

## SUBCOMMITTEE NO. 3

## Agenda

Senator Richard Pan, M.D., Chair  
Senator Melissa Hurtado  
Senator Jeff Stone



Thursday, May 16, 2019  
Upon adjournment of Appropriations Committee  
State Capitol - Room 4203

### Part B

Consultant: Renita Polk

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**ISSUES FOR VOTE ONLY****0530 HEALTH AND HUMAN SERVICES AGENCY OFFICE OF SYSTEMS INTEGRATION  
5180 DEPARTMENT OF SOCIAL SERVICES****Issue 1: Electronic Visit Verification (GB)**

**Governor's Proposal.** The Governor's budget includes a one-time increase of \$24.3 million (\$2.7 million General Fund) for CDSS and a corresponding increase of \$22.2 million for OSI to implement the federally mandated Electronic Visit Verification project. The requested resources would be for six permanent positions, two-year limited-term funding for 7.5 positions for CDSS.

This issue was heard at the subcommittee's March 28<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approve as budgeted.**

**4170 DEPARTMENT OF AGING****Issue 1: Long-Term Care Ombudsman Augmentation (MR)**

**May Revision.** The Administration requests that Item 4170-102-0942 be increased by \$1 million to provide additional one-time funding to local Long-Term Care Ombudsman programs.

This issue was heard at the subcommittee's May 14<sup>th</sup> hearing.

**Staff Comment and Recommendation. Modify - Approve May Revision and additionally, approve an additional \$4.2 million in 2019-20, and \$5.2 million every year thereafter.**

**Issue 2: Dignity at Home Fall Prevention Program (Stakeholder Proposal)**

**Stakeholder Proposal.** Multiple advocacy organizations, including the California Senior Legislature and the MS Society, request \$5 million for the CDA to fund a program to help older adults and others at risk of falling make home modifications and take steps to reduce the risk of falls in the home.

This issue was heard at the subcommittee's May 9<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approve as proposed.**

**Issue 3: Increased Funding for Senior Nutrition Programs (Stakeholder Proposal)**

**Stakeholder Proposal.** The California Association of Area Agencies on Aging and Meals on Wheels California request an ongoing \$17.5 million to increase funding for senior nutrition programs.

This issue was heard at the subcommittee's March 14<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approve as proposed.**

#### **4300 DEPARTMENT OF DEVELOPMENTAL SERVICES (DDS)**

##### **Issue 1: Headquarters Restructure and Reorganization (GB)**

**Governor's Proposal.** The Governor's budget includes \$8.1 million (\$6.5 million General Fund) for 54 permanent positions to restructure the organization and realign resources for safety net services, program modernization, risk management, federal and state compliance, and fiscal accountability. Of the requested amount, \$400,000 is for 3-year limited-term funding for three positions for oversight of the HCBS provider assessment process.

This issue was heard at the subcommittee's May 2<sup>nd</sup> hearing.

**Staff Comment and Recommendation. Approve as budgeted.**

##### **Issue 2: Federal Claims Reimbursement System Project (GB)**

**Governor's Proposal.** The Governor's budget includes \$3.2 million (\$3 million General Fund) in 2019-20, and \$12 million (\$11.8 million General Fund) in both 2020-21 and 2021-22 for the planning and implementation of the Federal Reimbursement System Project. The request also includes three-year limited-term funding for five positions.

This issue was heard at the subcommittee's May 2<sup>nd</sup> hearing.

**Staff Comment and Recommendation. Modify as follows:** Approve funding for 2019-20 only and placeholder budget bill language on additional cost, schedule and scope information to be provided in stages three and four of the PAL process as part of the proposed 2020-21 budget.

##### **Issue 3: Safety Net Facilities and Crisis Services (GB and Stakeholder Proposal)**

**Governor's Proposal.** The Governor's budget includes a total of \$11.7 million (\$7.3 million General Fund) to enhance the system of crisis and safety net services.

**Stakeholder Proposal.** Disability Rights California proposed trailer bill language related to safety net facilities and acute crisis services.

This issue was heard at the subcommittee's May 2<sup>nd</sup> hearing.

**Staff Comment and Recommendation. Approve as budgeted. In addition, approve placeholder trailer bill language** to do the following:

- Require the department to update its Safety Net Plan, to be provided with the January release of the 2020-21 budget.
- Aligns IMD admission criteria, post-admission oversight, and process for judicial review with the laws governing placements in state-operated acute crisis settings.
- Notify the client rights advocate when an individual is placed in a restrictive setting.

#### **Issue 4: HCBS Final Rule Site Assessments (GB)**

**Governor's Proposal.** The Governor's budget includes a one-time augmentation of \$3 million (\$1.8 million General Fund) to contract for the coordination and completion of on-site visits and assessments of providers and programs as required by the HCBS final federal rules.

This issue was heard at the subcommittee's May 2<sup>nd</sup> hearing.

