admissions to Developmental Centers (DCs) and to make changes to existing uses of locked mental health facilities and out-of-state placements. The Department assumes that these changes, taken together, will result in $20 million GF savings in 2012-13.

Proposed Changes to DC Admissions Criteria

Under current law, the primary statutory processes for judicial commitments to DCs are: 1) Section 6500 *et seq.* of the Welfare & Institutions Code, providing for judicial commitment of a person determined to be both "mentally retarded" and a danger to himself, herself, or others; and, 2) Section 1370.1 of the Penal Code, to restore competency of individuals with developmental disabilities who are determined to be incompetent to stand trial on criminal charges. In addition, based on caselaw [*In re Hop* (1981) 29 Cal.3d 82 case, a California Supreme Court decision that found the state's statutory scheme for involuntary admissions of people with developmental disabilities to DCs unconstitutional on due process grounds], and absent a statutory commitment scheme, courts have been providing judicial review for admission of persons with developmental disabilities who do not meet the criteria of Section 6500—either because they are not "mentally retarded" or are not a danger to themselves or others—under procedures and criteria that vary from county to county. (Current law also allows for an automatic right to return on a provisional placement for a period of one year for individuals who move out of a DC.)

The newly proposed criteria would instead allow new admissions to DCs only under a limited set of circumstances, including when: 1) individuals are committed by the criminal or juvenile justice systems to restore competency, 2) individuals involved in the criminal or juvenile justice system are a danger to themselves or others and their competency cannot be restored, and 3) individuals are in “acute crisis” and require short-term stabilization. (The one-year right of return for provisional placements after individuals move out of a DC would also continue.)

Under the proposed trailer bill language to effectuate these changes, acute crisis would mean that there is imminent risk for harm and the consumer’s needs cannot be met in the community. Fairview DC would be the only DC authorized to accept these admissions, which would need to occur pursuant to a court order. As soon as possible within 30 days of an acute crisis admission, a comprehensive assessment would be conducted by the Regional Center in coordination with the DC, and an Individual Program Plan (IPP) meeting would then be convened. Stays of longer than 90 days would require an extension by the Department. After six months, a consumer’s stay could only be extended if ordered by a court because the consumer continued to be in acute crisis and other specified criteria were met.

Other Changes

The Department also proposes:

- To establish a Statewide Specialized Resource Service that tracks the availability of specialty services, coordinates those services with Regional Centers, and identifies supports that can be made available in the community.

- To require Regional Centers to complete comprehensive assessments of specified consumers residing in DCs on July 1, 2012, who have not had such an assessment in the prior two years, and to provide those assessments to the consumers’ IPP teams.

- To require Regional Centers to conduct a comprehensive assessment, convene an IPP meeting, and request assistance from the Statewide Specialized Resource Service prior to submitting a request for out-of-state services. Those services would then be authorized for only six months, unless a new assessment determines the continued need for the out-of-state services, in which case they could be extended for no more than an additional six months. Regional Centers would also be required to submit transition plans for consumers residing out-of-state for whom they are purchasing services as of June 30, 2012.

- To limit, as specified, Regional Centers’ ability to rely on residential services provided in facilities with capacities of 16 or more beds and mental health facilities that are not eligible for Medicaid reimbursement.

- To prohibit admissions to DCs when the Department determines that it cannot safely serve a consumer without placing other residents' safety at risk.

D. Redesign Supported Living Assessments

Supported Living Services (SLS) assist DDS consumers to live in their own homes that they own, lease, or rent. The consumer pays for living expenses out of Social Security income, work earnings, or other personal resources, and the Regional Center pays the SLS vendor to provide supportive services.

Statutory language added as a part of the 2011-12 budget requires an independent assessment of the needs of consumers who receive SLS that exceed 125 percent of the annual statewide median costs of those services. The assessment is to be completed by an entity other than the SLS vendor providing the services to the consumer. Several stakeholders have expressed concerns that these independent needs assessments are unnecessary and/or cumbersome.

