**SB-80 Human services omnibus.** (2019-2020)



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# Senate Bill No. 80

## CHAPTER 27

An act to amend Section 8350 of the Education Code, to amend Sections 7911.1, 8632.5, 17208, 17306, and 17706 of, and to add Section 17306.1 to, the Family Code, to amend Sections 1522, 1596.66, 1596.67, 1596.871, 1597.09, and 1597.55a of, to add Section 1596.671 to, and to add Chapter 11.7 (commencing with Section 50807) to Part 2 of Division 31 of, the Health and Safety Code, to amend Section 11166 of the Penal Code, and to amend Sections 224.1, 4094.2, 4096.1, 4096.55, 9712.5, 11004, 11253, 11253.2, 11253.4, 11323.4, 11330.6, 11374, 11390, 11402.01, 11460, 11461.36, 11462.001, 11462.015, 11462.021, 11462.04, 11463, 11466, 11466.01, 11467, 11469, 12301.61, 12304.4, 12306.1, 12306.17, 13277, 13278, 13279, 13280, 13282, 13283, 14182.17, 15204.2, 15204.35, 15525, 16519.5, 16523, 16523.1, 17600.15, 17605, 17605.07, 17605.10, 17606.10, 17606.20, 18236, 18900.5, 18900.6, 18900.7, 18901.8, 18999, 18999.1, 18999.2, 18999.4, and 18999.6 of, to amend the heading of Chapter 5.5 (commencing with Section 13275) of Part 3 of Division 9 of, to amend and add Section 12306.16 of, to amend, repeal, and add Sections 11155, 11257, 11265.3, 11265.47, 11323.3, 11450, 11451.5, 18941, and 18995 of, to add Sections 9121, 10823.3, 11450.023, 11523.1, 13284, 13285, 16521.8, 17602.05, and 18900.8 to, to add Chapter 4.7 (commencing with Section 10835) to Part 2 of Division 9 of, to add Article 7 (commencing with Section 16523.5) to Chapter 5 of Part 4 of Division 9 of, to add Chapter 5.4 (commencing with Section 16526) to Part 4 of Division 9 of, to add and repeal Section 11523.2 of, to add and repeal Chapter 5.7 (commencing with Section 13400) of Part 3 of Division 9 of, to repeal Sections 4359, 10507, 10790, 10791, 10822, 11155.1, 11265.5, 11465.5, 13281, and 17600.70 of, to repeal and add Sections 11323.2, 13275, and 13276 of, and to repeal, add, and repeal Chapter 4.6 (commencing with Section 10831) of Part 2 of Division 9 of, the Welfare and Institutions Code, to amend Section 81 of Chapter 15 of the Statutes of 2017, to repeal Section 1 of Chapter 452 of the Statutes of 1996, and to repeal Section 1 of Chapter 561 of the Statutes of 1997, relating to human services, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[ Approved by Governor June 27, 2019. Filed with Secretary of State June 27, 2019. ]

## LEGISLATIVE COUNSEL'S DIGEST

SB 80, Committee on Budget and Fiscal Review. Human services omnibus.

(1) Existing law generally requires parents to support their minor children and requires each county to maintain a local child support agency with responsibility for promptly and effectively enforcing child support obligations. Existing law establishes within the state's child support program a quality assurance and performance improvement program. Under this program, the 10 counties with the best performance standards receive an additional percentage of the state's share of those counties' collections that are used to reduce or repay aid that is paid under the California Work Opportunity and Responsibility to Kids (CalWORKs) program. Existing law suspends the payment of this incentive percentage for specified fiscal years.

This bill would additionally suspend the payment of this incentive percentage for the 2019–20 and 2020–21 fiscal years.

Existing law provides that the Department of Child Support Services and local child support agencies have the responsibility for promptly and effectively collecting and enforcing child support obligations. Existing law requires the Director of Child Support Services, in consultation with specified entities, to develop uniform forms, policies, and procedures to be employed statewide by all local child support agencies, including establishing a standard caseworker-to-case staffing ratio and a standard attorney-to-caseworker ratio, as specified.

This bill would require the Department of Child Support Services to develop the uniform forms, policies, and procedures in consultation with the Child Support Directors Association of California, in addition to the currently prescribed entities. The bill would also require the department to establish a standard caseload-to-staffing ratio in place of the caseworker-to-case staffing ratios and would remove the requirement for an attorney-to-caseworker ratio. The bill would require the department to implement a revised local child support agency funding methodology in the 2019–20 fiscal year. The bill would require the department to convene a series of stakeholder working sessions to establish an ongoing local child support agency funding methodology to commence in the 2020–21 fiscal year, and would require the department to recommend changes to the 2019–20 funding methodology to the Legislature on February 1, 2020, as specified.

Existing law requires the Department of Child Support Services to impose a $25 administrative service fee on a never-assisted custodial party who received child support collection services from the state and an annual amount of $500 or more in collected child support payments.

This bill would increase the administrative service fee, effective October 1, 2019, to $35 on a never-assisted custodial party who received child support collection services from the state and an annual amount of $550 or more in collected child support payments.

(2) Existing law, the California Community Care Facilities Act and the California Child Day Care Facilities Act, effective July 1, 2019, each prohibit the Department of Justice or the State Department of Social Services from charging a fee for fingerprinting or obtaining a criminal record for a license applicant who will provide services to 6 or fewer children.

This bill would delete this prohibition and specifically authorize the Department of Justice or the State Department of Social Services to charge a reasonable fee for the costs of processing electronic fingerprint images and related information.

(3) Under existing law, the State Department of Social Services regulates the licensure and operation of child day care centers and family day care homes. Existing law requires the department to inspect child day care centers as often as necessary to ensure the quality of care provided, or at least once every 3 years, and requires the department to conduct an annual unannounced inspection under specified circumstances. Existing law requires the department to make an unannounced site visit to all licensed family day care homes annually and as often as necessary to ensure compliance if specified funds are available for these purposes. If those specified funds are not available to implement annual unannounced site visits, existing law requires the department to inspect family day care homes similarly to child day care centers, as previously described.

This bill would state the intent of the Legislature to achieve annual inspections for licensed child day care centers and licensed family day care homes and facilities on or before July 1, 2021.

Existing law generally prohibits a person, firm, partnership, association, or corporation from operating, establishing, managing, conducting, or maintaining a child day care facility in this state without a current valid license. Existing law requires the State Department of Social Services to establish and continuously update a Trustline registry of persons who provide childcare, supervision, or in-home educational or counseling services and who are not required to be licensed. Under existing law, a provider who is registered pursuant to these provisions is known as a Trustline provider. Existing law generally requires a license-exempt childcare provider receiving subsidized payments for childcare services under the CalWORKs program to be registered as a Trustline provider.

Existing law establishes the Emergency Child Care Bridge Program for Foster Children, under which county welfare departments may distribute vouchers, or payment, for childcare services for an eligible child who is placed with an approved resource family, a licensed or certified foster family, or an approved relative or nonrelative extended family member, or who is the child of a young parent involved in the child welfare system. Existing law requires counties that choose to participate, to determine eligibility for the bridge program and provide monthly payment either directly to the family or to the childcare provider or provide a monthly voucher for childcare, in an amount that is commensurate with the regional market rate, for up to 6 months following the child's initial placement.

This bill would require, to the extent required by federal law, a child care provider who receives compensation, in whole or in part, under the bridge program to be registered as a Trustline provider, at no cost to the provider. The bill would require compensation under the bridge program to cease if the provider has a criminal conviction for which the department has not granted a criminal

conviction exemption pursuant to specified provisions. These provisions would be implemented only if funding for Trustline registration is appropriated to the department for this purpose in the annual Budget Act or another statute.

(4) Existing law provides for various public social services programs, including both long-term programs and short-term pilot programs, aimed at providing services to individuals in need of assistance. Existing law requires the State Department of Social Services and other state agencies to prepare specified reports relating to those programs.

This bill would delete the authorization to conduct specified pilot programs and demonstration projects related to certain public social services programs. The bill also would delete various obsolete reporting requirements, including, among other things, annual ongoing reporting requirements relating to public social services programs and foster care.

(5) Existing law, as part of the Mello-Granlund Older Californians Act, establishes the Office of the State Long-Term Care Ombudsman, under the direction of the State Long-Term Care Ombudsman, in the California Department of Aging. Existing law requires the State Ombudsman to ensure that residents have regular and timely access to the services provided through the office.

This bill would specify that the State Ombudsman shall provide residents with regular and timely access to the services provided by the office through quarterly facility visits by the office to skilled nursing facilities and residential care facilities for the elderly.

Existing law establishes an Aging and Disability Resource Connection (ADRC) program, administered by the California Department of Aging, to provide information to consumers and their families on available long-term services and supports (LTSS) programs and to assist older adults, caregivers, and persons with disabilities in accessing LTSS programs at the local level. Existing law requires area agencies on aging and independent living centers to be the core local partners in developing ADRC programs. Existing law makes the establishment of these provisions contingent upon the appropriation of funds for this purpose.

This bill would, upon appropriation by the Legislature, require the department to administer the ADRC Infrastructure Grants Program for the purpose of implementing a No Wrong Door System, as defined. The bill would require funds to be awarded pursuant to the grant program to interested and qualified area agencies on aging and independent living centers to complete the planning and application process for designation and approval to operate as an ADRC program. The bill would also authorize grant funds to be awarded to aid designated ADRC programs operated by area agencies on aging and independent living centers in expanding or strengthening the services that they provide. The bill would suspend the implementation of these provisions on December 31, 2021, unless the Department of Finance makes a specified determination.

(6) Existing law requires the Department of Rehabilitation to administer a program of services for persons with acquired traumatic brain injury under which service providers develop and utilize an individual service plan to identify the needs of consumers and deliver, either directly or by arrangement, coordinated services designed to meet those needs. Existing law authorizes the department to make grants from the funds in the Traumatic Brain Injury Fund to service providers for the purpose of carrying out the program. Existing law makes these provisions inoperative on July 1, 2024.

This bill would delete that inoperative date, thereby extending the operation of the program indefinitely.

(7) Existing law requires the Office of Systems Integration to implement a statewide automated welfare system for specified public assistance programs. Existing law declares the intent of the Legislature that representatives from the State Department of Social Services, the State Department of Health Care Services, the Office of Systems Integration, the Interim Statewide Automated Welfare System consortia, and counties meet with advocates, clients, and other stakeholders at least quarterly to review the development status of the Statewide Automated Welfare System (SAWS) project and to engage with stakeholders to discuss current and planned functionality changes, among other topics.

This bill would require, to the extent possible within the technology, the development of the SAWS enrollment and eligibility functionality, case management systems, ancillary services, public portals, and mobile applications to have the goals of minimizing the burden of the overall eligibility process for enrollment and retention of benefits for low-income Californians, streamlining interactions for both clients and eligibility workers, and facilitating applicant and client submission of feedback. The bill would require the participants in the meetings described above to jointly update the Legislature at least twice per year through existing processes as to how the SAWS development, implementation, and maintenance minimizes client burden in order to improve access to safety net programs and incorporates ongoing applicant and client feedback toward continuous improvement. By imposing additional duties on counties, the bill would impose a state-mandated local program.

