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## AGENDA

**August 29, 2014**  
**Upon Call of the Chair – Room 4203**

### Measure

### Author

### Subject

AB 1476	Committee on Budget	Budget Act of 2014
AB 1477	Committee on Budget	Human Services
SB 878	Budget and Fiscal Review Committee	In-Home Supportive Services (Pending Receipt)
SB 879	Budget and Fiscal Review Committee	Memoranda of Understanding (Pending Receipt)

**SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW**  
*Mark Leno, Chair*

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<b>Bill No:</b>	<b>AB 1476</b>
<b>Author:</b>	<b>Committee on Budget</b>
<b>As Amended:</b>	<b>August 28, 2014</b>
<b>Consultant:</b>	<b>Farra Bracht</b>
<b>Fiscal:</b>	<b>Yes</b>
<b>Hearing Date:</b>	<b>August 29, 2014</b>

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**Subject:** Budget Act of 2014

**Summary:** This bill amends the Budget Act of 2014 by revising various items of appropriation and making other necessary changes.

**Background:** The Legislature passed the 2014 Budget Act (Chapter 25, Statutes of 2014, [SB 852]) on June 15, 2014. The legislation was signed by the Governor on June 20, 2014. This bill provides for certain technical adjustments to various budget items, clarifications of budget bill language, and additional appropriations.

**Proposed Law:** The bill provides for the following:

- 1) **K-12 Education Administrator Induction Programs.** Clarifies that \$600,000 in one-time carryover funds, provided to support administrator induction programs approved by the Commission on Teacher Credentialing (CTC), are to be transferred to the CTC by the Department of Education (CDE). Further, specifies that CDE shall not use any of the funds for indirect administrative costs.
- 2) **K-12 High-Speed Network.** Re-appropriates \$26.7 million to CDE, for allocation to the K-12 High-Speed Network, for specified activities related to Internet network connectivity.
- 3) **Special Education Expenditures.** Re-appropriates \$12.9 million for CDE to allocate to local educational agencies for special education-related expenditures. This action is necessary in order to implement the Legislature's approval of the Governor's proposed appropriation of \$12.9 million in one-time, rather than ongoing, Proposition 98 funds for special education.
- 4) **State Preschool Program Rate.** Specifies that the part-day, per-student rate for the state preschool program is \$22.28 per-day, rather than \$22.81. This reflects the five percent rate increase that was agreed upon as part of the 2014-15 budget (rather than a seven percent increase that was erroneously included).
- 5) **Child Care Facilities Revolving Fund.** Specifies that \$10 million in Proposition 98 General Fund for facilities-related loans to state preschool program providers must be transferred to the Child Care Facilities Revolving Fund. The amendment ensures that this funding remains in the revolving fund, rather than reverting.
- 6) **Regional Market Rate.** Clarify that the regional market rate, which is used to reimburse child care providers who accept vouchers, is set at the 85<sup>th</sup> percentile of the 2009 Regional Market Rate Survey, as reduced by a deficit factor of 10.11 percent. This amendment aligns the deficit factor to the amount of funding appropriated in SB 852 (Committee on Budget & Fiscal Review), Chapter 25, Statutes of 2014.