DDS proposes to rescind these existing requirements (and avoid the costs of meeting them) and to instead replace them with a new assessment process that applies more broadly. More specifically, the Department proposes an increase of $4.2 million GF in savings from requiring the IPP teams of consumers receiving SLS services to complete a standardized assessment questionnaire.

E. Reduce Regional Center & Provider Rates by 1.25 Percent

Regional Centers and community-based developmental service providers have operated, with some limited exceptions, under a payment reduction since February 2009, when a three percent reduction first took effect. That initial reduction was increased to 4.25 percent on July 1, 2010, and is currently scheduled to sunset on June 30, 2012. These payment reductions have been a subject of great concern for many stakeholders. The Governor's January budget for 2012-13 did not assume an extension of the existing payment reduction. The May Revision does, however, assume $30.7 million GF savings from continuing 1.25 of the existing 4.25 percent reduction. The Department proposes to make this new reduction permanent.

F. Achieve Additional Cost Savings and Efficiencies

The Department also proposes savings from:

- Downsizing Community Care Facilities to allow them to meet requirements for federal financial participation ($2.0 million GF)

- A declining need for "gap" funds when a Community Care Facility transfers ownership and is temporarily ineligible for federal funding until it can be recertified under its new ownership ($0.3 million GF)

- The use of technology to allow for participation in services or events remotely, including remote access to court proceedings for DC residents ($0.4 million GF), expanded use of virtual training ($0.5 million GF), and service delivery using existing and available technology ($1.1 million GF).

Staff Recommendation: Hold these issues open.

Questions for the Administration:

1) With respect to the Home & Community Based Services Waiver enrollment, what are the Department's plans for outreach and activities to support the proposed increase in participation? How will the Department determine if a Regional Center is maximizing utilization of the Waiver?

2) With respect to the CalPERS and Healthy Families health insurance programs, is there a GF cost elsewhere in the state's budget that parallels the $10.4 million in savings assumed by DDS?

3) Please describe the proposed changes regarding admissions criteria for Developmental Centers, the use of out-of-state facilities, and the use of mental health facilities that are not eligible for federal financial participation. What are the policy reasons for these changes?

Also, what safeguards are in place to ensure that individuals' needs will be met in the community if the new, more limited criteria for DC admissions are not met? And what, if any, efforts will be made to develop local or regional community-based crisis placements and services so that admission to a DC does not become the only option for people experiencing crises?

4) Please describe the anticipated impact of the 1.25 percent payment reduction on Regional Centers, providers, and the overall developmental services system.

5) What process would be used to determine which services might be provided more efficiently through "existing and available technology"? What technology is envisioned to be used? And what safeguards would be in place to ensure the effectiveness of any changes?

Proposals for New Trigger Impacts

Budget Issue: The May Revision proposes to trigger, as of January 1, 2013, a reduction of $50 million GF to 2012-13 developmental services expenditures if the Governor's revenue-related ballot initiative does not pass in November. The Administration indicates that the reduction, if triggered, is proposed to become $100 million GF when annualized and is proposed to be permanent. The policy changes that would lead to this reduction are not specified and the Administration has not yet released its proposed trailer bill language that would effectuate the change. The trigger proposal related to the November initiative also proposes to newly count General Fund resources dedicated to the Early Start program as educational expenditures under Proposition 98.

Staff Comment & Recommendation: Staff recommends holding these proposals open, as they will conform to actions taken in other hearings. If the reduction proposal is ultimately adopted, staff would recommend that the final trailer bill language include provisions similar to those below that were included in 2011-12 trigger reduction language:

> "A variety of strategies, including, but not limited to, savings attributable to caseload adjustments, changes in expenditure trends, unexpended contract funds, or other administrative savings or restructuring can be applied to this reduction with the intent of keeping reductions as far away as feasible from consumer's direct needs, services, and supports, including health, safety, and quality of life.
>
> The department may utilize input from workgroups comprised of consumers and family members, consumer-focused advocacy groups, service provider representatives, regional center representatives, developmental center representatives, other stakeholders, and staff of the Legislature, to develop General Fund savings proposals as necessary."