(8) Existing law provides for the California Work Opportunity and Responsibility to Kids (CalWORKs) program, under which each county provides cash assistance and other benefits to qualified low-income families and individuals. Existing law requires the State Department of Social Services to implement and maintain an automated, nonbiometric identity verification method in the CalWORKs program, and requires the department to annually review the method and provide an update to the Legislature, as specified.

This bill would revise and recast those provisions to delete that annual review and update requirement and to repeal the requirement to implement and maintain a nonbiometric identity verification method in the CalWORKs program on January 1, 2021. The bill would also replace obsolete references to former statewide fingerprint imaging system requirements with reference to identity verification requirements for the CalWORKs program.

Existing law establishes the maximum aid payment amounts to be provided to each family receiving aid under CalWORKs, increases the maximum aid payments by 10%, effective April 1, 2019, and states the intent of the Legislature to increase CalWORKs maximum aid payment levels in the 2019–20 and 2020–21 fiscal years.

This bill would, effective October 1, 2019, increase the maximum aid payment amounts for CalWORKs recipients, based on the number of people in the assistance unit, whether the assistance unit includes a recipient who is exempt from participating in welfare-to-work activities, and the region in which the family resides, as specified.

Existing law establishes the CalWORKs Home Visiting Initiative as a voluntary program for the purpose of supporting positive health, development, and well-being outcomes for eligible pregnant and parenting women, families, and infants born into poverty. Existing law requires the State Department of Social Services to award funds to participating counties in order to provide voluntary evidence-based home visiting services to any assistance unit that meets specified requirements. Existing law provides that a voluntary participant in the program is either a member of a CalWORKs assistance unit or the parent or caretaker for a child-only case, and requires the participant to be pregnant with no other children at the time of enrollment or a first-time parent or caretaker relative of a child less than 24 months of age at the time of enrollment.

This bill would rename the initiative the CalWORKs Home Visiting Program and would make various technical, nonsubstantive changes to the program's provisions. The bill would revise program eligibility requirements, including by making eligible for the home visiting program an individual who is apparently eligible for CalWORKs aid and a pregnant individual who has applied for CalWORKs aid within 60 calendar days prior to reaching the 2nd trimester of pregnancy and would be eligible for CalWORKs aid other than not having reached the 2nd trimester of pregnancy. The bill would authorize a county and the home visiting program to incorporate participation of the noncustodial parent of a child who is a member of a CalWORKs assistance unit into home visiting services, as specified.

As part of the CalWORKs program, a homeless family that has used all available liquid resources in excess of $100 is eligible for homeless assistance benefits to pay the costs of temporary shelter if the family is eligible for aid under the CalWORKs program. Under existing law, eligibility for temporary shelter assistance is limited to one period of up to 16 consecutive days every 12 months unless homelessness is a direct result of domestic violence by a spouse, partner, or roommate, in which case eligibility for temporary shelter assistance is limited to 2 periods of up to 16 consecutive days every 12 months.

This bill would, on January 1, 2020, or upon a specified notification from the department, whichever is later, delete the requirement that temporary shelter assistance be used in consecutive calendar days, and would make conforming changes. Because this bill would increase the administrative duties of counties, it would impose a state-mandated local program.

Existing law generally requires a recipient of CalWORKs benefits to participate in welfare-to-work activities as a condition of eligibility for aid. Existing law requires that necessary supportive services be available to participants in welfare-to-work activities, including childcare, which is provided pursuant to the Child Care and Development Services Act. The act establishes 3 stages of childcare services through which a recipient of CalWORKs will pass. The act requires county welfare departments to manage the first stage of childcare, and requires the State Department of Education to manage the 2nd and 3rd stages.

Existing law declares the intent of the Legislature that the annual Budget Act appropriate state and federal funds in a single allocation to counties for the support of administrative activities undertaken by the counties to provide CalWORKs benefit payments, required work activities, and supportive services, as specified.

This bill would provide that, commencing with the 2020–21 fiscal year, the funding provided for stage one childcare shall be allocated to counties separately from that single allocation.

This bill would increase access to childcare supportive services for welfare-to-work participants by, among other things, requiring that the childcare be full time unless the participant determines that part-time care better meets the family's needs, requiring first-stage childcare to be authorized for one year, or until the participant is transferred to the 2nd stage of childcare, and prohibiting the first stage or the 2nd stage of childcare services from being discontinued until confirmation is received from the administrator of the subsequent stage of childcare that the family has been enrolled or that the family is ineligible for services in the subsequent stage of childcare. The bill would also specify additional welfare-to-work program activities for which childcare services are available. This bill would require that a person be informed of the availability of childcare services upon enrollment in the CalWORKs program and at later times when the person expresses a need for childcare, as prescribed. By imposing new duties on county welfare departments, this bill would impose a state-mandated local program.

Existing law makes confidential and prohibits the release of information about applicants for public social services. Notwithstanding this prohibition, existing law authorizes a county welfare department to share information necessary for the administration of childcare programs and the CalWORKs program.

This bill would require that specified information necessary to enroll or transfer a family into childcare services be made available by a county welfare department to a contractor that provides childcare services. The bill would require a county welfare department to provide a monthly report to 2nd-stage contractors containing specified information, as prescribed. The bill would authorize a county welfare department to provide training on security protocols and confidentiality of individual family data to a contractor who is given access to data pursuant to those provisions. By imposing new duties on county welfare departments, this bill would impose a state-mandated local program.

Existing law requires the State Department of Social Services to work with representatives of county human services agencies and the County Welfare Directors Association of California to develop recommendations for revising the methodology used for development of the CalWORKs single allocation annual budget.

This bill would require the department to work with representatives of county human services agencies and the County Welfare Directors Association of California to develop specified material, including the budgeting methodology for welfare-to-work direct services.

Existing law provides on and after July 1, 2019, for recovery of an overpayment of benefits and, except in cases involving an investigation into suspected fraud, requires the county to deem an overpayment uncollectible and expunge that overpayment if the individual responsible for the overpayment has not received aid under CalWORKs for 36 consecutive months or longer.

This bill would make that provision operative when SAWS is able to produce a report identifying overpayment, as described, and would require an overpayment to be discharged, rather than expunged.

Existing law requires the State Department of Social Services to establish, by July 1, 2019, the CalWORKs Outcomes and Accountability Review (Cal-OAR) to facilitate a local accountability system that fosters continuous quality improvement in county CalWORKs programs and in the collection and dissemination by the department of best practices in service delivery. Existing law requires the Cal-OAR to cover CalWORKs services provided to current and former recipients and to include the programmatic elements that each county offers as part of its CalWORKs service array. Existing law requires Cal-OAR to consist of performance indicators, a county CalWORKs self-assessment process, and a county CalWORKs system improvement plan.

This bill would require the department to facilitate a workgroup that includes counties, advocates for the poor, organizations that represent workers, CalWORKs recipients, staff of the appropriate fiscal and policy committees of the Legislature, and other stakeholders in a review of the CalWORKs welfare-to-work laws and regulations. The bill would require the workgroup to develop a set of immediate, near-term, and long-term recommendations focused on eliminating policy barriers that would prohibit the successful implementation of Cal-OAR, as influenced by a welfare-to-work model known locally as CalWORKs 2.0. The bill would require the department to update the Joint Legislative Budget Committee on the recommendations of the workgroup by February 1, 2020, and would repeal these provisions on January 1, 2021. The bill would make related findings and declarations.

Existing law limits the assets that an applicant for, or recipient of, CalWORKs may retain in order to obtain, or retain, eligibility for the CalWORKs program to the amount permitted under the CalFresh program. Existing law exempts $9,500 of the equity value of a motor vehicle from being counted as an asset of an applicant or recipient.

This bill would, on June 1, 2020, or upon a specified notification from the department, whichever is later, increase the asset limitation to $10,000 and the motor vehicle exemption to $25,000. The bill would require the amount of the asset limitation and the motor vehicle exemption to be adjusted annually. By expanding eligibility for the CalWORKs program and increasing county administrative duties, the bill would impose a state-mandated local program.

Existing law requires the State Department of Social Services to establish an income reporting threshold for CalWORKs recipients, which is the lesser of (1) 55% of the monthly income for a family of 3 at the federal poverty level, plus a specified amount, (2) the amount likely to render the recipient ineligible for CalWORKs benefits, or (3) the amount likely to render the recipient ineligible for federal Supplemental Nutrition Assistance Program benefits.

This bill would, on June 1, 2020, or upon a specified notification from the department, whichever is later, delete from that threshold formula the amount likely to render the recipient ineligible for CalWORKs benefits.

Existing law exempts certain income from the calculation of the family's income for purposes of determining eligibility for, and the amount of aid paid under, the CalWORKs program, including disability-based unearned income, in accordance with specified provisions, depending on whether or not that income exceeds $225.

This bill would on June 1, 2020, or upon a specified notification from the department, whichever is later, incrementally increase the above amount of exempted income on an annual basis, as specified.

Because the bill would result in an increase in CalWORKs eligibility, thereby increasing the duties of counties administering the CalWORKs program, the bill would impose a state-mandated local program.

(9) Existing law provides for the temporary or emergency placement of dependent children of the juvenile court and nonminor dependents with relative caregivers or nonrelative extended family members under specified circumstances. Existing law requires counties to provide a specified payment to an emergency caregiver if, among other things, the emergency caregiver has completed an application for resource family approval and an application for the Emergency Assistance Program. Existing law requires these payments to be made from Emergency Assistance Program funds included in the state's Temporary Assistance for Needy Families (TANF) block grant, with the county solely responsible for the nonfederal share of cost, except as specified. During the 2018–19 fiscal year, existing law makes these payments ineligible for the federal or state share of cost upon approval or denial of the resource family application or beyond 180 days, whichever occurs first. However, the federal or state share may be available for up to 365 days if certain conditions are met by the county, including, among others, monthly documentation by the county of good cause for the delay in approving the resource family application that is outside the direct control of the county, as specified.

Under existing law, during the 2019–20 fiscal year, and each fiscal year thereafter, payments provided under these provisions are ineligible for the federal or state share of cost upon approval or denial of the resource family application or beyond 90 days, whichever occurs first, but the department is required to consider extending payments beyond the 90 days if it determines that the resource family approval process cannot be completed within 90 days due to circumstances outside of a county's control.

This bill would revise and recast the provisions that apply to the 2019–20 fiscal year and would instead provide that these payments are ineligible for the federal or state share of payment upon approval or denial of the resource family application or beyond 120 days, whichever comes first, subject to an extension beyond those payments, for up to 365 days of payments, if certain conditions are met by the county, including, among others, the provision of monthly documentation showing good cause for the delay in approving the resource family application that is outside the control of the county.

This bill would also require each county, on and after July 1, 2019, to provide a payment equivalent to the resource family basic level rate of the home-based family care rate structure on behalf of an Indian child placed in the home of the caregiver who is pending approval as a tribally approved home, as defined, if specified criteria are met. By expanding the duties of counties under these provisions, this bill would impose a state-mandated local program.

(10) Existing law establishes the Aid to Families with Dependent Children-Foster Care (AFDC-FC) program, under which counties provide payments to foster care providers on behalf of qualified children in foster care. In order to be eligible for AFDC-FC, existing law requires, in pertinent part, a child to be placed in one of several specified placements.