- 7) **Office of Planning and Research.** Eliminates \$5 million in funding from the Office of Planning and Research budget, for social innovation bonds designed to reduce prison recidivism. The \$5 million will be shifted to the Board of State and Community Corrections in AB 1479 (Budget), the public safety clean-up trailer bill, for the same purpose.
- 8) **Department of Transportation, Intercity Rail Contracts.** Increases the appropriation for the intercity passenger rail service operated by Amtrak to reflect the previously approved \$10.4 million increase in operating expenses.
- 9) **Judicial Branch.** Appropriates \$27 million from the Judicial Branch's Immediate and Critical Needs Account for preliminary plans and working drawings for the New Sacramento Court House.
- 10) **County Probation Departments.** Clarifies that additional funding provided to county probation departments is intended as a limited-term increase to address the population increase that resulted from the Three Judge Panel court issued order on February 10, 2014.
- 11) **University of California (UC) and California State University (CSU).** Provides \$100 million GF (\$50 million to each the UC and CSU) for one-time purposes, including deferred maintenance, and includes Legislature intent that, if the economy continues to recover and General Fund revenues exceed projections, the augmentation shall become on-going.
- 12) **University of California and California State University Sustainability Plans.** Clarifies goal-setting requirements of sustainability plans that must be developed by the University of California and California State University (CSU). In addition, specifies that the CSU is to submit the plan to the Governor and the Legislature by November 30, 2014. This requirement was inadvertently omitted from SB 852.
- 13) **California Community Colleges Student Equity Plans.** Clarifies provisional language by specifying that \$70 million is to be allocated by the California Community College's (CCC) pursuant to Student Equity Plans.
- 14) **California Community Colleges Matching Requirement.** Removes a dollar for dollar district match requirement for CCC architectural barrier removal. The Budget Act attempted to remove all matching requirements from the physical plant and instructional equipment categorical. This matching requirement was inadvertently left in SB 852.
- 15) **California Community Colleges Disabled Student Program.** Reduces the amount of CCC Disabled Student Program funding earmarked for education at state developmental centers from \$1.7 million to \$1 million. The number of centers that are funded through this program has been reduced from three to two.
- 16) **Employment Training Fund.** Appropriates \$10 million from the Employment Training Fund for the Employment Training Panel.
- 17) **State Vision Costs.** Appropriates \$878,000 (\$441,000 GF) to update vision costs in Item 9800, pursuant to the Affordable Care Act. These costs were mistakenly omitted from SB 852 when requesting increases for overall statewide healthcare costs.
- 18) **Unaccompanied Undocumented Minors.** Adds \$3 million GF (\$2.9 million for local assistance and \$100,000 for state operations) to the Department of Social Services' appropriation for contracts with qualified non-profit legal organizations to provide legal

counsel to unaccompanied undocumented minors who are transferred to the care and custody of the federal Office of Refugee Resettlement and present in California.

- 19) **Information Technology Reporting Requirements.** Clarifies that planned risk/issue mitigation reporting requirements are the responsibility of the department implementing the information technology project, rather than the California Department of Technology.
- 20) **Environmental Justice Grants.** Clarifies funding for environmental justice grants, appropriated to the Secretary for Environmental Protection, is contingent upon revenues received.
- 21) **Marijuana Enforcement.** Clarifies that funds appropriated for marijuana enforcement, from the waste discharge permit fund, are subject to separate accounting.
- 22) **Intervenor Compensation.** Clarifies the appropriation related to intervenor compensation and allows for the appropriation of funding to Avondale Glen Elder Neighborhood Association.
- 23) **Groundwater Management.** Includes an appropriation for \$500,000 for Salinas Valley groundwater management that was inadvertently omitted from the budget bill.
- 24) **Governor's Office of Emergency Services.** Includes an appropriation of \$10 million for support of the Office of Emergency Services for administrative costs associated with the implementation of the railroad tank car hazardous materials emergency preparedness.
- 25) **Public Utilities Commission.** Includes a loan of \$10 million from the High-Cost Fund-B Administrative Committee Fund to the Office of Emergency Services. The loan is required to be repaid no later than July 1, 2017.

**Fiscal Effect:** Appropriates \$100 million from the GF for UC and CSU, contains various minor appropriations, corrects for a \$10.5 million under-appropriation, corrects an error made to a rate adjustment, and corrects certain other appropriations contained in the 2014-15 budget.

**Comments:** On August 14, 2014, the Senate Budget and Fiscal Review Committee heard and passed AB 1476 on a 13-2 vote. AB 1476 was re-referred to the Committee to review amendments pertaining to UC and CSU; unaccompanied undocumented minors; the Governor's Office of Emergency Services; and, the Public Utilities Commission (See Items 11, 18, and 24-25 under "Background and Proposed Law").

**Support:** Unknown.

**Opposed:** Unknown.

**SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW**  
*Mark Leno, Chair*

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<b>Bill No:</b>	<b>AB 1477</b>
<b>Author:</b>	<b>Committee on Budget</b>
<b>As Amended:</b>	<b>August 28, 2014</b>
<b>Consultant:</b>	<b>Samantha Lui</b>
<b>Fiscal:</b>	<b>Yes</b>
<b>Hearing Date:</b>	<b>August 29, 2014</b>

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**Subject:** Budget Act of 2014: Human Services Trailer Bill

**Summary:** Provides for statutory changes necessary to enact human services-related provisions of the Budget Act of 2014.

**Background and Proposed Law:** Assembly Bill 1477 makes statutory changes necessary to implement the Budget Act of 2014, including clarifications or corrections to errors made when the budget and the human services trailer bill (SB 855, Committee on Budget and Fiscal Review, Chapter 29, Statutes of 2014) were enacted in June 2014.