**Staff Comment and Recommendation. Approve as budgeted. Additionally, approve placeholder trailer bill language** to ensure that the California implements the new HCBS rules consistent with the federal requirements.

#### **Issue 5: Foster Youth Trauma-Informed Systems of Care (Spring Finance Letter)**

**Governor's Proposal.** The Governor's budget includes \$158,000 (\$134,000 million General Fund) in 2019-20 and annually thereafter; and \$1.6 million (\$1.1 million General Fund) in both 2019-20 and 2020-21 for statewide positions to implement AB 2083 (Cooley), Chapter 815, Statutes of 2018.

This issue was heard at the subcommittee's May 2<sup>nd</sup> hearing.

**Staff Comment and Recommendation. Approve as budgeted.**

#### **Issue 6: Crisis Homes for Children (GB TBL)**

**Governor's Proposal.** The Governor's budget includes a one-time augmentation of \$4.5 million General Fund for the development of three community crisis homes for children. Additionally, the department proposes trailer bill language (TBL) to amend statute to allow children in crisis to be placed into community crisis homes.

This issue was heard at the subcommittee's May 2<sup>nd</sup> hearing.

**Staff Comment and Recommendation. Approve placeholder language per the Governor's proposal.**

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**Issue 7: Specialized Caseload Ratios for Regional Centers (MR TBL)**

**Governor's Proposal.** The Governor's budget includes \$3.8 million (\$2.6 million General Fund), and TBL to establish a 1:25 service coordinator-to-consumer caseload ratio for consumers with complex needs.

This issue was heard at the subcommittee's May 2<sup>nd</sup> hearing.

**Staff Comment and Recommendation.** Approve placeholder language per the Governor's proposal.

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**Issue 8: May Revision Adjustments (MR)**

**May Revision.** The May Revision includes \$8.2 billion total funds (\$5.0 billion General Fund) for the department in 2019-20; a net increase of \$736.5 million (\$534.3 million General Fund) over the updated 2018-19 budget.

These issues were heard at the subcommittee's May 15<sup>th</sup> hearing.

**Staff Comment and Recommendation.** Approve actions detailed in the table below.

Issue	Topic	Staff Comment and Recommendation
405-MR	Population and Staffing Adjustment	Approve as proposed.
406-MR	Early Start Co-Payments	Approve as proposed, and approve related trailer bill language.
407-MR	Family Home Agency Oversight	Approve as proposed.
408-MR	Specialized Home Monitors	Approve as proposed.
409-MR	Caseload and Utilization Adjustment	Approve as proposed.
410-MR	Provider Rate Adjustment	Reject sunset date and approve on an ongoing basis.
411-MR	Uniform Holiday Schedule Suspension	Reject sunset date and permanently repeal the Uniform Holiday Schedule.
412-MR	Best Buddies	Approve as proposed.

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**Issue 10: Regional Center Transparency and Accountability (MR TBL and Senate Proposal)**

**May Revision.** The Administration proposes language that would provide additional measures to enhance regional center and provider oversight.

This issue was heard at the subcommittee's May 15<sup>th</sup> hearing.

**Staff Comment and Recommendation.** Adopt placeholder trailer bill language. Additionally, adopt placeholder trailer bill language proposed by the Senate and stakeholders to address other transparency and accountability issues:

- Require the department, through the Developmental Services Task Force, to identify and track key indicators of the Regional Center systems' delivery of services, as well as a plan for reporting of best practices and recommendations for measuring and improving consumer outcomes. The department should provide these indicators, best practices, and recommendations in a report to the Legislature.
- Require each regional center to post specific information on compliance with the federal Home and Community Based Services Final Rule on its website.
- Require the department to annually update the Legislature on specific information on the filing and resolution of complaints and fair hearing requests filed at each regional center.
- Require the department and each regional center to include a link to the Protection and Advocacy Agency and Client Rights Advocate in a standard location on their web sites.
- Require the department to post all new directives issued to regional centers on its website.
- Requires the regional center to provide a list of agreed-upon services and supports to consumer at the conclusion of an individual program plan meeting.
- Requires the regional centers to post specific policies, guidelines, protocols, and assessment tools on their website.

#### **Issue 11: Enhanced Behavioral Supports Homes Sunset Extension (MR TBL)**

**May Revision.** The Administration proposes language that would extend the Enhanced Behavioral Support Home program sunset from Jan. 1, 2020 – to Jan 1. 2021. This will allow for continued development of homes that serve individuals who have challenging behavioral needs.

This issue was heard at the subcommittee's May 15<sup>th</sup> hearing.

**Staff Comment and Recommendation.** Approve as proposed.

#### **Issue 12: Vendor Rate Reform (Senate Proposal)**

**Background.** Pursuant to Welfare and Institutions Code (W&IC) Section 4519.8, the DDS was required to submit a rate study addressing the sustainability, quality, and transparency of community-based services for individuals with developmental disabilities to the Legislature. The Legislature approved \$3 million General Fund for the study, and DDS contracted with Burns & Associates (B&A), Inc. to conduct the study. The study was submitted to the Legislature on March 15, 2019.