The AFDC-FC program provides for payments to group home providers at a per child per month rate for the care and supervision of the AFDC-FC child placed with the provider. Existing law requires the State Department of Social Services to determine the rate classification level (RCL) for each group home. Existing law prohibits a new group home rate or changes to an existing rate pursuant to the RCL system, except that the department may grant an exception, on a case-by-case basis and only through December 31, 2018, when there is a material risk to the welfare of children due to an inadequate supply of appropriate alternative placement options to meet the needs of children, as specified. Existing law authorizes the department to grant an additional extension to a group home beyond December 31, 2018, in increments up to 6 months and not to exceed a total of 12 months, upon a county child welfare department submitting a written request on behalf of a provider and providing required documentation.

This bill would authorize the department to grant an additional extension to a group home until December 31, 2020, upon a county child welfare agency submitting a written request on behalf of a provider that includes an update to the previously submitted documentation described above. The bill would require the county child welfare and mental health agencies, in order to maintain the placement of foster youth placed in a group home that receives this extension, to submit a collaborative plan to the department and the State Department of Health Care Services that includes specified components. The bill would require the department, the State Department of Health Care Services, and stakeholders to develop a collaborative plan to address barriers to building high-quality services in residential treatment programs and in family-based settings, as prescribed.

Existing law requires the State Department of Social Services to establish a payment system for foster family agencies that provide treatment, intensive treatment, and therapeutic foster care programs. Existing law also makes each child placed in a certified family home or resource family of a foster family agency eligible for the basic rate, which is adjusted annually to reflect the percentage change in the California Necessities Index.

This bill would require, commencing July 1, 2019, the rates paid to foster family agencies, except for the rate paid to a certified family home or resource family agency, as described, to be 4.15% higher than the rates paid to foster family agencies in the 2018–19 fiscal year, and would provide for the suspension of the rate increase on December 31, 2021, unless a specified circumstance applies.

Existing law requires the State Department of Social Services, with the advice and assistance of the County Welfare Directors Association of California and other specified stakeholders, to establish a working group to develop performance standards and outcome measures for providers of out-of-home care placements made under the AFDC-FC program, as specified. Existing law additionally authorizes the department to develop a means of identifying the child's needs and determining which out-of-home placement is the most appropriate for a child.

This bill would require the department, in collaboration with the County Welfare Directors Association of California, to track the utilization, workload, and costs associated with implementing any specific tool developed to identify the child's strengths and needs and determine the most appropriate out-of-home placement.

(11) Existing law establishes the federally funded and state-funded Kinship Guardianship Assistance Payment Program (Kin-GAP), which provides aid on behalf of eligible children who are placed in the home of a relative guardian and the Approved Relative Caregiver Funding Program (ARC) for the purpose of making the amount paid to relative caregivers for the in-home care of children placed with them who are ineligible for AFDC-FC payments equal to the amount paid on behalf of children who are eligible for AFDC-FC payments. Existing law provides that when a child receiving benefits under the CalWORKs or AFDC-FC program becomes eligible for benefits under state-funded or federally funded Kin-GAP, respectively, during any month, the child shall continue to receive benefits under the CalWORKs or AFDC-FC program to the end of that calendar month, and Kin-GAP payments shall begin the first day of the following month.

This bill would instead provide that when a child receiving benefits under the ARC or AFDC-FC program becomes eligible for benefits under the state-funded or federally funded Kin-GAP Program, respectively, the child shall continue to receive ARC or AFDC-FC benefits through the day that the juvenile court dismisses the dependency or terminates the wardship, and Kin-GAP payments shall begin the following day.

(12) Existing law establishes the county-administered In-Home Supportive Services (IHSS) program, under which qualified aged, blind, and disabled persons are provided with supportive services in order to permit them to remain in their own homes.

Existing law requires the state and counties to share the annual cost of providing IHSS and requires all counties to have a County IHSS Maintenance of Effort (MOE), as prescribed. Under existing law, the statewide total County IHSS MOE base for the 2017–18 fiscal year is established at $1,769,443,000.

This bill would, commencing July 1, 2019, establish a rebased County IHSS MOE, reducing the base for the 2019–20 fiscal year to $1,563,282,000.

This bill would make additional adjustments to the County IHSS MOE relating to, among other things, benefits that are locally negotiated, mediated, or imposed, and administration expenditures. Once the state minimum wage reaches $15 per hour, the bill would require the state to pay 35%, and the county to pay 65%, of the nonfederal share of an increase in provider wages or health benefits locally negotiated, mediated, imposed, or adopted by ordinance, or of increases to rates in contracts, as specified.

Existing law requires, beginning on July 1, 2019, and annually thereafter, that the County IHSS MOE from the previous year be adjusted by an inflation factor of 7%, or lower under certain circumstances.

This bill would change the inflation factor to 4% beginning on July 1, 2020, and annually thereafter.

Existing law provides for the allocation of funds appropriated from the continuously appropriated Local Revenue Fund for the distribution of sales tax and motor vehicle license fee moneys to local agencies for the administration of various health, mental health, and public social service programs (1991 Realignment funds).

Existing law requires that a portion of IHSS costs that are the counties' responsibility be offset using a combination of General Fund moneys appropriated in the annual Budget Act and redirected 1991 Realignment funds, based on specified formulas.

This bill would repeal those offsetting provisions for purposes of the 2019–20, 2020–21, 2021–22, and subsequent fiscal years. The bill would redirect moneys from specified accounts of the Local Revenue Fund to the mental health account, health account, and family support account, of each county or city and county and to the continuously appropriated County Medical Services Program Growth Subaccount, as specified, thereby making an appropriation. The bill would make other revisions relating to the distribution of 1991 Realignment funds.

Under existing law, a county board of supervisors may elect to contract with a nonprofit consortium to provide for the delivery of in-home supportive services, or establish, by ordinance, a public authority to provide for the delivery of in-home supportive

services. Existing law requires, until January 1, 2020, a specified mediation process, including a factfinding panel making findings of fact and recommended settlement terms, to be held if a public authority or nonprofit consortium and the employee organization fails to reach agreement on a bargaining contract with in-home supportive service workers by January 1, 2018.

This bill would, until January 1, 2021, instead require the specified mediation process to be held if a public authority or nonprofit consortium and the employee organization fail to reach an agreement on a bargaining contract on or after October 1, 2019. The bill would require the mediation process to also include the county board of supervisors holding a public hearing after the factfinding panel's public release of its findings of fact and recommended settlement terms. By imposing additional duties on counties, the bill would impose a state-mandated local program.

The bill would subject a county to a withholding of a specified amount of 1991 Realignment funds if the parties have completed the mediation process, the factfinding panel has issued findings of fact and recommended settlement terms that are more favorable to the employee organization than those proposed by the public authority or nonprofit consortium, the parties do not reach an agreement within 90 days of the release of those recommendations, and the collective bargaining agreement for IHSS providers in that county has expired. This bill would, beginning July 1, 2019, also subject a county to that withholding of 1991 Realignment funds if the factfinding panel's recommended settlement terms were released prior to June 20, 2019, and that county has not reached an agreement with the employee organization within 90 days after the release. The bill would require the Public Employment Relations board to provide written notification of the withholding to the county, the employee organization, the Department of Finance, and the State Controller. The bill would require the State Controller to deposit any amounts withheld pursuant to these provisions into the continuously appropriated General Growth Subaccount of the Sales Tax Growth Account of the Local Revenue Fund, as specified, thereby making an appropriation.

Existing law requires the department to establish a program of direct deposit by electronic transfer for payments to in-home supportive services providers.

This bill would require, beginning July 1, 2021, or an alternative date identified by the department, in-home supportive services providers to be paid by direct deposit or provider card. The bill would require the department to issue a request for proposal for one or more provider card issuers to offer provider cards and would require selected provider card issuers to comply with certain requirements, including minimizing charges and fees for providers using the card. The bill would authorize these provisions to be implemented by all-county letter or similar instruction.

Under the federal 21st Century Cures Act, a state is required to use an electronic visit verification system (EVV system) to electronically verify specified information with respect to Medicaid-funded personal care services and home health care services provided by the state, or lose a percentage of federal Medicaid funding, as specified.

This bill would require the State Department of Social Services to develop and implement the EVV system in accordance with specified principles, including compliance with specified federal statutory and case law, the capabilities of the system, the rights of IHSS program consumers and providers, and development and implementation of the EVV system in a manner and timeframe that avoids payment of federal financial participation penalties, as specified.

This bill would require the department to work with the County Welfare Directors Association of California to determine the actual one-time and ongoing county workload and costs to implement the EVV system and to consider the information for annual budget changes and county workload requirements related to implementation. This bill would make this provision inoperative on July 1, 2020, and repeal it on January 1, 2021.

(13) Existing law, commonly known as the Continuum of Care Reform (CCR), states the intent of the Legislature in adopting the CCR to improve California's child welfare system and its outcomes by using comprehensive initial child assessments, increasing the use of home-based family care and the provision of services and supports to home-based family care, reducing the use of congregate care placement settings, and creating faster paths to permanency resulting in shorter durations of involvement in the child welfare and juvenile justice systems.

This bill would require the State Department of Social Services, the State Department of Health Care Services, the California State Association of Counties, the County Welfare Directors Association of California, the County Behavioral Health Directors Association of California, and the Chief Probation Officers of California to provide quarterly in-person updates to the Legislature on progress toward the CCR implementation. The bill would require the updates to include specified information on, among other topics, the transition of providers to the CCR program models, the capacity to provide mental health services, tracking child outcomes over time, the CCR-related costs and savings, system changes, and county recruitment and retention efforts. To the extent that this bill would add new duties for counties relating to reporting on the CCR-related services, the bill would impose a state-mandated local program.

This bill would exempt certain contracts or grants, as described, necessary for the State Department of Social Services to implement or evaluate the CCR from various laws and procedures, including the Public Contract Code and the State Contracting

Manual and review by either the Department of General Services or the Department of Technology. This bill would make these provisions inoperative on July 1, 2021, and would repeal them as of January 1, 2022.

(14) Existing law requires the State Department of Social Services to implement a statewide Child Welfare Services Case Management System to protect children and effectively administer and evaluate the state's child welfare services and foster care programs. Existing law requires the State Department of Social Services to establish a program of public health nursing in the child welfare services program and requires counties to use the services of the foster care public health nurse under this program. Existing law requires the foster care public health nurse to perform specified duties, including participating in medical care planning and coordinating for a child currently in foster care.

This bill would establish a child welfare public health nursing early intervention program in the County of Los Angeles to improve outcomes for youth who are at risk of entering the foster care system, by maximizing access to health care, health education, and connection to safety net services. The program would be administered by the Los Angeles County Department of Public Health (DPH), in cooperation with the county's Department of Children and Family Services (DCFS). The bill would specify the duties of a county public health nurse participating in the pilot program, including conducting emergency and routine home visits with social workers and providing parents and guardians with educational tools and resources to ensure their child's physical, mental, and behavioral health needs are being met. The bill would require DPH and DCFS to develop appropriate outcome measures to determine the effectiveness of the program in achieving its objectives and report its findings and recommendations to the Legislature, as specified. The bill would suspend the implementation of these provisions on December 31, 2021, unless the Department of Finance makes a specified determination.

This bill would require the State Department of Health Care Services and the county to seek any federal approvals necessary to implement the program and seek to maximize federal financial participation, as specified. The bill would require the State Department of Social Services, contingent upon an appropriation in the annual Budget Act, to provide funds to DPH for the program.