1. Community Care Licensing. SB 855 (Committee on Budget and Fiscal Review), Chapter 29, Statutes of 2014, established a process for the Department of Social Services (DSS) to appoint a temporary manager or receiver to act as the provisional licensee of the community care facility, if DSS determines that residents of the facility are likely to be in danger of serious injury or death, and the immediate relocation of clients is not feasible. The temporary manager or receiver assumes operation of a facility to bring it into compliance; to facilitate a transfer of ownership to a new licensee; or, to assure the transfer of residents, if the facility is required to close.

AB 1477 clarifies that the unreimbursed costs to DSS for temporary management/receivership is grounds for monetary judgment in civil court and is a subsequent lien upon a facility's assets. The bill establishes that the authority to place a lien against specified property for reimbursement of any state funds must be given judgment creditor priority.

2. Approved Relative Caregiver Funding Option Program. Effective January 1, 2015, counties, who opt-in to the Approved Relative Caregiver Funding Program, must pay an approved relative caregiver a per child, per month rate, in return for the care and supervision of a federally-ineligible Aid to Families with Dependent Children-Foster Care (AFDC-FC) child placed with the relative caregiver, equal to the base rate paid to foster care providers for a federally-eligible AFDC-FC child, if the county has notified the department of its decision to participate in the program.

AB 1477 clarifies eligibility criteria for relative caregiver funding. Also, the bill clarifies that the CalWORKs grant includes federal funding and a county share-of-cost.

3. Group Home Moratorium. Existing law, as authorized by SB 1041 (Committee on Budget and Fiscal Review), Chapter 47, Statutes of 2012, provides specified exceptions to the group home moratorium on group home applications and rate changes. AB 1477 includes fiscal year 2014-15 for which exceptions to the group home moratorium may apply.

4. CalWORKs Child Support Disregard. AB 1477 clarifies that the first \$50 of child support payments received each month, including income that is regularly anticipated, must be

disregarded as income and must not be deducted from the amount of aid for which the recipient would otherwise be eligible.

5. In-Home Supportive Services (IHSS). AB 1477 clarifies that an IHSS provider is authorized to work the recipient's adjusted weekly authorized hours, only if the adjusted hours do not result in exceeding the allowable number of hours worked that are compensable for overtime. In addition, the bill states that the Department of Health Care Services (DHCS) must work with and assist recipients under the Nursing Facility/Acute Hospital Waiver, who are at or near their individual cost cap, to avoid a reduction in services. The bill provides that DHCS can consider allowing a recipient to exceed the individual cost cap, if appropriate, and must also provide timely information to waiver recipients about the implementation of IHSS overtime procedures.

6. Special Immigrant Juvenile Status (SIJS). Existing U.S. policy extends some immigration relief, such as asylum, relief for trafficking victims (T-visas), and special immigrant status for juveniles, to child migrants fleeing violence or deprivation in their home countries. When a child is not accompanied by a parent or legal guardian, and is apprehended by immigration authorities, the child is transferred to the care and custody of the federal Office of Refugee Resettlement (ORR). ORR cares for the children in shelters until they can be released to a sponsor (typically, a parent or relative) who can care for the child while their immigration case is processed.

AB 1477 clarifies court proceedings for juveniles with SIJS, as defined in federal law; and clarifies that a superior court has the jurisdiction to make judicial determinations for the custody and care of a juvenile with SIJS. Specifically, the bill:

- a. Provides that if a superior court is requested to make specified findings about SIJS under federal law, the superior court must issue an order with all the following findings:
  - i. The minor was either a) declared a dependent of the court; or, b) legally committed to, or placed under the custody of, a state agency/department or a court-appointed entity.
  - ii. The reunification of the child with one or both of the child's parents is not viable because of neglect or abandonment.
  - iii. It is not in the child's best interest to return to the previous country of nationality or country of last habitual residence.
- b. Clarifies that the ability to provide interpreters in civil court also includes the authority to provide an interpreter in a superior court proceeding related to special immigrant juvenile status.
- c. Requires that any information regarding the child's immigration status must remain confidential and may only be available to the court for inspection. Also, requires that records of the proceedings may be sealed using procedures specified in state law.

7. Judicial Council. The bill requires the Judicial Council, the policymaking body of the California courts, to make any necessary rules and forms to implement the proceedings of juveniles with SIJS.

8. Legal Counsel for Unaccompanied Undocumented Minors. AB 1477 requires the Department of Social Services (DSS), subject to available funding in the Budget Act, to contract with non-profit legal services organizations to provide legal services to unaccompanied undocumented minors, as defined in federal law, who are cared by the federal Office of Refugee Resettlement, and who are present in the state and residing with a family member/other sponsor.