5180 Department of Social Services (DSS) (& 0530 Office of Systems Integration)

In-Home Supportive Services (IHSS)

New Proposal for Seven Percent Across-the-Board Reduction in Recipients' Hours of Service

Budget Issue: With a 2011-12 budget of $5.0 billion ($1.4 billion GF), the IHSS program provides personal care services to approximately 440,000 qualified low-income individuals who are blind, aged (over 65), or who have disabilities. IHSS services include tasks like feeding, bathing, bowel and bladder care, meal preparation and clean-up, laundry, and paramedical care. These services frequently help program recipients to avoid or delay more expensive and less desirable institutional care settings.

The May Revision newly proposes $99.2 million GF savings[2] (and an associated larger federal fund loss) from a seven percent across-the-board reduction in authorized IHSS hours, effective August 1, 2012. This proposal would continue and deepen an existing 3.6 percent reduction that would otherwise sunset July 1, 2012. The proposal does not include any exceptions. Similar to the policy underlying the existing 3.6 percent reduction, the affected recipients would be allowed to direct the manner in which the reduction applies to their previously approved services.

Interaction with 20 Percent Reduction: Existing law enacted as part of the 2011-12 budget triggered a 20 percent across-the-board reduction, with exceptions, to authorized IHSS hours. That reduction has thus far, however, been enjoined by the courts from taking effect. The exceptions allowed for under the 20 percent reduction include, but are not limited to, exceptions for individuals who apply for a partial or full restoration of hours on the basis that they would otherwise be at serious risk of out-of-home placement.

Anticipated Impacts: The Department estimates that 454,000 IHSS recipients would be impacted by the proposed reduction in authorized hours of services. The average loss of hours per recipient is anticipated to be approximately 6 hours per month.

Staff Recommendation: Hold this issue open.

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[2] The savings attached to this proposal are sometimes reflected as $99.2 million GF and sometimes reflected as $114.8 million GF. The difference is dependent on interactions with assumptions related to other budget proposals.

CalWORKs

Changes to CalWORKs Reduction & Redesign Proposals

Budget Issue: The January budget proposed $946.2 million GF savings from significant reductions in benefits and services available under the California Work Opportunities and Responsibilities to Kids (CalWORKs) welfare-to-work program. The Governor also proposed restructuring the program to include two new subprograms--CalWORKs Basic and CalWORKs Plus--as well as a new Child Maintenance Program outside of CalWORKs, as below:

- **CalWORKs Basic** would continue much of the current program, but with a 24-month (rather than the existing 48-month) time limit and narrower definitions of what counted as work participation.

- Only adults working sufficient hours in unsubsidized employment were proposed to be eligible for 24 additional months (48 total) in **CalWORKs Plus**.

- The **Child Maintenance** program was proposed to include families currently served in the CalWORKs child-only caseload, as well as 109,000 families in which the adult would lose eligibility. Child maintenance grants would not be time-limited for minors, but maximum grants would be reduced 27 percent.

In January, the Administration also proposed to permanently eliminate intensive case management services targeted for pregnant and parenting teens through the CalLearn program (continuing only the bonuses paid for progress in school) and make other reductions and restrictions within CalWORKs. In addition to other impacts from these reductions in services, grants, and time limits, the January proposals would have resulted in 63,000 families with 125,000 children losing all eligibility for CalWORKs. Additional details on January's proposals are outlined in hearing agendas from March 1 and March 15, available online at: http://sbud.senate.ca.gov/hearingagendas.

The **May Revision** continues largely the same kind of overarching proposals, but with changes that result in an adjusted net savings of $879.9 million GF, including delayed effective dates and the revisions described below.