Proposed recommendations from the study were heard at the Subcommittee's May 2<sup>nd</sup> hearing.



**Staff Comment and Recommendation.** The subcommittee has heard testimony and feedback from many stakeholders on the proposed rate models. The proposed rate models offer many benefits and would significantly improve the current system, providing a much-needed relief for service providers. However, it seems that further fine-tuning is needed to better understand how the models would be implemented, and to avoid unintended consequences. As a first step of many on the road to rate reform staff recommends the following:

- **Approve placeholder trailer bill language** requiring the department to submit a plan for system-wide rate reform, considering the recommendations of the rate study and impending HCBS final rules, with stakeholder input, by January 10, 2020, with a planned beginning implementation date no later than January 2021.
- **Repeal the half-day billing policy.**
- **Approve placeholder trailer bill language** that would allow vendors in areas where the local minimum wage is higher than the state minimum wage access to rate adjustments associated with state minimum wage increases.
- **Permanently repeal the Uniform Holiday Schedule (see Issue 8).**
- **Restore social recreation and camp services. Adopt placeholder trailer bill language** to implement this change.
- **Approve the May Revision proposal for a provider rate adjustment but eliminate proposed sunset (see Issue 8).**

#### **Issue 13: Codify DDS Quarterly Briefings (Legislative Proposal)**

**Legislative Proposal.** The Senate proposes to codify in statute the department's quarterly briefings to the Legislature. The briefings should include updates on service provider rate reform, safety net services, and disparities issues.

This issue was heard at the subcommittee's May 2<sup>nd</sup> hearing.

**Staff Comment and Recommendation.** **Approve placeholder trailer bill language** to codify departmental briefings in statute.

#### **5160 DEPARTMENT OF REHABILITATION (DOR)**

#### **Issue 1: Supported Employment – Provider Rate Adjustment (May Revision)**

**May Revision.** The Administration requests Item 5160-001-0001 be increased by \$1.3 million to reflect a two-year limited-term provider rate increase for supported employment services, effective January 1,

2020. This adjustment aligns Vocational Rehabilitation program provider rates with those of the Department of Developmental Services for this service category.

This issue was heard at the Subcommittee's May 14<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approve, but eliminate proposed sunset to make ongoing.**

## **5160 DEPARTMENT OF REHABILITATION (DOR)**

### **4170 DEPARTMENT OF AGING**

#### **Issue 1: Increased Support for the “No Wrong Door” Model (Stakeholder Proposal)**

**Stakeholder Proposal.** The California Association of Area Agencies on Aging and the California Foundation for Independent Living Centers request \$5 million ongoing funding to expand the use of the “No Wrong Door” model within the Aging and Disability Resource Centers (ADRCs) throughout the state.

This issue was heard at the Subcommittee's May 9<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approve as proposed.**

## **5175 DEPARTMENT OF CHILD SUPPORT SERVICES**

#### **Issue 1: Local Child Support Agencies (LCSA) Administrative Funding Augmentation**

**Budget Issue.** The Governor's proposal includes an increase of \$56 million (\$19 million General Fund) in 2019-20 for LCSA administration costs based on a new budgeting methodology. The new funding formula for LCSAs will ultimately result in an additional \$180.8 million (\$61.5 million General Fund) for LCSA operations, which will be phased in over four years.

This issue was heard at the Subcommittee's March 28<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approve. Additionally, adopt placeholder trailer bill language** that would clarify that the current components of the proposed funding methodology would only apply in 2019-20 with the expectation that the department, with stakeholder input, would propose updates to the methodology in January 2020 and provide a summary of the discussed programmatic and policy changes and outline potential impacts.

#### **Issue 2: May Revision Estimate**

**May Revision.** The Administration requests that Item 5175-101-0890 be increased by \$2.6 million and Item 5175-101-8004 be decreased by \$2.6 million to reflect revised forecasts of child support collections.

This issue was heard at the Subcommittee's May 14<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approve as proposed.**

## **5180 DEPARTMENT OF SOCIAL SERVICES**

### **Issue 1: Data Migration for Legacy Systems (GB)**

**Governor's Proposal.** The Administration requests a total of \$7.1 million for contract funds and two three-year limited-term positions to support data migration from the information technology systems that serve the Community Care Licensing Division. One position will be placed in the Community Care Licensing Division (CCLD) and the other will be placed in the department's Information Services Division.

This issue was heard at the subcommittee's April 4<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approved as budgeted. In addition, approve placeholder budget bill language** requiring the department to report back on actual costs and to adjust funding levels accordingly.

### **Issue 2: CWS-CARES (MR)**

**May Revision.** The Administration requests that Items 5180-001-0001 and 5180-001-0890 both be increased by \$539,000 to provide two-year limited-term resources through fiscal year 2020-21 to support continuing development and implementation of the CWS-CARES project.