In addition, the bill establishes requirements for awarding contracts to legal counsel of unaccompanied undocumented minors such as:

- Have three or more years of experience in handling specified immigration cases;
- Have represented at least 25 individuals in specified immigration cases;
- Have conducted training for practitioners beyond their own organization;
- Have experience guiding/supervising work of attorneys;
- Are accredited by the Board of Immigration under the U.S. Department of Justice's Executive Office for Immigration Review or meet the requirements to receive funding from the Trust Fund Program administered by the California State Bar.

The bill also specifies that contracts awarded to non-profit legal services organizations must fulfill all of the following:

- Provide legal services on a fee-per-case basis, as determined by DSS, which must include all administrative and supervisory costs and court fees.
- Report, monitor, or audit the services provided.
- Require coordination with the federal Office of Refugee Resettlement Legal Access Project.
- Require contractors to maintain adequate legal malpractice insurance.

Contracts awarded are not subject to approval by the Department of General Services. In addition, the bill provides the state immunity from liability associated with implementing this provision of law. Also, client information and records of legal services provided to unaccompanied undocumented minors are exempt from the California Public Records Act.

9. All-County Letters. AB 1477 authorizes DSS to implement changes pertaining to CalFresh eligibility through all-county letters until regulations are adopted.

10. Severability. The bill provides that provisions are severable, so if any provision is held invalid, other provisions and applications can remain in effect.

11. Double-Jointing. AB 1477 includes double-jointing language to prevent chaptering-out issues with AB 1899 (Brown).

12. Findings and declarations. Because provisions of the bill limit the public's right of access within the meaning of the California Constitution, the bill declares the necessity of maintaining the confidentiality of record to protect the privacy of minors seeking special immigrant juvenile status.

**Fiscal Effect:** The 2014 Budget Act includes \$5 million GF, split between Item 5180-151-0001 (\$3.3 million) and Item 5180-153-0001 (\$1.7 million), to establish Commercially Sexually Exploited Children Program. AB 1477 bill shifts the entire \$1.7 million appropriated in Item 5180-153-0001 to Item 5180-151-0001.

**Comments:** On August 14, 2014, the Senate Budget and Fiscal Review Committee heard and passed AB 1477 on a 15-0 vote. The bill was re-referred to the Committee to review amendments pertaining to IHSS, unaccompanied undocumented minors, and technical double-jointing amendments (See Items 5-8 and 10-12 under "Background and Proposed Law").

**Support:** Unknown.

**Opposition:** Unknown.

**SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW**  
*Mark Leno, Chair*

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<b>Bill No:</b>	<b>SB 878</b>
<b>Author:</b>	<b>Committee on Budget</b>
<b>As Amended:</b>	<b>August 27, 2014</b>
<b>Consultant:</b>	<b>Samantha Lui</b>
<b>Fiscal:</b>	<b>Yes</b>
<b>Hearing Date:</b>	<b>August 29, 2014</b>

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**Subject:** Budget Act of 2014: In-Home Supportive Services

**Summary:** SB 878 makes several changes to the content of the In-Home Supportive Services (IHSS) prospective provider orientation, including information related to IHSS federal overtime regulations, and requires that all prospective providers attend the IHSS orientation in person. The bill also requires that any oral presentation and written materials presented at the orientation be translated into all IHSS threshold languages in the county. In addition, SB 878 authorizes the recognized employee organization in the county to make a presentation of up to 30 minutes at the orientation.

**Background and Proposed Law:** Existing law requires all prospective In-Home Supportive Services (IHSS) providers to complete four steps in order to be enrolled as a provider. First, the provider must complete an application, including information about whether s/he has been convicted of a crime that would bar him/her from working as a provider. Second, the prospective provider must be fingerprinted and undergo a background check by the California Department of Justice. Third, an individual must attend a prospective provider orientation, usually held in-person (using a video with materials and a facilitator), and/or online for some counties. The IHSS Program Provider Orientation must include all of the following information:

- The requirements to be an eligible IHSS provider.
- A description of the IHSS program.
- The rules, regulations, and provider-related processes and procedures, including timesheets.
- The consequences of committing fraud in the IHSS program.
- The Medi-Cal toll-free telephone fraud hotline and Internet Web site for reporting suspected fraud or abuse in the provision or receipt of supportive services.