Changes from Time Limits & Work Participation Rules Proposed in January:

- A return to relying on current state law for a broader definition of allowable work participation activities (including, e.g., adult basic education and a longer period of time for higher education or treatment for substance abuse) for the first 24-months that an adult is eligible for CalWORKs Basic.

- The extension of CalWORKs Basic for a second 24-months, but only for aided adults who meet a stricter definition of allowable work activities under federal law.

Changes from Exemption Policies Proposed in January:

- Short-term exemptions for parents of young children (i.e., a child aged 12 to 24 months or two children under the age of six) that have been in place since 2009 would be extended to October 1, 2012 (rather than expiring on July 1, 2012), with all individuals who would otherwise have been exempted being phased back into work participation requirements by October 1, 2013. During this 12-month period, the affected adults maintain their welfare-to-work exemption-status until their counties re-engage them in welfare-to-work services (although their time in exemption status after October 1, 2012 would newly count against their lifetime 48-month time limit).

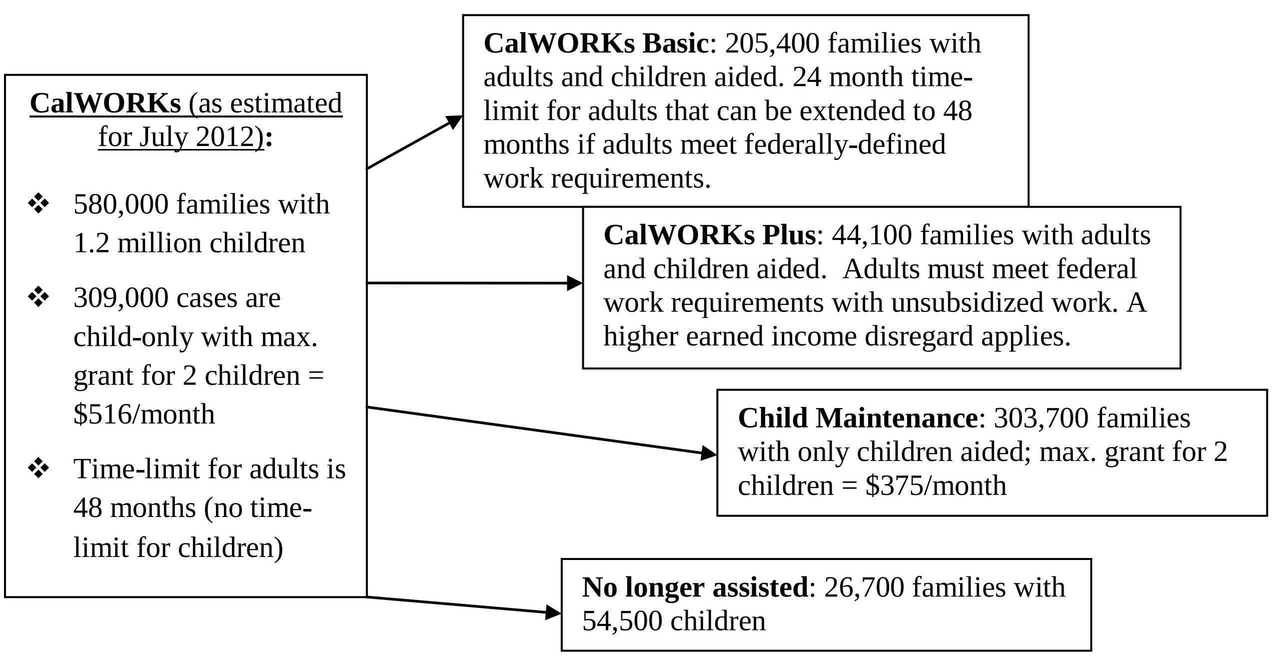
- Prior months in exemption and sanction status would no longer retroactively count against the new time limits (although, as proposed in January, these months would count going forward).