**Staff Comment and Recommendation. Approve as proposed.**

### **Issue 3: CalSAWS Augmentation (MR)**

**May Revision.** The Administration requests that Provision 8 be added to Item 5180-141-0001 and Provision 1 of Item 5180-141-0890 be amended to authorize an increase in expenditures related to mid-year changes in CalSAWS project schedule and costs.

**Staff Comment and Recommendation. Approve as proposed.**

### **Issue 4: May Revision Caseload Adjustments**

**May Revision.** The May Revision proposes a net increase of \$266.4 million (increases of \$71.6 million General Fund, \$354.6 million reimbursements, \$189,000 Emergency Food Assistance Program Fund, and \$146,000 School Supplies for Homeless Children Fund, partially offset by decreases of \$160.2 million Federal Trust Fund, and \$2,000 Child Health and Safety Fund) primarily resulting from updated caseload estimates since the Governor's budget.

**Staff Comment and Recommendation. Approve as proposed.**

**Issue 5: Special Olympics (MR)**

**May Revision.** The Administration requests that Item 5180-101-0001 be increased by \$2 million to provide one-time funding for the Special Olympics. It is also requested that provisional language be added to Item 5180-101-0001 to allow the DSS to provide the funding to the Special Olympics.

**Staff Comment and Recommendation.** Approve as proposed.

**Issue 6: BBL – Cash Disbursement Authority (MR)**

**May Revision.** The Administration requests that Provision 2 of Item 5180-101-0001 be amended to allow DSS to ensure county cash disbursements are met when federal funds and the Local Revenue Fund are insufficient to cover county expenditures.

**Staff Comment and Recommendation.** Approve as proposed.

**Issue 7: Rapid Response Funding (GB, MR, and TBL)**

**Governor’s Budget.** Although not included in the department’s budget, the Governor’s proposed budget includes a one-time augmentation of \$5 million General Fund in 2018-19, and \$20 million General Fund in 2019-20, for an Immigration Rapid Response program to be set aside in a reserve until needed.

**May Revision.** The Administration requests that Item 5180-151-0001 be increased by \$7.3 million to provide funding for nonprofits who operate emergency shelters for migrants in San Diego and Riverside counties. A corresponding decrease will be made to the Rapid Response Reserve. The Administration also proposes language that would transfer \$12.7 million General Fund to the Rapid Response Reserve Fund. These funds will be available over three years to assist qualified community-based organizations and nonprofit entities in providing services during immigration emergent situations when federal funding is not available.

These issues were heard at the Subcommittee’s April 11th, May 9th, and May 14th hearings.

**Staff Comment and Recommendation.** Approve, but provide an additional \$5 million for the Rapid Response Reserve. Additionally, adopt placeholder budget bill language moving the funds from the DOF to the DSS.

**Issue 8: Expansion of Immigration-Related Services (MR)**

**May Revision.** The Administration requests that Provision 15 of Item 5180-151-0001 be amended and Provision 19 be added to Item 5180-151-0001 to authorize \$5 million of the \$10 million General Fund budgeted in 2019-20 for the provision of legal services to unaccompanied undocumented minors and Temporary Protected Status beneficiaries to: (1) provide mental health screenings and evaluations related to legal defense, and (2) develop a family reunification navigator pilot to link undocumented minors with services in the community.

This issue was heard at the Subcommittee's May 14th hearing.

**Staff Comment and Recommendation.** Approve as proposed.

#### **Issue 9: Administration of Refugee Services (MR TBL)**

**May Revision.** The Administration proposes language to update the existing statute governing the administration of refugee social services and Refugee Cash Assistance to provide the state with the authority to contract directly with a qualified nonprofit organization for services when necessary to ensure effective program delivery.

This issue was heard at the Subcommittee's May 14th hearing.

**Staff Comment and Recommendation.** Approve as proposed.

#### **Issue 10: Resource Family Approval Administration and Backlog (MR)**

**May Revision.** The Administration requests that Item 5180-151-0001 be increased by \$14.4 million and Item 5180-151-0890 be increased by \$6.2 million to provide one-time funding to support Resource Family Approval administration workload, including application backlogs.

This issue was heard at the Subcommittee's May 14th hearing.

**Staff Comment and Recommendation.** Approve as proposed.

#### **Issue 11: Placement Prior to Approval (MR) and Emergency Caregiver Payments (TBL)**

**May Revision.** The Administration requests that Item 5180-101-0001 be increased by \$15.1 million and Item 5180-101-0890 be increased by \$6.6 million for counties to support up to four months of emergency assistance payments prior to resource family approval in 2019-20.

The Administration also proposes language that would allow, through June 30, 2020, emergency assistance payments prior to resource family approval for up to 120 days, or up to 180 days if the county provides "good cause."

This issue was heard at the Subcommittee's May 14th hearing.

**Staff Comment and Recommendation.** Approve placeholder trailer bill language to allow emergency assistance payments prior to resource family approval for up to 120 days, or up to 365 days if the county provides "good cause" through June 30, 2020.