(15) Existing law establishes the jurisdiction of the juvenile court, which may adjudge a child to be a dependent of the court under certain circumstances, including when the child suffered, or there is a substantial risk that the child will suffer, serious physical harm, or a parent fails to provide the child with adequate food, clothing, shelter, or medical treatment. Existing law establishes the grounds for removal of a dependent child from the custody of the dependent child's parents or guardian, and establishes procedures to determine placement of a dependent child, which may include placement with various types of caregivers.

This bill would require the department to establish a statewide hotline, operational no sooner than January 1, 2021, and on the same date as the county-based mobile response systems described below, as the entry point for a Family Urgent Response System, as defined, to respond to calls from caregivers or current or former foster children or youth during moments of instability, as specified. The bill would require the hotline to include, among other things, referrals to a county-based mobile response system, as specified, for further support and in-person response. The bill would require the department to ensure that deidentified, aggregated data are collected regarding individuals served through the hotline and the county-based mobile response system and to publish a report on the department's internet website by January 1, 2022, and annually thereafter, including specified information.

This bill would require, no sooner than January 1, 2021, and on the same date as the statewide hotline described above, county child welfare, probation, and behavioral health agencies, in each county or region of counties, as specified, to establish a joint county-based mobile response system that includes a mobile response and stabilization team for the purpose of providing supportive services to, among other things, address situations of instability, preserve the relationship of the caregiver and the child or youth, and stabilize the situation. The bill would require those agencies to submit a single, coordinated plan to the department, describing how the system would meet specified requirements. The bill would authorize those agencies to implement these provisions on a per-county basis or by collaborating with other counties to establish regional, cross-county mobile response systems, as specified. By creating new duties for county officials relating to foster care services, the bill would impose a state-mandated local program.

This bill would require the department, in collaboration with the State Department of Health Care Services, to issue all necessary guidance for county-based mobile response systems established pursuant to these provisions. The bill would require the department, in collaboration with specified entities, on an annual basis beginning on January 1, 2022, to assess utilization and workload associated with implementation of the statewide hotline and mobile response system and provide an update to the Legislature during budget hearings.

This bill would make these provisions inoperative in any fiscal year for which funding is not appropriated in the annual Budget Act for the purpose of complying with these requirements. This bill would suspend the implementation of these provisions on December 31, 2021, unless the Department of Finance makes a specified determination.

(16) Existing federal law provides for the federal Supplemental Nutrition Assistance Program (SNAP), known in California as CalFresh, under which supplemental nutrition assistance benefits allocated to the state by the federal government are distributed to eligible individuals by each county. Existing law makes a recipient of Supplemental Security Income/State Supplementary Payment Program (SSI/SSP) benefits eligible for CalFresh benefits on and after a specified date if the recipient is otherwise eligible for CalFresh benefits. Existing law establishes the SSI/SSP Cash-In Supplemental Nutrition Benefit (SNB) Program and the SSI/SSP Cash-In Transitional Nutrition Benefit (TNB) Program to provide nutrition benefits to a CalFresh household that had its benefits reduced or became ineligible when a previously excluded SSI/SSP recipient was added to the household under the new eligibility provisions. Existing law makes those provisions relating to SSI/SSP benefits and CalFresh eligibility and the SNB and TNB programs inoperative during any fiscal year in which funding is not appropriated in the annual Budget Act for those purposes.

This bill would delete those inoperative provisions, thereby making those benefits available without regard to an appropriation in the annual Budget Act. By expanding eligibility for, and imposing new administrative duties on counties in connection with, the programs described above, this bill would impose a state-mandated local program.

Existing law requires the State Department of Social Services to establish and supervise a county- or county-consortia-administered program to provide cash assistance to aged, blind, and disabled legal immigrants who are not citizens of the United States, and requires benefits provided under the program to be equivalent to the benefits provided under the SSI/SSP program. Existing law requires provision of these benefits only if funding is appropriated in the annual Budget Act for that purpose.

This bill would delete the funding restrictions and make those benefits available, retroactive to June 1, 2019, without regard to an appropriation in the annual Budget Act. By expanding eligibility for, and imposing new administrative duties on counties in connection with, the program described above, this bill would impose a state-mandated local program.

Existing law requires the State Department of Social Services to establish a Work Incentive Nutritional Supplement (WINS) program, under which each county is required to provide a $10 monthly additional food assistance benefit for each eligible CalFresh household, as defined. Existing law requires the state to pay to the counties 100% of the cost of WINS benefits, using funds that qualify for the state's TANF program maintenance of effort requirements, as specified.

This bill would delete the requirement that the state use funds that qualify for the state's TANF program maintenance of effort requirements to pay for the cost of WINS benefits.

This bill would require the department to work with representatives for county human services agencies and the County Welfare Directors Association of California to update the budgeting methodology used to determine the annual funding for county administration of the CalFresh program beginning with the 2020–21 fiscal year.

(17) Existing law establishes the CalFood Program, formerly known as the State Emergency Food Assistance Program, administered by the State Department of Social Services, whose ongoing primary function is to facilitate the distribution of food to low-income households. Existing law creates both the CalFood Account and the Public Higher Education Pantry Assistance Program Account in the Emergency Food for Families Voluntary Tax Contribution Fund, and requires that moneys in these respective accounts, upon appropriation by the Legislature, be allocated to the department for allocation for specified purposes, such as allocating moneys from the CalFood Account to the CalFood Program for the purchase, storage, and transportation of food grown or produced in California. Existing law prohibits the storage and transportation expenditures associated with the CalFood Program from exceeding 10% of the CalFood Program fund's annual budget.

This bill would increase from 10% to 15% the annual budget limitation on storage and transportation expenditures associated with the CalFood Program, commencing on July 1, 2019.

(18) Existing law establishes the Housing and Disability Income Advocacy Program under the administration of the State Department of Social Services. Under the existing program, state funds are granted to a participating county for the provision of various services, including advocacy services and housing assistance to assist clients who are homeless or at risk of becoming homeless to obtain disability benefits. Existing law requires a participating county to provide housing assistance to these clients during their application periods for disability benefits programs, and to place a client who receives subsidies in housing that the client can sustain without a subsidy upon approval of disability benefits. Existing law requires the department to periodically inform the Legislature of the implementation progress of the program and authorizes the department to implement these provisions through all-county letters.

This bill would additionally make tribes and combinations of counties or tribes eligible for funding under the program as grantees. The bill would require grantees to use the funding for the provision of certain services, including housing assistance, and to make a reasonable effort to place a client who receives subsidies in housing that the client can sustain without a subsidy upon approval of disability benefits or consider providing limited housing assistance until an alternative subsidy, affordable housing voucher, or other sustainable housing option is secured. The bill would require the department to annually inform the Legislature of the

implementation progress and to submit an annual report to the Legislature on the implementation of the program. The bill would remove the authorization for the department to implement the provisions through all-county letters.

Existing law establishes the Bringing Families Home Program and, to the extent funds are appropriated in the annual Budget Act, requires the State Department of Social Services to award program funds to counties for the purpose of providing housing-related supports to eligible families experiencing homelessness if that homelessness prevents reunification between an eligible family and a child receiving child welfare services, or where lack of housing prevents a parent or guardian from addressing issues that could lead to foster care placement.

This bill would expand the scope of the program to also apply to tribal governments and would make conforming changes. The bill would make certain changes to the criteria for housing-related supports, requiring, among other things, the use of an assessment tool. The bill would require a participating county or tribe to utilize a cross-agency liaison to coordinate activities, as specified.

(19) Existing law establishes the Department of Housing and Community Development in the Business, Consumer Services, and Housing Agency. The department is responsible for administering various housing and home loan programs throughout the state.

This bill would require the Department of Housing and Community Development, upon appropriation, to provide funding to counties for allocation to child welfare services agencies to help young adults secure and maintain housing, as specified.

(20) Existing law delegates authority to various state agencies to oversee programs aimed at providing services for needy individuals, including providing medical services, shelter, and legal services for immigrants. Existing law establishes the Rapid Response Reserve Fund in the State Treasury to address costs, such as shelter and transportation, arising from immigration and other specified situations.

This bill would require the State Department of Social Services to administer a rapid response program to award grants or contracts to entities that provide critical assistance to immigrants during times of need. The bill would prescribe requirements for the grants or contracts, including that the grants or contracts provide critical funding for immigrants, including medical treatment, temporary shelter, food, and clothing. The bill would require the department to provide an update to the Legislature, as specified, regarding any entity receiving funds and would require the update to contain specified information, including the name of the entity or entities that will receive the funding, a timeline for implementation of the services, and the approximate number of persons that will be served per month by the funds. The bill's provisions would be inoperative on July 1, 2022, and would be repealed on January 1, 2023. The bill would state that these provisions are severable.

Existing law prohibits a county's costs in administering employment-related and English-language training programs funded by the Refugee Social Services program funds derived from the federal Refugee Act of 1980 from exceeding the percentage for county administrative costs permitted by the department in administering the Refugee Targeted Assistance program.

This bill would repeal those provisions.

Existing law requires the department, after setting aside state administrative funds, to allocate social services funds derived from the federal Refugee Act of 1980 and federally targeted assistance to eligible counties, to be used by the county, pursuant to a plan developed by the county, to provide services to refugees that lead to the earliest possible self-sufficiency for the refugees.

This bill would additionally authorize the department, to the extent permitted by federal law, to contract with, or award grants to, qualified nonprofit organizations for the administration of refugee social services and refugee cash assistance. The bill would also make conforming changes and update the terminology and references used in the provisions relating to refugee social services. The bill would authorize the department to implement and administer all provisions relating to refugee social services and refugee cash assistance through all-county letters or similar instruction.

Existing law appropriates, for the 2017–18 fiscal year, $10,000,000 from the General Fund to the State Department of Social Services in order to provide additional services for refugee pupils by allocating funding to school districts impacted by significant numbers of refugee pupils and other eligible populations served by the federal Office of Refugee Resettlement based on the eligibility criteria and allocation methodology set forth for the federal Refugee School Impact program.

This bill would expand the purposes of that appropriation to provide additional services for pupils who are unaccompanied undocumented minors, as defined, thereby making an appropriation. The bill instead would require the State Department of Social Services to allocate funding to school districts impacted by significant numbers of refugee pupils, other eligible populations served by the federal Office of Refugee Resettlement, and unaccompanied undocumented minors using a formula to be developed by the department based upon the refugee and unaccompanied undocumented minor arrivals in a school district during the preceding 60-month period for which the department has data.

Funds appropriated by this bill would be applied toward the minimum funding requirements for school districts and community college districts imposed by Section 8 of Article XVI of the California Constitution.

(21) Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

(22) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for specified reasons.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

(23) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.
Vote: majority Appropriation: yes Fiscal Committee: yes Local Program: yes

## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** Section 8350 of the Education Code is amended to read:

**8350.** (a) It is the intent of the Legislature in enacting this article to ensure that recipients of aid under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code, or any successor program, and former recipients who have left aid for employment, are connected as soon as possible to local childcare resources, make stable childcare arrangements, and continue to receive subsidized childcare services after they no longer receive aid as long as they require those services and meet the eligibility requirements set forth in Sections 8263 and 8263.1.