Changes in Assumptions Regarding Recipients' Behaviors in Response:

- New assumptions that approximately 15,600 families that would otherwise be in the Child Maintenance program would move to the CalWORKs Basic (4,300) or CalWORKs Plus (11,300) programs. This change is in part based on an assumption that a 27 percent Child Maintenance grant cut would increase these families' incentives for meeting work requirements and obtaining unsubsidized work. That assumption is also predicated on the availability of work and other allowable activities in which these families would then be able to participate.

Impacts of the Amended Proposal: The chart below summarizes the anticipated impacts of the May Revision proposal.

As Estimated for April 1, 2014



<u>Staff Comment:</u> As noted in response to the January proposals, the impacts of these reductions would come at a time when Californians, especially in low-income families, are facing high unemployment and rising poverty. And while some concerns previously raised regarding the Governor's January proposal are mitigated by May revisions, many significant concerns remain, including that:

- **The proposed restructuring of CalWORKs is far-reaching and technically complex.** As a result, it may present overwhelming implementation challenges on the ground at the same time that families and caseworkers are navigating the impacts of prior (and any potentially impending) reductions in benefits and services. Moreover, as the LAO indicated in its January report, the proposed reductions could be adopted and associated savings achieved without changing the structure of CalWORKs.

- **Relative to measurements of poverty and to the level of support the state has historically provided to needy families with children, the proposed reductions would result in a dramatic shrinkage of benefits and services.** For a family of three with no other income, the proposed maximum Child Maintenance grant of $375 per month ($4,500 annually) would result in an income equivalent to 24 percent of the federal poverty line (which is currently $1,591 per month or $19,090 annually for a family of three).[3] At $638 per month for a family of three in a high-cost county, maximum CalWORKs grants (the grant level available for families without any other income and in which an adult is aided) are the same in actual dollars today as they were in 1987. After adjusting for inflation, the California Budget Project calculates that the purchasing power of these grants is already less than half of what it was in 1989-90. Said another way, if the slightly higher 1989-90 maximum grant of $694 had been adjusted for inflation every year, it would be $1,368 in 2012-13.

<u>Staff Recommendation:</u> Hold these issues open.

<u>Questions for the Administration:</u>

1) Please summarize the key changes to the proposal in the May Revision.

2) On what did the Department base its new assumptions regarding behavioral changes? Is there any specific research or prior policy precedent that supports the proposed conclusions?

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[3] The Administration combines this income with maximum CalFresh (food stamp) benefits to instead conclude that families would have income equivalent to 64 percent of the poverty level. However, the inclusion of those non-cash benefits is not generally accepted as a stand-alone adjustment for calculating poverty levels. While several researchers have suggested that in-kind benefits like nutritional assistance should offset calculations of families' costs of living, they also generally recognize other needed adjustments, potentially including an adjustment for varying costs of housing (which may cut the other direction to reduce many Californians' effective incomes relative to the federal measure).

Child Welfare Services/Case Management System (CWS/CMS)

Budget Issue: The May Revision proposes $79.1 million ($38.9 million GF) for maintenance and operations of the Child Welfare Services/Case Management System (CWS/CMS), which is the statewide automation system that supports the state's child welfare services programs. The Administration has indicated that the May Revision also proposes to suspend development of a replacement system for an indefinite period of time, although $2.5 million ($1.2 million GF) is still proposed for efforts related to that new system project. The Administration indicates that those funds would be used to secure state and federal approvals with a state Feasibility Study Report and federal Advance Planning Document and conduct other evaluation and planning activities.

Background on CWS/CMS: CWS/CMS was fully implemented and transitioned to its operational phase in 1998. DSS has overall responsibility for the system, including providing project and program direction to the Office of Systems Integration (OSI). OSI provides information technology expertise and is responsible for implementation and day-to-day operations of the system. The current contract for CWS/CMS runs through November 2016, with potential extensions of up to 3 years.