#### **Issue 12: Foster Parent Recruitment, Retention, and Support (MR)**

**May Revision.** The Administration requests that Item 5180-151-0001 be increased by \$10.8 million, Item 5180-151-0890 be increased by \$5.1 million, and Item 5180-153-0001 be increased by \$10.9 million to provide one-time funding to counties for recruitment, retention, and support of foster parents.

This issue was heard at the Subcommittee's May 14th hearing.

**Staff Comment and Recommendation. Approve as proposed.**

<b>Issue 13: Dependency Counsel Title IV-E Funding (MR)</b>
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**May Revision.** The Administration requests that Item 5180-151-0890 be increased by \$34 million to provide the Judicial Branch with federal Title IV-E reimbursements for legal support provided to certain children and parents who are involved with the child welfare system.

This issue was heard at the Subcommittee's May 14th hearing.

**Staff Comment and Recommendation. Approve as proposed.**

<b>Issue 14: Continuum of Care Reform Contracts (MR TBL)</b>
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**May Revision.** The Administration proposes language that would exempt DSS from specified contract laws, rules, and review processes until July 1, 2021 for training or technical assistance grants and contracts related to the implementation or evaluation of the Continuum of Care Reform (CCR) initiative.

This issue was heard at the Subcommittee's May 14th hearing.

**Staff Comment and Recommendation. Approve as proposed.**

<b>Issue 15: Bringing Families Home (MR and Stakeholder Proposal)</b>
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**May Revision.** The Administration requests that Item 5180-492 be amended to allow the re-appropriation of unexpended funds appropriated in the 2017 Budget Act for the Bringing Families Home Program.

**Stakeholder Proposal.** CWDA, the California Association of Counties (CSAC), the Corporation for Supportive Housing, and Housing California requests additional funding to continue and expand the existing Bringing Families Home program.

These issues were heard at the Subcommittee's April 4<sup>th</sup> and May 14th hearings.

**Staff Comment and Recommendation. Modify - Approve May Revision and additionally, approve \$10 million one-time** for the program.

<b>Issue 16: Kin-GAP Beginning Date of Aid (MR TBL)</b>
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**May Revision.** The Administration proposes language that would change the beginning date of aid for Kin-GAP payments. The language clarifies that foster care payments cease immediately upon discontinuance of dependency and that Kin-GAP assistance payments may begin the following day.

This issue was heard at the Subcommittee's May 14th hearing.

**Staff Comment and Recommendation. Approve as proposed.**

**Issue 17: Housing and Disability Advocacy Program (MR TBL)**

**May Revision.** The Administration proposes language that would include recognized tribes to the list of eligible recipients, clarify that funding for the HDAP can be used for either SSI advocacy or housing supports for potentially SSI-eligible individuals, and adds flexibility to the requirement that HDAP clients must be housed in units sustainable upon approval of disability benefits.

This issue was heard at the Subcommittee's May 14th hearing.

**Staff Comment and Recommendation. Approve as proposed.**

**Issue 18: Expanding CalFresh to Recipients of SSI Clean-up (MR TBL)**

**May Revision.** The Administration proposes "clean-up" language to ensure the reversal of the "SSI Cash-out" is not subject to appropriation and to align the CAPI monthly benefit amount with the SSI/SSP grant amounts.

This issue was heard at the Subcommittee's May 14th hearing.

**Staff Comment and Recommendation. Approve as proposed.**

**Issue 19: County Administration Funding for the Expanded CalFresh Population (MR)**

**May Revision.** The Administration requests that Item 5180-141-0001 be increased by \$15 million and Item 5180-141-0890 be increased by \$21,428,000 to support county administrative efforts to process new CalFresh applicants as a result of eliminating the SSI Cash-Out policy. It is also requested that Provision 9 be added to Item 5180-141-0001 to allow the Department of Social Services to provide the additional General Fund to counties upon approval by the Department of Finance.

This issue was heard at the Subcommittee's May 14th hearing.

**Staff Comment and Recommendation. Approve as proposed.**

**Issue 20: County Work Number Contract (MR)**

**May Revision.** The Administration requests that Item 5180-101-0890 be increased by \$1,916,000, Item 5180-141-0001 be increased by \$2,235,000, and Item 5180-141-0890 be increased by \$2,235,000 to reflect counties' increased usage of the Work Number Express Service for income and employment verification in the CalWORKs and CalFresh programs.

This issue was heard at the Subcommittee's May 14<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approve as proposed.**



**Issue 21: CalWORKs Grant Increases (GB)**

**Governor's Proposal.** The Governor's budget includes \$348 million General Fund in 2019-20 for a 13.1 percent across-the-board increase to CalWORKs grants. Full year costs are expected to be \$455 million General Fund. The proposed grant increase would go into effect October 1, 2019.

This issue was heard at the Subcommittee's April 11<sup>th</sup> hearing.