(b) This article establishes three stages of childcare services through which a recipient of aid under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code, or any successor program, will pass. Further, as families' childcare needs are met by county welfare departments and later by other local childcare and development contractors, it is the intent of the Legislature that families experience no break in their childcare services due to a transition between the three stages of childcare services.

(c) In order to ensure that there is no disruption in childcare services due to the planned transitions between the stages of CalWORKs childcare, the first stage or the second stage of childcare services shall not be discontinued until confirmation is received from the administrator of the subsequent stage of childcare that the family has been enrolled in the subsequent stage of childcare, or that the family is ineligible for services in the subsequent stage of childcare.

**SEC. 2.** Section 7911.1 of the Family Code is amended to read:

**7911.1.** (a) Notwithstanding any other law, the State Department of Social Services or its designee shall investigate any threat to the health and safety of children placed by a California county social services agency or probation department in an out-of-state group home pursuant to the provisions of the Interstate Compact on the Placement of Children. This authority shall include the authority to interview children or staff in private or review their file at the out-of-state facility or wherever the child or files may be at the time of the investigation. Notwithstanding any other law, the State Department of Social Services or its designee shall require certified out-of-state group homes to comply with the reporting requirements applicable to short-term residential therapeutic programs licensed in California for each child in care regardless of whether the child is a California placement, by submitting a copy of the required reports to the Compact Administrator within regulatory timeframes. The Compact Administrator within one business day of receiving a serious events report shall verbally notify the appropriate placement agencies and, within five working days of receiving a written report from the out-of-state group home, forward a copy of the written report to the appropriate placement agencies.

(b) Any contract, memorandum of understanding, or agreement entered into pursuant to paragraph (b) of Article 5 of the Interstate Compact on the Placement of Children regarding the placement of a child out of state by a California county social services agency or probation department shall include the language set forth in subdivision (a).

(c) (1) The State Department of Social Services or its designee shall perform initial and continuing inspection of out-of-state group homes in order to either certify that the out-of-state group home meets all licensure standards required of group homes operated

in California or that the department has granted a waiver to a specific licensing standard upon a finding that there exists no adverse impact to health and safety.

(2) (A) On and after January 1, 2017, the licensing standards applicable to out-of-state group homes certified by the department, as described in paragraph (1), shall be those required of short-term residential therapeutic programs operated in this state, unless the out-of-state group home is granted an extension pursuant to subdivision (d) or (e) of Section 11462.04 of the Welfare and Institutions Code or has otherwise been granted a waiver pursuant to this subdivision.

(B) On and after January 1, 2017, the licensing standards applicable to out-of-state group homes certified by the department, as described in paragraph (1), shall include the licensing standards for mental health program approval described in Section 1562.01 of the Health and Safety Code. These standards may be satisfied if the out-of-state group home has an equivalent mental health program approval in the state in which it is operating. If an out-of-state group home cannot satisfy the licensing standards for an equivalent mental health program approval, children shall not be placed in that facility.

(3) In order to receive certification, the out-of-state group home shall have a current license, or an equivalent approval, in good standing issued by the appropriate authority or authorities of the state in which it is operating.

(4) On and after January 1, 2017, an out-of-state group home program shall, in order to receive an AFDC-FC rate, meet the requirements of paragraph (2) of subdivision (c) of Section 11460 of the Welfare and Institutions Code.

(5) Any failure by an out-of-state group home facility to make children or staff available as required by subdivision (a) for a private interview or make files available for review shall be grounds to deny or discontinue the certification.

(6) Certifications made pursuant to this subdivision shall be reviewed annually.

(d) A county shall be required to obtain an assessment and placement recommendation by a county multidisciplinary team prior to placement of a child in an out-of-state group home facility.

(e) Any failure by an out-of-state group home to obtain or maintain its certification, as required by subdivision (c), shall preclude the use of any public funds, whether county, state, or federal, in the payment for the placement of any child in that out-of-state group home, pursuant to the Interstate Compact on the Placement of Children.

(f) (1) A multidisciplinary team shall consist of participating members from county social services, county mental health, county probation, county superintendents of schools, and other members, as determined by the county.

(2) Participants shall have knowledge or experience in the prevention, identification, and treatment of child abuse and neglect cases, and shall be qualified to recommend a broad range of services related to child abuse or neglect.

(g) (1) The department may deny, suspend, or discontinue the certification of the out-of-state group home if the department makes a finding that the group home is not operating in compliance with the requirements of subdivision (c).

(2) Any judicial proceeding to contest the department's determination as to the status of the out-of-state group home certificate shall be held in California pursuant to Section 1085 of the Code of Civil Procedure.

(h) The certification requirements of this section shall not impact placements of emotionally disturbed children made pursuant to an individualized education program developed pursuant to the federal Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400 et seq.) if the placement is not funded with federal or state foster care funds.

(i) Only an out-of-state group home authorized by the Compact Administrator to receive state funds for the placement by a county social services agency or probation department of any child in that out-of-state group home from the effective date of this section shall be eligible for public funds pending the department's certification under this section.

**SEC. 3.** Section 8632.5 of the Family Code is amended to read:

**8632.5.** (a) The department shall establish and adopt regulations for a statewide registration and enforcement process for adoption facilitators. The department shall also establish and adopt regulations to require adoption facilitators to post a bond as required by this section.

(b) The department may adapt the process it uses to register adoption service providers in order to provide a similar registration process for adoption facilitators. The process used by the department shall include a procedure for determining the status of bond compliance by adoption facilitators, a means for accepting or denying organizations seeking inclusion in the adoption facilitator registry, a means for removing adoption facilitators from the adoption facilitator registry, and an appeals process for those entities denied inclusion in or removed from the adoption facilitator registry. The department may deny or revoke inclusion in the registry for adoption facilitators to an applicant who does not possess a criminal record clearance or exemption issued by the department

pursuant to Section 1522 of the Health and Safety Code and the criminal record clearance regulations applicable to personnel of private adoption agencies. Criminal record clearances and exemptions granted to adoption facilitators are not transferable.

(c) Upon the establishment by the department of a registration process, all adoption facilitators that operate independently from a licensed public or private adoption agency or an adoption attorney in this state shall be required to register with the department.

(d) An adoption facilitator, when posting a bond, shall also file with the department a disclosure form containing the adoption facilitator's name, date of birth, residence address, business address, residence telephone number, business telephone number, and the number of adoptions facilitated for the previous year. Along with the disclosure form, the adoption facilitator shall provide all of the following information to the department:

(1) Proof that the facilitator and any member of the staff who provides direct adoption services has completed two years of college courses, with at least half of the units and hours focusing on social work or a related field.

(2) Proof that the facilitator and any member of the staff who provides direct adoption services has a minimum of three years of experience employed by a public or private adoption agency licensed by the department, a registered adoption facilitator, or an adoption attorney who assists in bringing adopting persons and placing parents together for the purpose of adoption placement.

(A) An adoption facilitator and any member of the staff subject to this paragraph may waive the educational and experience requirements by satisfying all of the following requirements:

(i) Over five years of work experience providing direct adoption services for a licensed adoption agency.

(ii) Have not been found liable of malfeasance in connection with providing adoption services.

(iii) Provide three separate letters of support attesting to the adoption facilitator's or member's ethics and work providing direct adoption services from any of the following:

(I) A licensed public or private adoption agency.

(II) A member of the Academy of California Adoption Lawyers.

(III) The State Department of Social Services.

(B) An adoption facilitator who is registered with the department may also register staff members under the designation of "trainee." A trainee may provide direct adoption services without meeting the requirements of this paragraph. Any trainee registered with the department shall be directly supervised by an individual who meets all registration requirements.

(3) A valid business license.

(4) A valid, current, government-issued identification to determine the adoption facilitator's identity, such as a California driver's license, identification card, passport, or other form of identification that is acceptable to the department.

(5) Fingerprint images for a background check to be used by the department for the purposes described in this section.

(e) The State Department of Social Services may submit fingerprint images of adoption facilitators to the Department of Justice for the purpose of obtaining criminal offender record information regarding state- and federal-level convictions and arrests, including arrests for which the Department of Justice establishes that the person is free on bail or on the person's own recognizance pending trial or appeal.

(1) The Department of Justice shall forward to the Federal Bureau of Investigation requests for federal summary criminal history information received pursuant to this section. The Department of Justice shall review the information returned from the Federal Bureau of Investigation and compile and disseminate a response to the department.

(2) The Department of Justice shall provide a response to the department pursuant to subdivision (m) of Section 11105 of the Penal Code.

(3) The department shall request from the Department of Justice subsequent arrest notification service, as provided pursuant to Section 11105.2 of the Penal Code.

(4) The Department of Justice shall charge a fee sufficient to cover the cost of processing the request described in this section.

(5) The department may only release an applicant's criminal record information search response as provided in subparagraph (G) of paragraph (3) of subdivision (a) of Section 1522 of the Health and Safety Code.

(f) The department may impose a fee upon applicants for each set of classifiable fingerprint cards that it processes pursuant to paragraph (5) of subdivision (d).

(g) The department shall post on its internet website the registration and bond requirements required by this chapter and a list of adoption facilitators in compliance with the registration and bond requirements of this chapter. The department shall ensure that the information is current and shall update the information at least once every 30 days.

(h) The department shall develop the disclosure form required pursuant to subdivision (d) and shall make it available to any adoption facilitator posting a bond.

(i) The department may charge adoption facilitators an annual filing fee to recover all costs associated with the requirements of this section and that fee shall be set by regulation.

(j) The department may create an Adoption Facilitator Account for deposit of fees received from registrants.

(k) On or before January 1, 2008, the department shall make recommendations for the registry program to the Legislature, including a recommendation on how to implement a department program to accept and compile complaints against registered adoption facilitators and to provide public access to those complaints, by specific facilitator, through the department's internet website.

(l) The adoption facilitator registry established pursuant to this section shall become operative on the first day of the first month following an appropriation from the Adoption Facilitator Account to the State Department of Social Services for the startup costs and the costs of administration of the adoption facilitator registry.

**SEC. 4.** Section 17208 of the Family Code is amended to read:

**17208.** (a) The department shall reduce the cost of, and increase the speed and efficiency of, child support enforcement operations. It is the intent of the Legislature to operate the child support enforcement program through local child support agencies without a net increase in state General Fund or county general fund costs, considering all increases to the General Fund as a result of increased collections and welfare recoupment.

(b) The department shall maximize the use of federal funds available for the costs of administering a child support services department, and to the maximum extent feasible, obtain funds from federal financial incentives for the efficient collection of child support, to defray the remaining costs of administration of the department consistent with effective and efficient support enforcement.

(c) Effective October 1, 2019, the Department of Child Support Services shall impose an administrative service fee in the amount of thirty-five dollars ($35) on a never-assisted custodial party receiving services from the California child support program for order establishment, enforcement, and collection services provided. The annual amount of child support payments collected on behalf of the custodial party must be five hundred fifty dollars ($550) or more before an administrative service fee is imposed pursuant to this subdivision. The fee shall be deducted from the custodial party's collection payment at the time the collection payments for that year have reached levels specified by the department.

**SEC. 5.** Section 17306 of the Family Code is amended to read:

**17306.** (a) The Department of Child Support Services shall develop uniform forms, policies, and procedures to be employed statewide by all local child support agencies. Pursuant to this subdivision, the department shall:

(1) Adopt uniform procedures and forms.