Replacement of the System: The CWS/Web project to replace CWS/CMS was previously initiated to update outdated technology, improve efficiency, and comply with federal child welfare requirements. For the 2011-12 fiscal year, however, the budget included a delay of its development to achieve cost savings and allow time to reassess the best path forward. Along with this change, the budget included trailer bill language in Assembly Bill (AB) 106 (Chapter 32, Statutes 2011) requiring the Administration to study and report on the degree to which the CWS/CMS system: 1) complies with current law, 2) supports current CWS practice, and 3) links to other needed information. The report was also required to include recommendations about the best approach(es) and next steps for addressing any critical missing functionalities in CWS/CMS, which could include building functionality into the current system, restarting the CWS/Web procurement, or developing a new procurement. The Administration developed a CWS Automation Study Team (CAST) in response to these requirements. The CAST included representatives from DSS, OSI, and the County Welfare Directors Association. The team also consulted with legislative staff.

The Administration submitted the required report in April 2012. After comparing options, the report concluded that it was "neither feasible nor cost-effective to maintain and enhance the old technology of the existing system" and recommended its replacement. More specifically, it indicated that the current system is not compliant with federal and state laws, regulations, and policies and requires costly and time-consuming workarounds. After considering a number of alternatives, the report recommended that the state embark on a "buy/build" option whereby it would purchase an existing application (e.g., one in use in another state) and then customize it.

The estimated General Fund costs for: 1) continuing the existing system (without upgrades), 2) upgrading the existing system, and 3) using the recommended buy/build option, include *approximately*:

Existing CWS/CMS *(Dollars in 000's)*

	Year 1	Year 2	Year 3	Year 4	Year 5	Total After Year 12
Existing System M&O	$40	$41	$44	$45	$45	**$530**

Upgrading CWS/CMS

One-Time Costs	6	6	15	17	31	
Ongoing Costs	-	-	-	-	-	
Existing System M&O	41	41	42	42	42	
Total	47	47	56	59	73	**607**

Buy/Build of New System

One-Time Costs	7	7	47	15	10	
Ongoing Costs	-	-	-	22	22	
Existing System M&O	41	41	42	30	-	
Total	48	48	88	66	31	**449**

Staff Comment & Recommendation: Given the CAST team's conclusion that proceeding to replace CWS/CMS via a buy/build project is the most feasible and cost-effective means of moving forward to support the state's child welfare services' automation needs, staff recommends that the Subcommittee approve the funding included in the budget for the existing system's replacement. Further, staff recommends that the Subcommittee reject characterization of this action as attendant to an indefinite suspension of the development of a CWS/CMS replacement system. The purpose of the funding should instead be characterized as beginning procurement efforts for a buy/build replacement system.

Questions for the Administration & LAO:

1) What are the potential penalties the state could be subject to in the coming years if the system is not changed or replaced to comply with federal requirements?

2) Given the limited amount of funding included in the 2012-13 budget for CWS/CMS replacement, what activities can the state accomplish in order to move forward on a procurement of the buy/build option? How will that affect the timeline for completing the development of a buy/build replacement system?

Unallocated Reduction to Statewide Automated Welfare System (SAWS)

Budget Issue: Three SAWS consortia systems statewide automate the eligibility, benefit, case management, and reporting processes for a variety of health and human services programs operated by the counties, including the CalWORKs welfare-to-work program, Food Stamps, Foster Care, Medi-Cal, Refugee Assistance, and County Medical Services. The 2011-12 budget included a one-time, unallocated reduction of $5 million GF (with corresponding reductions in federal and county funds) to the consortia systems. This reduction was achieved through mainly one-time savings, including: 1) a reduction in consultant services for statewide project management, 2) a reduction in close-out costs related to the ISAWS Migration, 3) a change in the hardware and software maintenance schedule for C-IV, 4) a reduction in costs for a vendor help desk and support staff based on changes in Welfare Client Data System-CalWIN business processes, and 5) a delay of the LEADER Replacement System's start date. These particular reductions were determined as a result of collaboration between DSS, OSI, the LAO, and the County Welfare Directors' Association. The Governor's January and May budget proposals would continue this unallocated reduction and make it permanent. The Administration indicates that a collaborative process for assigning the reduction across the SAWS system would continue.