**Staff Comment and Recommendation. Modify – Within the funding amount proposed by the Governor (\$348 million), adopt modified grant increase** to raise grants to 50 percent of the Federal Poverty Level for assistance units (AUs) of one, and 48 percent for all other AUs, toward the goal of ending deep poverty for all AUs +1, per the 2018 budget agreement. Adopt placeholder TBL to implement this change.

**Issue 22: Home Visiting Program (GB and MR)**

**Governor's Proposal.** The Governor's budget includes \$861,000 General Fund for six positions to ensure the timely and appropriate implementation of the CalWORKs Home Visiting program. Additionally, the Governor's budget proposes ongoing funding for the program.

**May Revision.** The Administration requests that Item 5180-101-0001 be decreased by \$3,289,000 and Item 5180-101-0890 be increased by \$13,969,000 to reflect revised projections of CalWORKs cases eligible for Home Visiting Services.

This issue was heard at the Subcommittee's April 11<sup>th</sup> and May 15<sup>th</sup> hearings.

**Staff Comment and Recommendation. Approve Governor's January and May Revision proposals. Additionally, adopt no-cost placeholder TBL** to expand program to all eligible children aged 0-2.

**Issue 23: CalWORKs Stage One 12-month Eligibility (MR)**

**May Revision.** The Administration requests that Item 5180-101-0001 be increased by \$40,663,000 to establish a 12-month eligibility period for CalWORKs Stage One Child Care services, effective October 1, 2019. This proposal requires trailer bill language.

This issue was heard at the Subcommittee's May 15<sup>th</sup> hearing.

**Staff Comment and Recommendation. Make the following changes to the MR proposal:**

- Provide an \$25 million in ongoing funding for this proposal (in addition to the funding provided in May Revision)
- Provide stability and flexibility of care for CalWORKs families by authorizing full-time continuous child care in Stage 1 until families are transferred to Stage 2 or for 12 months in counties where stability is achieved after 12 months.



- Specify additional program activities for which child care is available to parents and times during which parents should be offered care in order to participate in certain activities.
- Funds a data sharing system between county welfare departments and child care contractors to ensure that child care is not disrupted during transfer

**Issue 24: Cal-Learn Case Management Standards Change (MR)**

**May Revision.** The Administration requests that Item 5180-101-0001 be increased by \$230,000 and Item 5180-101-0890 be increased by \$5,777,000 to reflect adherence to new case management standards in the CalWORKs Cal-Learn program.

This issue was heard at the Subcommittee's May 15<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approve as proposed.**

**Issue 25: Decreased TANF Funding for Cal Grants (MR)**

**May Revision.** The Administration requests that Item 5180-101-0890 be decreased by \$5.9 million to reflect a decrease in the amount of federal TANF block grant funds available to offset General Fund costs in the Cal Grant program.

This issue was heard at the Subcommittee's May 15<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approve as proposed.**

**Issue 26: CalWORKs Housing Support Program Re-appropriation (MR)**

**May Revision.** The Administration requests that Item 5180-493 be amended for the purpose of re-appropriating the unexpended balances from funds appropriated in the 2018 Budget Act for the CalWORKs Housing Support Program.

This issue was heard at the Subcommittee's May 15<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approve as proposed.**

**Issue 27: TBL – SB 726 Terminology Change and Delayed Implementation (MR TBL)**

**May Revision.** The Administration proposes trailer bill language to make a terminology change to the EBT expungement process changes as a result of Senate Bill 726 (Wiener), Chapter 930, Statutes of 2018.

This issue was heard at the Subcommittee's May 15<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approve as proposed.**

**Issue 28: IHSS MOE (GB, MR, and TBL)**

**Governor's Budget.** In January, the Governor's budget proposed several changes to the IHSS county MOE, including the adjustment of the county MOE to \$1.56 billion. The Governor's budget also included trailer bill language that would (1) apply an annual inflation factor of four percent to the MOE, beginning in 2020-21, (2) eliminate the General Fund mitigation and end redirection of health and mental Vehicle License Fee revenue, and (3) apply the MOE to fund only IHSS services.

**May Revision.** The May Revision requests that Item 5180-111-0001 be increased by \$55,098,000 related to the re-benching of the County IHSS maintenance-of-effort to reflect revised 1991 Realignment revenue projections and revised IHSS caseload and cost estimates.

These issues were heard at the subcommittee's March 28<sup>th</sup> and May 15<sup>th</sup> hearings.

**Staff Comment and Recommendation.** **Approve May Revision adjustments to the IHSS MOE. Additionally, adopt placeholder trailer bill language** to reduce a county's IHSS MOE annual inflation factor to 4% only when a collective bargaining agreement is in place in which the negotiated wage for IHSS providers is at least above the state minimum wage.