(2) Establish standard caseload-to-staffing ratios, adjusted as appropriate to meet the varying needs of local programs.

(3) Institute a consistent statewide policy on the appropriateness of closing cases to ensure that, without relying solely on federal minimum requirements, all cases are fully and pragmatically pursued for collections prior to closing.

(4) Evaluate the best practices for the establishment, enforcement, and collection of child support, for the purpose of determining which practices should be implemented statewide in an effort to improve performance by local child support agencies. In evaluating the best practices, the director shall review existing practices in better performing counties within California, as well as practices implemented by other state Title IV-D programs nationwide.

(5) Evaluate the best practices for the management of effective child support enforcement operations for the purpose of determining what management structure should be implemented statewide in an effort to improve the establishment, enforcement, and collection of child support by local child support agencies, including an examination of the need for attorneys

in management level positions. In evaluating the best practices, the director shall review existing practices in better performing counties within California, as well as practices implemented by other state Title IV-D programs nationwide.

(6) Set priorities for the use of specific enforcement mechanisms for use by local child support agencies. As part of establishing these priorities, the director shall set forth caseload processing priorities to target enforcement efforts and services in a way that will maximize collections.

(7) Develop uniform training protocols, require periodic training of all child support staff, and conduct training sessions as appropriate.

(8) Review and approve annual budgets submitted by the local child support agencies to ensure each local child support agency operates an effective and efficient program that complies with all federal and state laws, regulations, and directives, including the directive to hire sufficient staff.

(b) The director shall submit any forms intended for use in court proceedings to the Judicial Council for approval at least six months prior to the implementation of the use of the forms.

(c) In adopting the forms, policies, and procedures, the director shall consult with appropriate organizations representing stakeholders in California, such as the California State Association of Counties, the Child Support Directors Association of California, labor organizations, parent advocates, child support commissioners, family law facilitators, and the appropriate committees of the Legislature.

**SEC. 6.** Section 17306.1 is added to the Family Code, to read:

**17306.1.** (a) Commencing with the 2019–20 fiscal year, the department shall implement a revised local child support agency funding methodology that was developed in consultation with the California Child Support Directors Association. The methodology shall consist of both of the following components in the 2019–20 fiscal year:

(1) Casework operations, which consists of a statewide standard case-to-staff ratio, the respective labor costs for each local child support agency, and an operating expense and equipment complement based on a percentage of staffing costs. The department shall propose a specific ratio informed by the working sessions described in subdivision (c) and as part of the required update to the Legislature required by subdivision (d).

(2) Call center operations, which consists of a standard statewide ratio of calls-to-call center agents, the respective labor costs for each local child support agency, and an operating expense and equipment complement based on a percentage of staffing costs.

(b) Any increased state costs that result, either directly or indirectly, from implementation of the funding methodology described in subdivision (a) shall be implemented to the extent of an appropriation of funds in the annual Budget Act.

(c) (1) The Department of Child Support Services shall convene a series of stakeholder working sessions to develop the ongoing methodology, which shall take effect in the 2020–21 fiscal year. There shall be at least three working sessions during the Summer and Fall of 2019, beginning as early as possible after July 1, 2019.

(2) The working sessions shall include, but not be limited to, representatives from the Child Support Directors Association, the Legislative Analyst's Office, the Department of Finance, consultants from the Assembly and Senate Health and Human Services budget subcommittees, any other interested Legislative consultants, antipoverty advocates, advocacy organizations representing custodial and non-custodial parents, including father's rights advocates, impacted families, and any other interested advocates or stakeholders for the child support program.

(3) The working sessions shall do all of the following:

(A) Further refine or change the local child support agency funding methodology defined in subdivision (a), including accounting for performance incentives to be provided in future years.

(B) Discuss additional strategies that might improve the customer service, pragmatic collectability, and cost efficiency of the child support program and assess fiscal impact to operations and collections.

(C) Consider any policy changes that may affect the workload and associated funding needs of the local child support agencies and assess fiscal impact to operations and collections.

(D) Consider the ways that child support collection improves outcomes for children, impacts the well-being of children in relationship to their parents who are ordered to pay support, particularly their fathers, and impacts the racial wealth gap and further analyze the impact that child support has on parents ordered to pay support who do not have the capacity to pay.

(d) The department shall provide a written update describing recommended changes to the funding methodology described in subdivision (a) to the relevant policy committees and budget subcommittee of the Legislature on February 1, 2020. The written update shall include, but not be limited to, a description of the programmatic and policy changes discussed in the working sessions, the feasibility of implementing the discussed programmatic and policy changes, the impact that the discussed programmatic and policy changes would have on operations, collections, and families served, and additional required statutory changes.

**SEC. 7.** Section 17706 of the Family Code is amended to read:

**17706.** (a) It is the intent of the Legislature to encourage counties to elevate the visibility and significance of the child support enforcement program in the county. To advance this goal, effective July 1, 2000, the counties with the 10 best performance standards pursuant to clause (ii) of subparagraph (B) of paragraph (2) of subdivision (b) of Section 17704 shall receive an additional 5 percent of the state's share of those counties' collections that are used to reduce or repay aid that is paid pursuant to Article 6 (commencing with Section 11450) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code. The counties shall use the increased recoupment for child support-related activities that may not be eligible for federal child support funding under Part D of Title IV of the Social Security Act, including, but not limited to, providing services to parents to help them better support their children financially, medically, and emotionally.

(b) The operation of subdivision (a) shall be suspended for the 2002–03, 2003–04, 2004–05, 2005–06, 2006–07, 2007–08, 2008–09, 2009–10, 2010–11, 2011–12, 2012–13, 2013–14, 2014–15, 2015–16, 2016–17, 2017–18, 2018–19, 2019–20, and 2020–21 fiscal years.

**SEC. 8.** Section 1522 of the Health and Safety Code is amended to read:

**1522.** The Legislature recognizes the need to generate timely and accurate positive fingerprint identification of applicants as a condition of issuing licenses, permits, or certificates of approval for persons to operate or provide direct care services in a community care facility, foster family home, or a certified family home or resource family of a licensed foster family agency. Therefore, the Legislature supports the use of the fingerprint live-scan technology, as identified in the long-range plan of the Department of Justice for fully automating the processing of fingerprints and other data by the year 1999, otherwise known as the California Crime Information Intelligence System (CAL-CII), to be used for applicant fingerprints. It is the intent of the Legislature in enacting this section to require the fingerprints of those individuals whose contact with community care clients may pose a risk to the clients' health and safety. An individual shall be required to obtain either a criminal record clearance or a criminal record exemption from the State Department of Social Services before the individual's initial presence in a community care facility or certified family home.

(a) (1) Before and, as applicable, subsequent to issuing a license or special permit to a person to operate or manage a community care facility, the State Department of Social Services shall secure from an appropriate law enforcement agency a criminal record to determine whether the applicant or any other person specified in subdivision (b) has been convicted of a crime other than a minor traffic violation or arrested for any crime specified in Section 290 of the Penal Code, or for violating Section 245, 273ab, or 273.5 of the Penal Code, subdivision (b) of Section 273a of the Penal Code, or, prior to January 1, 1994, paragraph (2) of Section 273a of the Penal Code, or for any crime for which the department is prohibited from granting a criminal record exemption pursuant to subdivision (g).

(2) The criminal history information shall include the full criminal record, if any, of those persons, and subsequent arrest information pursuant to Section 11105.2 of the Penal Code.

(3) The following shall apply to the criminal record information:

(A) If the State Department of Social Services finds that the applicant, or any other person specified in subdivision (b), has been convicted of a crime other than a minor traffic violation, the application shall be denied, unless the department grants an exemption pursuant to subdivision (g).

(B) If the State Department of Social Services finds that the applicant, or any other person specified in subdivision (b), is awaiting trial for a crime other than a minor traffic violation, the State Department of Social Services may cease processing the criminal record information until the conclusion of the trial.

(C) If no criminal record information has been recorded, the Department of Justice shall provide the applicant and the State Department of Social Services with a statement of that fact.

(D) If the State Department of Social Services finds, after licensure, that the licensee, or any other person specified in paragraph (1) of subdivision (b), has been convicted of a crime other than a minor traffic violation, the license may be revoked, unless the department grants an exemption pursuant to subdivision (g).

(E) An applicant and any other person specified in subdivision (b) shall submit fingerprint images and related information to the Department of Justice for the purpose of searching the criminal records of the Federal Bureau of Investigation, in addition to the criminal records search required by this subdivision. If an applicant and all other persons described in subdivision (b) meet all of the conditions for licensure, except receipt of the Federal Bureau of Investigation's criminal offender record information search response for the applicant or any of the persons described in subdivision (b), the department may issue a license if the applicant and each person described in subdivision (b) has signed and submitted a statement that the person has never been convicted of a crime in the United States, other than a traffic infraction, as prescribed in paragraph (1) of subdivision (a) of Section 42001 of the Vehicle Code. If, after licensure, or the issuance of a certificate of approval of a certified family home by a foster family agency, the department determines that the licensee or any other person specified in subdivision (b) has a criminal record, the department may revoke the license, or require a foster family agency to revoke the certificate of approval, pursuant to Section 1550. The department may also suspend the license or require a foster family agency to suspend the certificate of approval pending an administrative hearing pursuant to Section 1550.5.

(F) The State Department of Social Services shall develop procedures to provide the individual's state and federal criminal history information with the written notification of the individual's exemption denial or revocation based on the criminal record. Receipt of the criminal history information shall be optional on the part of the individual, as set forth in the agency's procedures. The procedure shall protect the confidentiality and privacy of the individual's record, and the criminal history information shall not be made available to the employer.

(G) Notwithstanding any other law, the department is authorized to provide an individual with a copy of the individual's state or federal level criminal offender record information search response as provided to that department by the Department of Justice if the department has denied a criminal background clearance based on this information and the individual makes a written request to the department for a copy specifying an address to which it is to be sent. The state or federal level criminal offender record information search response shall not be modified or altered from its form or content as provided by the Department of Justice and shall be provided to the address specified by the individual in the individual's written request. The department shall retain a copy of the individual's written request and the response and date provided.

(b) (1) In addition to the applicant, this section shall be applicable to criminal record clearances and exemptions for the following persons:

(A) Adults responsible for administration or direct supervision of staff.

(B) Any adult, other than a client, residing in the facility, certified family home, or resource family home.

(C) Any person who provides client assistance in dressing, grooming, bathing, or personal hygiene. Any nurse assistant or home health aide meeting the requirements of Section 1338.5 or 1736.6, respectively, who is not employed, retained, or contracted by the licensee, and who has been certified or recertified on or after July 1, 1998, shall be deemed to meet the criminal record clearance requirements of this section. A certified nurse assistant and certified home health aide who will be providing client assistance and who falls under this exemption shall provide one copy of their current certification, prior to providing care, to the community care facility. The facility shall maintain the copy of the certification on file as long as care is being provided by the certified nurse assistant or certified home health aide at the facility or in a certified family home or resource family home of a foster family agency. This paragraph does not restrict the right of the department to exclude a certified nurse assistant or certified home health aide from a licensed community care facility or certified family home or resource family home of a foster family agency pursuant to Section 1558.