Staff Comment & Recommendation: Adopt the proposed unallocated reduction to the SAWS system for 2012-13, but reject the proposal to make the reduction permanent.

Questions for the Administration:

1) What were the impacts of the reduction made in 2011-12?

2) How would the proposed reduction be allocated for 2012-13?

5175 Department of Child Support Services DCSS

Department Overview

The mission of the California Child Support Program is to enhance the well-being of children and the self-sufficiency of families by providing professional services to locate parents, establish paternity, and establish and enforce orders for financial and medical support. The Child Support Program is committed to ensuring that California's children are given every opportunity to obtain financial and medical support from their parents in a fair and consistent manner throughout the state. The Child Support Program is committed to providing the highest quality services and collection activities in the most efficient and effective manner.

The Department of Child Support Services is the single state agency designated to administer the federal Title IV-D state plan. The Department is responsible for providing statewide leadership to ensure that all functions necessary to establish, collect, and distribute child support in California, including securing child and spousal support, medical support and determining paternity, are effectively and efficiently implemented. Eligibility for California's funding under the Temporary Assistance to Needy Families (TANF) Block Grant is contingent upon continuously providing these federally required child support services. Furthermore, the Child Support Program operates using clearly delineated federal performance measures, with minimum standards prescribing acceptable performance levels necessary for receipt of federal incentive funding. The objective of the Child Support Program is to provide an effective system for encouraging and, when necessary, enforcing parental responsibilities by establishing paternity for children, establishing court orders for financial and medical support, and enforcing those orders.

Child Support Administration: The Child Support Administration program is funded from federal and state funds. The Child Support Administration expenditures are comprised of local staff salaries, local staff benefits, and operating expenses and equipment. The federal government funds 66 percent and the state funds 34 percent of the Child Support Program costs. In addition, the Child Support Program earns federal incentive funds based on the state's performance in five federal performance measures.

Child Support Automation: Federal law mandates that each state create a single statewide child support automation system that meets federal certification. There are two components of the statewide system. The first is the Child Support Enforcement (CSE) system and the second is the State Disbursement Unit (SDU). The CSE component contains tools to manage the accounts of child support recipients and to locate and intercept assets from non-custodial parents who are delinquent in their child support payments. In addition, it funds the local electronic data processing maintenance and operation costs. The SDU provides services to collect child support payments from non-custodial parents and to disburse these payments to custodial parties.

Enrollment Caseload Population Estimate

Governor's Budget Request: The Governor's May Revise includes a request to reduce the amount of Federal Funds received by $363,000 and offset the reduction with a $363,000 General Fund increase.

Background: As noted in the May 10 Senate Budget and Fiscal Review Subcommittee No. 3 hearing, there are federal incentives tied to a list of performance measures. While the state improved on their prior year performance measures, other states outperformed the state in some categories, leading to a decrease in federal contributions provided to the Department of Child Support Services. This request would offset the loss in federal funds that were originally projected to be captured in the Governor's January budget.

2011 Federal Performance Measures

Statewide Paternity Establishment Percentage (PEP) for California measured 107.0 percent for Federal Fiscal Year (FFY) 2011. California's performance increased in this measure by 4.4 percentage points from FFY 2010 to FFY 2011, a 4.3 percent change. Since FFY 2000, Statewide PEP has been above 100 percent. The national average for FFY 2010 was 94.7 percent.

IV-D Paternity Establishment Percentage for California measured 92.2 percent for IV-D PEP in FFY 2011. California's performance increased in this measure by 3.6 percentage points from FFY 2010 to FFY 2011, a 4.1 percent change. The national average for FFY 2010 was 94.1 percent.

Cases with Support Orders Established for California measured 85.8 percent for FFY 2011. California's performance increased in this measure by 3.3 percentage points from FFY 2010 to FFY 2011, a 4.0 percent change. The national average for FFY 2010 was 80.1 percent.