**Issue 29: Eliminate Fingerprint Licensing Fee Exemption (GB TBL)**

**Governor's Budget.** The Governor's budget included trailer bill language that would eliminate a prohibition on charging a fee for fingerprinting or obtaining a criminal record for a license applicant who will provide services to six or fewer children. The language would allow both DSS and the Department of Justice to charge a fee for fingerprinting an applicant for a license or for obtaining a criminal record of an applicant.

**Staff Comment and Recommendation.** **Approve as proposed.**

**Issue 30: Rapid Response Reserve (Governor's Budget, MR, and TBL)**

**Governor's Budget.** Governor's proposed budget includes a one-time augmentation of \$5 million General Fund in 2018-19, and \$20 million General Fund in 2019-20, for an Immigration Rapid Response program to be set aside in a reserve until needed.

**May Revision.** The Administration requests that Item 5180-151-0001 be increased by \$7.3 million to provide funding for nonprofits who operate emergency shelters for migrants in San Diego and Riverside counties. A corresponding decrease will be made to the Rapid Response Reserve. The Administration proposes language that would transfer \$12.7 million General Fund to the Rapid Response Reserve Fund. These funds will be available over three years to assist qualified community-based organizations and nonprofit entities in providing services during immigration emergent situations when federal funding is not available.

These issues were heard at the subcommittee's March 11<sup>th</sup> and May 14<sup>th</sup> hearings.

**Staff Comment and Recommendation.** Approve as budgeted and proposed. Additionally, approve an additional \$5 million for the fund and placeholder budget bill language that would shift the funding from the Department of Finance to DSS.

#### **Issue 31: Codify EVV Protections (Stakeholder Proposal)**

**Budget Issue.** The IHSS Coalition requests the Legislature codify protections that were made in the 2018 Budget Act to protect IHSS providers and consumers.

This issue was heard at the subcommittee's March 14<sup>th</sup> hearing.

**Staff Comment and Recommendation.** Adopt placeholder trailer bill language to codify EVV protections included in the 2018 budget.

#### **Issue 32: Family Urgent Response System (Stakeholder Proposal)**

**Budget Issue.** CWDA, Children NOW, SEIU California, and the County Behavioral Health Directors Association (CBHDA) request \$15 million in 2019-20 and \$30 million ongoing to support foster youth and caregivers. FURS provides foster youth and their caregivers with immediate trauma-informed support when issues arise, and link youth and families to community-based supports and services. The requested funds would help to establish and maintain a statewide hotline available 24/7 for caregivers and youth who experience emotional, behavioral, or other difficulties in need of immediate help. It would also allow counties to establish mobile response teams to provide in-home response on a 24/7 basis to stabilize the situation, assess needs, and develop an action plan.

This issue was heard at the Subcommittee's April 4<sup>th</sup> hearing.

**Staff Comment and Recommendation.** Approve as requested and adopt placeholder trailer bill language to implement.

#### **Issue 33: Earned Income Disregard (Stakeholder Proposal)**

**Budget Issue.** The California Welfare Director's Association (CWDA) requests the 2019-20 budget strengthen the EID. The EID is the amount subtracted from a CalWORKs recipient's income to determine initial eligibility for assistance and monthly grant amounts. By allowing a certain amount of income to be excluded, the EID is intended to facilitate and encourage paid employment. However, the EID has not been changed since it was first established in 1997.

This issue was heard at the Subcommittee's April 11<sup>th</sup> hearing.

**Staff Comment and Recommendation.** Adopt placeholder trailer bill language that would change the current EID to \$500 and 50 percent of income with a June 1, 2020, effective date and allowing subsequent adjustments in future fiscal years.

#### **Issue 34: APS and Public Guardian Training (Stakeholder Proposal)**

**Budget Issue.** The California Welfare Directors Association (CWDA), the California State Association of Public Administrators/Guardians/Conservators, the California Commission on Aging, and the California Elder Justice Coalition request \$5.75 million General Fund over three years to provide additional resources for APS social worker training.

This issue was heard at the Subcommittee's March 14<sup>th</sup> hearing.

**Staff Comment and Recommendation.** Approve as requested.

<b>Issue 35: Addressing Impact of State Minimum Wage on Foster Family Agencies (Stakeholder Proposal)</b>
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**Stakeholder Proposal.** NASW, the California Alliance, The California Alliance of Caregivers, John Burton Advocates for Youth, the California Coalition for Youth, the Inland Empire Alliance, the Orange County Alliance for Children and Families, and the Association of Community Human Services Agencies request funding to address the impact of the state minimum wage increases on the salaries of social workers employed by Foster Family Agencies.

This issue was heard at the Subcommittee's April 4<sup>th</sup> hearing.

**Staff Comment and Recommendation.** Approve one-time CNI-based COLA for the Foster Family Agency rate for operational activities.

<b>Issue 36: Codification of CCR Quarterly Updates (Senate Proposal)</b>
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**Senate Proposal.** The Senate proposes to codify quarterly in-person updates to the Legislature on the progress toward the implementation of CCR, and specific components of those updates. Proposed components include, but are not limited to:

- Updates on the transition of providers to the CCR service model.
- Updates on capacity to provide mental health services.
- Tracking child outcomes over time
- Updates on CCR-related costs and savings.