(D) Any staff person, volunteer, or employee who has contact with the clients.

(E) If the applicant is a firm, partnership, association, or corporation, the chief executive officer or other person serving in like capacity.

(F) Additional officers of the governing body of the applicant, or other persons with a financial interest in the applicant, as determined necessary by the department by regulation. The criteria used in the development of these regulations shall be based on the person's capability to exercise substantial influence over the operation of the facility.

(2) The following persons are exempt from the requirements applicable under paragraph (1):

(A) A medical professional, as defined in department regulations, who holds a valid license or certification from the person's governing California medical care regulatory entity and who is not employed, retained, or contracted by the licensee if all of the following apply:

(i) The criminal record of the person has been cleared as a condition of licensure or certification by the person's governing California medical care regulatory entity.

(ii) The person is providing time-limited specialized clinical care or services.

(iii) The person is providing care or services within the person's scope of practice.

(iv) The person is not a community care facility licensee or an employee of the facility.

(B) A third-party repair person or similar retained contractor if all of the following apply:

(i) The person is hired for a defined, time-limited job.

(ii) The person is not left alone with clients.

(iii) When clients are present in the room in which the repair person or contractor is working, a staff person who has a criminal record clearance or exemption is also present.

(C) Employees of a licensed home health agency and other members of licensed hospice interdisciplinary teams who have a contract with a client or resident of the facility, certified family home, or resource family home and are in the facility, certified family home, or resource family home at the request of that client or resident's legal decisionmaker. The exemption does not apply to a person who is a community care facility licensee or an employee of the facility.

(D) Clergy and other spiritual caregivers who are performing services in common areas of the community care facility, certified family home, or resource family home or who are advising an individual client at the request of, or with the permission of, the client or legal decisionmaker, are exempt from fingerprint and criminal background check requirements imposed by community care licensing. This exemption does not apply to a person who is a community care licensee or employee of the facility.

(E) Members of fraternal, service, or similar organizations who conduct group activities for clients if all of the following apply:

(i) Members are not left alone with clients.

(ii) Members do not transport clients off the facility, certified family home, or resource family home premises.

(iii) The same organization does not conduct group activities for clients more often than defined by the department's regulations.

(3) In addition to the exemptions in paragraph (2), the following persons in foster family homes, resource family homes, certified family homes, and small family homes are exempt from the requirements applicable under paragraph (1):

(A) Adult friends and family of the foster parent, who come into the home to visit for a length of time no longer than defined by the department in regulations, provided that the adult friends and family of the foster parent are not left alone with the foster children. However, the foster parent, acting as a reasonable and prudent parent, as defined in paragraph (2) of subdivision (a) of Section 362.04 of the Welfare and Institutions Code, may allow adult friends and family to provide short-term care to the foster child and act as an appropriate occasional short-term babysitter for the child.

(B) Parents of a foster child's friend when the foster child is visiting the friend's home and the friend, foster parent, or both are also present. However, the foster parent, acting as a reasonable and prudent parent, may allow the parent of the foster child's friend to act as an appropriate, occasional short-term babysitter for the child without the friend being present.

(C) Individuals who are engaged by a foster parent to provide short-term care to the child for periods not to exceed 24 hours. Caregivers shall use a reasonable and prudent parent standard in selecting appropriate individuals to act as appropriate occasional short-term babysitters.

(4) In addition to the exemptions specified in paragraph (2), the following persons in adult day care and adult day support centers are exempt from the requirements applicable under paragraph (1):

(A) Unless contraindicated by the client's individualized program plan (IPP) or needs and service plan, a spouse, significant other, relative, or close friend of a client, or an attendant or a facilitator for a client with a developmental disability if the attendant or facilitator is not employed, retained, or contracted by the licensee. This exemption applies only if the person is visiting the client or providing direct care and supervision to the client.

(B) A volunteer if all of the following apply:

(i) The volunteer is supervised by the licensee or a facility employee with a criminal record clearance or exemption.

(ii) The volunteer is never left alone with clients.

(iii) The volunteer does not provide any client assistance with dressing, grooming, bathing, or personal hygiene other than washing of hands.

(5) (A) In addition to the exemptions specified in paragraph (2), the following persons in adult residential and social rehabilitation facilities, unless contraindicated by the client's individualized program plan (IPP) or needs and services plan, are exempt from the requirements applicable under paragraph (1): a spouse, significant other, relative, or close friend of a client, or an attendant or a facilitator for a client with a developmental disability if the attendant or facilitator is not employed, retained, or contracted by the licensee. This exemption applies only if the person is visiting the client or providing direct care and supervision to that client.

(B) This subdivision does not prevent a licensee from requiring a criminal record clearance of any individual exempt from the requirements of this section, provided that the individual has client contact.

(6) Any person similar to those described in this subdivision, as defined by the department in regulations.

(c) (1) Subsequent to initial licensure, a person specified in subdivision (b) who is not exempted from fingerprinting shall obtain either a criminal record clearance or an exemption from disqualification pursuant to subdivision (g) from the State Department of Social Services prior to employment, residence, or initial presence in the facility. A person specified in subdivision (b) who is not exempt from fingerprinting shall be fingerprinted and shall sign a declaration under penalty of perjury regarding any prior criminal convictions. The licensee shall submit fingerprint images and related information to the Department of Justice and the Federal Bureau of Investigation, through the Department of Justice, for a state and federal level criminal offender record information search, or comply with paragraph (1) of subdivision (h). These fingerprint images and related information shall be sent by electronic transmission in a manner approved by the State Department of Social Services and the Department of Justice for the purpose of obtaining a permanent set of fingerprints, and shall be submitted to the Department of Justice by the licensee. A licensee's failure to prohibit the employment, residence, or initial presence of a person specified in subdivision (b) who is not exempt from fingerprinting and who has not received either a criminal record clearance or an exemption from disqualification pursuant to subdivision (g) or to comply with paragraph (1) of subdivision (h), as required in this section, shall result in the citation of a deficiency and the immediate assessment of civil penalties in the amount of one hundred dollars ($100) per violation per day for a maximum of five days, unless the violation is a second or subsequent violation within a 12-month period in which case the civil penalties shall be in the amount of one hundred dollars ($100) per violation for a maximum of 30 days, and shall be grounds for disciplining the licensee pursuant to Section 1550. The department may assess civil penalties for continued violations as permitted by Section 1548. The fingerprint images and related information shall then be submitted to the Department of Justice for processing. Upon request of the licensee, who shall enclose a self-addressed stamped postcard for this purpose, the Department of Justice shall verify receipt of the fingerprints.

(2) Within 14 calendar days of the receipt of the fingerprint images, the Department of Justice shall notify the State Department of Social Services of the criminal record information, as provided in subdivision (a). If no criminal record information has been recorded, the Department of Justice shall provide the licensee and the State Department of Social Services with a statement of that fact within 14 calendar days of receipt of the fingerprint images. Documentation of the individual's clearance or exemption from disqualification shall be maintained by the licensee and be available for inspection. If new fingerprint images are required for processing, the Department of Justice shall, within 14 calendar days from the date of receipt of the fingerprints, notify the licensee that the fingerprints were illegible, the Department of Justice shall notify the State Department of Social Services, as required by Section 1522.04, and shall also notify the licensee by mail, within 14 days of electronic transmission of the fingerprints to the Department of Justice, if the person has no criminal history recorded. A violation of the regulations adopted pursuant to Section 1522.04 shall result in the citation of a deficiency and an immediate assessment of civil penalties in the amount of one hundred dollars ($100) per violation per day for a maximum of five days, unless the violation is a second or subsequent violation within a 12-month period in which case the civil penalties shall be in the amount of one hundred dollars ($100) per violation for a maximum of 30 days, and shall be grounds for disciplining the licensee pursuant to Section 1550. The department may assess civil penalties for continued violations as permitted by Section 1548.

(3) Except for persons specified in subdivision (b) who are exempt from fingerprinting, the licensee shall endeavor to ascertain the previous employment history of persons required to be fingerprinted. If it is determined by the State Department of Social Services, on the basis of the fingerprint images and related information submitted to the Department of Justice, that subsequent to obtaining a criminal record clearance or exemption from disqualification pursuant to subdivision (g), the person has been convicted of, or is awaiting trial for, a sex offense against a minor, or has been convicted for an offense specified in Section 243.4, 273a, 273ab, 273d, 273g, or 368 of the Penal Code, or a felony, the State Department of Social Services shall notify the licensee to act immediately to terminate the person's employment, remove the person from the community care facility, or bar the person from entering the community care facility. The State Department of Social Services may subsequently grant an exemption from disqualification pursuant to subdivision (g). If the conviction or arrest was for another crime, except a minor traffic violation, the licensee shall, upon notification by the State Department of Social Services, act immediately to either (A) terminate the person's employment, remove the person from the community care facility, or bar the person from entering

the community care facility; or (B) seek an exemption from disqualification pursuant to subdivision (g). The State Department of Social Services shall determine if the person shall be allowed to remain in the facility until a decision on the exemption from disqualification is rendered. A licensee's failure to comply with the department's prohibition of employment, contact with clients, or presence in the facility as required by this paragraph shall result in a citation of deficiency and an immediate assessment of civil penalties in the amount of one hundred dollars ($100) per violation per day and shall be grounds for disciplining the licensee pursuant to Section 1550.

(4) The department may issue an exemption from disqualification on its own motion pursuant to subdivision (g) if the person's criminal history indicates that the person is of good character based on the age, seriousness, and frequency of the conviction or convictions. The department, in consultation with interested parties, shall develop regulations to establish the criteria to grant an exemption from disqualification pursuant to this paragraph.

(5) Concurrently with notifying the licensee pursuant to paragraph (3), the department shall notify the affected individual of the right to seek an exemption from disqualification pursuant to subdivision (g). The individual may seek an exemption from disqualification only if the licensee terminates the person's employment or removes the person from the facility after receiving notice from the department pursuant to paragraph (3).

(d) (1) Before and, as applicable, subsequent to issuing a license or certificate of approval to any person or persons to operate a foster family home, certified family home as described in Section 1506, or resource family pursuant to Section 1517 of this code or Section 16519.5 of the Welfare and Institutions Code, the State Department of Social Services or other approving authority shall secure California and Federal Bureau of Investigation criminal history information to determine whether the applicant or any person specified in subdivision (b) who is not exempt from fingerprinting has ever been convicted of a crime other than a minor traffic violation or arrested for any crime specified in subdivision (c) of Section 290 of the Penal Code, for violating Section 245, 273ab, or 273.5, subdivision (b) of Section 273a, or, prior to January 1, 1994, paragraph (2) of Section 273a, of the Penal Code, or for any crime for which the department is prohibited from granting a criminal record exemption pursuant to subdivision (g). The State Department of Social Services or other approving authority shall not issue a license or certificate of approval to any foster family home, certified family home, or resource family applicant who has not obtained both a California and Federal Bureau of Investigation criminal record clearance or exemption from disqualification pursuant to subdivision (g).

(2) The criminal history information shall include the full criminal record, if any, of those persons.

(3) Neither the Department of Justice nor the State Department of Social Services may charge a fee for the fingerprinting of an applicant for a license, special permit, or certificate of approval described in this subdivision. The record, if any, shall be taken into consideration when evaluating a prospective applicant.