Lastly, the prospective provider must sign an enrollment agreement, certifying that s/he understands and agrees to the rules for working as an IHSS provider. The counties -- or the Public Authority, if delegated by the county -- pay for the cost of the prospective provider orientation.

SB 878 adds to the list of required topics to be included during the orientation: the federal and state requirements regarding minimum wage and overtime pay, including paid travel time and wait time, as it pertains to the implementation of federal overtime regulations for IHSS.

SB 878 also requires that no later than April 1, 2015, all of the following apply:

- The provider orientation must be an onsite orientation that all prospective providers must attend in person.
- Prospective providers may attend the onsite orientation only after completing the application for the IHSS provider enrollment process described in state law.

- Any oral presentation and written materials presented at the orientation must be translated into the four established IHSS threshold languages (English, Spanish, Chinese, and Armenian).
- Representatives of the recognized employee organization in the county must be permitted to make a presentation of up to 30 minutes at the orientation.
- Prior to implementing the orientation requirements, as proposed, counties must provide at least the level of access to, and the ability to make presentations at, provider orientations that they allowed the recognized employee organization in the county as of September 1, 2014.

The bill provides that if the Commission on State Mandates determines that this proposed law contains costs mandated by the state, reimbursement to local agencies and school districts for those costs must be made pursuant to state law.

**Fiscal Effect:** The bill appropriates \$1,000 GF to the Department of Social Services to implement the proposed law.

**Support:** Unknown.

**Opposition:** Unknown.

**Comments:** On August 28, 2014, the Assembly Committee on Budget heard and passed SB 878 on a 16-10 vote. This bill was amended in the Assembly and referred to the Senate Committee on Budget and Fiscal Review.

**SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW**  
*Mark Leno, Chair*

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<b>Bill No:</b>	<b>SB 879</b>
<b>Author:</b>	<b>Committee on Budget</b>
<b>As Amended:</b>	<b>August 27, 2014</b>
<b>Consultant:</b>	<b>Joe Stephenshaw</b>
<b>Fiscal:</b>	<b>Yes</b>
<b>Hearing Date:</b>	<b>August 29, 2014</b>

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**Subject:** Budget Act of 2014: State Employees, Memoranda of Understanding (MOU)

**Summary:** This bill provides legislative ratification for MOU agreements between the state and various state Bargaining Units (BU).

**Background:** The Legislature passed the 2014 Budget Act (Chapter 25, Statutes of 2014, [SB 852]) on June 15, 2014. The legislation was signed by the Governor on June 20, 2014. This bill provides legislative ratification for subsequent MOU agreements between the state and various state bargaining units and augments specific budget items related to employee compensation to fund provisions of these agreements. Specifically, this bill:

- 1) **Provides Legislative Approval of MOUs.** Approves provisions of MOUs entered into between the state and BU 2, the California Attorneys, Administrative Law Judges, and Hearing Officers in State Employment, on August 14, 2014; BU 10, the California Association of Professional Scientists, on August 12, 2014; BU 13, the International Union of Operating Engineers, Stationary Engineers, on August 21, 2014; and, an addenda to a MOU entered into by BU 8, the California Department of Forestry Firefighters, on August 26, 2014.
- 2) **Provides Augmentations to Fund Agreements.** Augments Items 9800-001-0001, 9800-001-0494, and 9800-001-0988 of Section 2.00 of the 2014 Budget Act in order to provide funding for the MOU agreements, as follows:
  - **BU 2.** \$12.6 million (\$3.3 million GF) for provisions of the BU 2 agreement related to a July 2014 general salary increase (GSI) of two percent (the agreement includes an additional GSI of two and one-half percent in July 2015), and health benefit cost increases.
  - **BU 10.** \$3.1 million (\$561,000 GF) for provisions of the BU 10 agreement related to a \$1,000 bonus for each employee (the agreement also includes a GSI of three percent in July 2015).
  - **BU 13.** \$2.4 million (\$1.6 million GF) for provisions of the BU 13 agreement related to a July 2014 GSI of two percent (the agreement includes an additional GSI of two and one-half percent in July 2015), a \$250 bonus for each employee, health benefit increases, and a two percent water and wastewater certification pay differential.
  - **BU 8.** \$10.2 million (\$6.4 million GF) for provisions of the BU 8 agreement related to a January 2015 GSI of four percent.

**Fiscal Effect:** Augments the 2014 Budget Act by appropriating \$28.3 million (\$11.9 million GF).

**Support:** Unknown.

**Opposed:** Unknown.