This issue was heard at the Subcommittee's April 4<sup>th</sup> hearing.

**Staff Comment and Recommendation.** Adopt placeholder trailer bill language including the components described above.

<b>Issue 37: Permanent Restoration of 7% Cut in IHSS Service Hours (Stakeholder Proposal)</b>
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**Stakeholder Proposal.** The IHSS Coalition requests the Legislature include trailer bill language to rescind Welfare and Institutions Code Sections 12301.01 through 12301.05 to permanently restore the

seven percent across-the-board IHSS service hours. The Governor's budget proposes to restore the seven percent services hours, but this restoration could be rescinded in future years. Making this restoration permanent would equate to a \$342 million ongoing allocation.

This issue was heard at the Subcommittee's March 14<sup>th</sup> hearing.

**Staff Comment and Recommendation.** Adopt placeholder trailer bill language to remove statutory references to IHSS service hours reductions and **reject the sunset proposed in the May Revision** on the restoration.

#### **Issue 38: Obsolete Reports (GB TBL)**

**Governor's Proposal.** The Governor's budget proposed to remove the language from statute related to obsolete reports.

**Staff Comment and Recommendation.** Adopt placeholder trailer bill language to remove statutory references to the following reports, as they refer to programs that no longer exist, were never implemented, or were replaced by other updated reporting requirements:

- Automated Child Abuse Reports - Requires the DSS to submit a report to the counties and the Legislature that reflects data indicating the reasons as to why an automated one-time report was filed in lieu of an initial telephone report.
- Cost of Doing Business (CODB) - DSS, in consultation with CWDA, is required to develop a CODB survey to capture the costs for county administration to determine whether those costs are reasonable and necessary to meet program requirements and objectives.
- Reasons for the determination of non-cost-effectiveness and the changes necessary to make elements of the Consolidated Public Assistance Eligibility Determination (CPAED) Demonstration Project cost effective.
- SAWS Annual Report (report on progress in implementing the system, including recommendations for further legislative action, and any revisions in the long-range plan that will affect the objectives to be accomplished in the following year).
- Evaluations submitted by pilot counties regarding the Aid to Families with Dependent Children and CalFresh programs eligibility reporting systems.
- Foster Care Placements with AFDC recipients - (Report on the outcome measures of quality of care for foster youth placed with relatives receiving cash assistance.)
- Programmatic transition plan to enroll into a pilot project persons who are dually eligible under both Medi-Cal & Medicare programs.
- Resource Family Approval Pilot Report - (Report on the results of a pilot to establish a unified, family-friendly, and child-centered family approval process.)

- Report on Progress of Demonstration Projects for CalWORKs - Requires the DSS director to report annually on the progress of the demonstration projects.
- Non-assistance CalFresh Simplified and Shorter Application Form - Requires DSS to develop and implement a simplified and shorter application form for non-assistance CalFresh cases.
- San Bernardino Pilot Project - (Report on the effectiveness of the pilot in reducing group home complaints.)
- Initial data report on implementation of Section 11274 of the Welfare and Institutions Code regarding restricted payment provisions under Aid to Families with Dependent Children (AFDC) program.

**Issue 39: CalFood Storage and Transportation Rate (Stakeholder Proposal)**

**Stakeholder Proposal.** The California Association of Food Banks (CAFB) an increase in the storage and transportation rate to 15 percent.

This issue was heard at the Subcommittee's April 11<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approve as proposed.**

**Issue 40: Safety Net Reserve (GB TBL)**

**Governor's Proposal.** The Governor's budget proposes a deposit of \$700 million into the Safety Net Reserve, bringing the total funds to \$900 million. The proposal also seeks to eliminate the CalWORKs and Medi-Cal subaccounts and the requirement to establish a caseload savings and cost per case contribution methodology.

This issue was heard at the Subcommittee's April 11<sup>th</sup> hearing.

**Staff Comment and Recommendation. Approve as proposed.**

**Issue 41: SSP Grants**

**Senate Proposal.** The Senate proposes to provide a Cost of Living Adjustment (COLA) to the state portion of the Supplemental Security Income/State Supplementary Payment (SSI/SSP) grant on a one-time basis, starting January 1, 2020.

**Staff Comment and Recommendation. Approve the proposal** to provide a COLA to the state portion of the Supplemental Security Income/State Supplementary Payment (SSI/SSP) grant on a one-time basis, beginning January 1, 2020. The half-year impact of this change has been estimated at approximately \$60 million.

<b>Issue 42: Group Home Extension TBL</b>
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**Proposal.** CWDA requests trailer bill language to provide for a one-year extension of the existing statutory requirement for all group home providers to convert to Short Term Residential Treatment Program licensure.

**Staff Comment and Recommendation.** Approve placeholder trailer bill language.