Collections on Current Support for California measured 58.6 percent for FFY 2011. California's performance increased in this measure by 2.6 percentage points from FFY 2010 to FFY 2011, 4.6 percent change. The national average for FFY 2010 was 62.0 percent.

Cases with Collections on Arrears for California measured 61.6 percent for FFY 2011. California's performance increased in this measure by 1.3 percentage points from FFY 2010 to FFY 2011, a 2.2 percent change. The national average for FFY 2010 was 62.1 percent.

Cost Effectiveness for California measured $2.29 for FFY 2011. California's performance declined in this measure by $0.09 from FFY 2010 to FFY 2011, a 3.8 percent change. The national average for FFY 2010 is $4.86.

Staff Recommendation: Adopt May Revise request.

Child Support Automation

Governor's Budget Request: The Governor's May Revise includes a request to decrease the General Fund contribution to the Child Support Automation System by $1 million dollars and reduce the Federal Trust Fund contribution by $1.94 million dollars. In total, this would amount to a $2.94 million reduction in the California Child Support Automation System project maintenance and operations budget.

Background: Beginning in 2008, the California Child Support Automation System was fully implemented. Total cost of the application was approximately $1.5 billion dollars and took nearly eight years to implement. Shortly thereafter, the application received its federal certification as the statewide automation system. The Department of Child Support Services is responsible for maintaining the functionality of the automation system and also responsible of ensuring the LCSAs have access to the system.

Staff Comment: The Department of Child Support Services has noted that the $1.0 million General Fund reduction for the California Child Support Automation System (CCSAS) Maintenance and Operation will be distributed to the CCSAS Maintenance and Operations budget by postponing software purchases and by utilizing savings related to the California Technology Agency's Office of Technology Services rate changes for DCSS's Child Support Enforcement System hosting services.

Staff Recommendation: Approve May Revise request.

Reversion of Remaining California Child Support Automation System Funds

Governor's Budget Request: The Governor's May Revise includes a request to revert prior year appropriations in the amount of $5.49 million that were dedicated to the Child Support Automation System and have gone unencumbered.

Staff Comment: The 2010 Budget Act included a reappropriation of $14.9 million ($5.5 million General Fund). The funds were intended to be utilized for the transition from vendor to in-house services for a component of the California Child Support Automation Service. The funds have remained unencumbered in the current fiscal year and are not expected to be needed due to the recent completion of the state disbursement unit. The reversion is proposed to address a portion of the budget shortfall.

Staff Recommendation: Approve May Revise request.

Reduced Funding for Local Child Support Agencies

Governor's Budget Request: The Administration has requested that the 2012-13 support for Local Child Support Agencies be reduced by $14.7 million ($5.0 million General Fund). Additionally, the Administration has submitted trailer bill language that would reduce state hearing requirements for Local Child Support Agencies.

Background: In addition to the decrease in funding support provided to the Department, the Administration has proposed, via trailer bill language, to no longer require that LCSA's prepare cases for state hearings and would instead continue their required complaint resolution process and to refer cases to the state administrative review.

Per Code of Federal Regulations Title 45, Section 303.5, the Department of Child Support Services (DCSS) is to provide an administrative process by which case participants may request a review of their child support case. Although a formal hearing process is not required by federal government, such a process is codified in California Family Code Sections 17800-17804. The Administration contends that due to ongoing budget constraints and the proposed reduction to LCSA funding of $5 million General Fund that the statute be amended to remove the state requirement for a formal hearing process.

Staff Comment: As per California Family Code, the Legislature has previously determined that a formal complaint resolution process was to be utilized. Staff believes that eliminating the hearing requirement process would represent a significant policy change that would need to be discussed with key stakeholders in a policy related, not fiscal venue.

Staff Recommendation: Reject proposed trailer bill language and make a one-time, unallocated reduction to Local Child Support Agencies by $14.7 million ($5.0 million General Fund).