(4) The following shall apply to the criminal record information:

(A) If the applicant or other persons specified in subdivision (b) who are not exempt from fingerprinting have convictions that would make the applicant's home unfit as a foster family home, a certified family home, or resource family, the license, special permit, certificate of approval, or presence shall be denied.

(B) If the State Department of Social Services finds that the applicant, or any person specified in subdivision (b) who is not exempt from fingerprinting is awaiting trial for a crime other than a minor traffic violation, the State Department of Social Services or other approving authority may cease processing the criminal record information until the conclusion of the trial.

(C) For purposes of this subdivision, a criminal record clearance provided under Section 8712 of the Family Code may be used by the department or other approving authority.

(D) To the same extent required for federal funding, a person specified in subdivision (b) who is not exempt from fingerprinting shall submit a set of fingerprint images and related information to the Department of Justice and the Federal Bureau of Investigation, through the Department of Justice, for a state and federal level criminal offender record information search, in addition to the criminal records search required by subdivision (a).

(5) Any person specified in this subdivision shall, as a part of the application, be fingerprinted and sign a declaration under penalty of perjury regarding any prior criminal convictions or arrests for any crime against a child, spousal or cohabitant abuse, or any crime for which the department cannot grant an exemption if the person was convicted and shall submit these fingerprints to the licensing agency or other approving authority.

(6) (A) Subsequent to initial licensure, certification, or approval, a person specified in subdivision (b) who is not exempt from fingerprinting shall obtain both a California and Federal Bureau of Investigation criminal record clearance, or an exemption from disqualification pursuant to subdivision (g), prior to employment, residence, or initial presence in the foster family home, certified family home, or resource family home. A foster family home licensee or foster family agency shall submit fingerprint images and related information of persons specified in subdivision (b) who are not exempt from fingerprinting to the

Department of Justice and the Federal Bureau of Investigation, through the Department of Justice, for a state and federal level criminal offender record information search, or to comply with paragraph (1) of subdivision (h). A foster family home licensee's or a foster family agency's failure to either prohibit the employment, residence, or initial presence of a person specified in subdivision (b) who is not exempt from fingerprinting and who has not received either a criminal record clearance or an exemption from disqualification pursuant to subdivision (g), or comply with paragraph (1) of subdivision (h), as required in this section, shall result in a citation of a deficiency, and the immediate civil penalties of one hundred dollars ($100) per violation per day for a maximum of five days, unless the violation is a second or subsequent violation within a 12-month period in which case the civil penalties shall be in the amount of one hundred dollars ($100) per violation for a maximum of 30 days, and shall be grounds for disciplining the licensee pursuant to Section 1550. A violation of the regulation adopted pursuant to Section 1522.04 shall result in the citation of a deficiency and an immediate assessment of civil penalties in the amount of one hundred dollars ($100) per violation per day for a maximum of five days, unless the violation is a second or subsequent violation within a 12-month period in which case the civil penalties shall be in the amount of one hundred dollars ($100) per violation for a maximum of 30 days, and shall be grounds for disciplining the foster family home licensee or the foster family agency pursuant to Section 1550. The State Department of Social Services may assess penalties for continued violations, as permitted by Section 1548. The fingerprint images shall then be submitted to the Department of Justice for processing.

(B) Upon request of the licensee, who shall enclose a self-addressed envelope for this purpose, the Department of Justice shall verify receipt of the fingerprints. Within five working days of the receipt of the criminal record or information regarding criminal convictions from the Department of Justice, the department shall notify the applicant of any criminal arrests or convictions. If no arrests or convictions are recorded, the Department of Justice shall provide the foster family home licensee or the foster family agency with a statement of that fact concurrent with providing the information to the State Department of Social Services.

(7) If the State Department of Social Services or other approving authority finds that the applicant, or any other person specified in subdivision (b) who is not exempt from fingerprinting, has been convicted of a crime other than a minor traffic violation, the application or presence shall be denied, unless the department grants an exemption from disqualification pursuant to subdivision (g).

(8) If the State Department of Social Services or other approving authority finds, after licensure or the granting of the certificate of approval, that the licensee, certified foster parent, resource family, or any other person specified in subdivision (b) who is not exempt from fingerprinting, has been convicted of a crime other than a minor traffic violation, the license or certificate of approval may be revoked or rescinded by the department or the foster family agency, whichever is applicable, unless the department grants an exemption from disqualification pursuant to subdivision (g). A licensee's failure to comply with the department's prohibition of employment, contact with clients, or presence in the facility as required by paragraph (3) of subdivision (c) shall be grounds for disciplining the licensee pursuant to Section 1550.

(e) (1) The State Department of Social Services shall not use a record of arrest to deny, revoke, rescind, or terminate any application, license, certificate of approval, employment, or residence unless the department investigates the incident and secures evidence, whether or not related to the incident of arrest, that is admissible in an administrative hearing to establish conduct by the person that may pose a risk to the health and safety of any person who is or may become a client.

(2) The department shall not issue a criminal record clearance to a person who has been arrested for any crime specified in Section 290 of the Penal Code, or for violating Section 245, 273ab, or 273.5, or subdivision (b) of Section 273a, of the Penal Code, or, prior to January 1, 1994, paragraph (2) of Section 273a of the Penal Code, or for any crime for which the department is prohibited from granting a criminal record exemption pursuant to subdivision (g), prior to the completion of an investigation pursuant to paragraph (1).

(3) The State Department of Social Services is authorized to obtain any arrest or conviction records or reports from any law enforcement agency as necessary to the performance of its duties to inspect, license, and investigate community care facilities and individuals associated with a community care facility.

(f) (1) For purposes of this section or any other provision of this chapter, a conviction means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Any action that the State Department of Social Services is permitted to take following the establishment of a conviction may be taken when the time for appeal has elapsed, when the judgment of conviction has been affirmed on appeal, or when an order granting probation is made suspending the imposition of sentence, notwithstanding a subsequent order pursuant to Sections 1203.4 and 1203.4a of the Penal Code permitting the person to withdraw a plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information, or indictment. For purposes of this section or any other provision of this chapter, the record of a conviction, or a copy thereof certified by the clerk of the court or by a judge of the court in which the conviction occurred, shall be conclusive evidence of the conviction. For purposes of this section or any other provision of this chapter, the arrest disposition report certified by the Department of Justice, or documents admissible in a criminal action pursuant to Section 969b of the Penal Code, shall be prima

facie evidence of the conviction, notwithstanding any other law prohibiting the admission of these documents in a civil or administrative action.

(2) For purposes of this section or any other provision of this chapter, the department shall consider criminal convictions from another state or federal court as if the criminal offense was committed in this state.

(g) (1) Except as otherwise provided in this subdivision with respect to a foster care provider applicant, including a relative caregiver, nonrelative extended family member, or resource family, after review of the record, the department may grant an exemption from disqualification for a license or special permit as specified in paragraph (4) of subdivision (a), or for a license, special permit, or certificate of approval as specified in paragraphs (4), (7), and (8) of subdivision (d), or for employment, residence, or presence in a community care facility as specified in paragraphs (3), (4), and (5) of subdivision (c), if the department has substantial and convincing evidence to support a reasonable belief that the applicant and the person convicted of the crime, if other than the applicant, are of good character as to justify issuance of the license or special permit or granting an exemption for purposes of subdivision (c). Except as otherwise provided in this subdivision, an exemption shall not be granted pursuant to this subdivision if the conviction was for any of the following offenses:

(A) (i) An offense specified in Section 220, 243.4, or 264.1, subdivision (a) of Section 273a, or, prior to January 1, 1994, paragraph (1) of Section 273a, Section 273ab, 273d, 288, or 289, subdivision (c) of Section 290, or Section 368, of the Penal Code, or was a conviction of another crime against an individual specified in subdivision (c) of Section 667.5 of the Penal Code.

(ii) Notwithstanding clause (i), the department may grant an exemption regarding the conviction for an offense described in paragraph (1), (2), (7), or (8) of subdivision (c) of Section 667.5 of the Penal Code, if the employee or prospective employee has been rehabilitated as provided in Section 4852.03 of the Penal Code, has maintained the conduct required in Section 4852.05 of the Penal Code for at least 10 years, and has the recommendation of the district attorney representing the employee's county of residence, or if the employee or prospective employee has received a certificate of rehabilitation pursuant to Chapter 3.5 (commencing with Section 4852.01) of Title 6 of Part 3 of the Penal Code.

(B) A felony offense specified in Section 729 of the Business and Professions Code or Section 206 or 215, subdivision (a) of Section 347, subdivision (b) of Section 417, or subdivision (a) of Section 451 of the Penal Code.

(2) (A) For a foster care provider applicant, a resource family applicant, or a prospective respite care provider, as described in Section 16501.01 of the Welfare and Institutions Code, an exemption shall not be granted if that applicant, or any individual subject to the background check requirements of this section pursuant to foster care provider applicant, resource family approval, or respite care provider standards, has a conviction for any of the following offenses:

(i) An offense specified in Section 220, 243.4, or 264.1, subdivision (a) of Section 273a, or, prior to January 1, 1994, paragraph (1) of Section 273a, Section 273ab, 273d, 288, or 289, subdivision (c) of Section 290, or Section 368, of the Penal Code, or was a conviction of another crime against an individual specified in subdivision (c) of Section 667.5 of the Penal Code.

(ii) A felony offense specified in Section 729 of the Business and Professions Code or Section 206 or 215, subdivision (a) of Section 347, subdivision (b) of Section 417, or subdivision (a) of Section 451 of the Penal Code.

(iii) Under no circumstances shall an exemption be granted pursuant to this subdivision to any foster care provider applicant if that applicant, or any other person specified in subdivision (b) in those homes, has a felony conviction for either of the following offenses:

(I) A felony conviction for child abuse or neglect, spousal abuse, crimes against a child, including child pornography, or for a crime involving violence, including rape, sexual assault, or homicide, but not including other physical assault and battery. For purposes of this subparagraph, a crime involving violence means a violent crime specified in clause (i) of subparagraph (A), or clause (ii) of this subparagraph.

(II) A felony conviction, within the last five years, for physical assault, battery, or a drug- or alcohol-related offense.

(III) This clause shall not apply to licenses or approvals wherein a caregiver was granted an exemption to a criminal conviction described in clause (i) prior to the enactment of this clause.

(IV) This clause shall remain operative only to the extent that compliance with its provisions is required by federal law as a condition for receiving funding under Title IV-E of the federal Social Security Act (42 U.S.C. Sec. 670 et seq.).

(B) The department or other approving entity may grant an exemption from disqualification to a foster care provider, resource family applicant, or any individual subject to the background check requirements of this section pursuant to foster care provider applicant, resource family approval, or respite care provider standards, if the department or other approving

entity has substantial and convincing evidence to support a reasonable belief that the applicant or the person convicted of the crime, if other than the applicant, is of present good character necessary to justify the granting of an exemption and the conviction is for one of the following offenses:

(i) (I) Any misdemeanor conviction within the last five years that is not otherwise prohibited by subparagraph (A).

(II) Notwithstanding subparagraph (A), a misdemeanor conviction for statutory rape, as defined in Section 261.5 of the Penal Code, a misdemeanor conviction for indecent exposure, as defined in Section 314 of the Penal Code, or a misdemeanor conviction for financial abuse against an elder, as defined in Section 368 of the Penal Code, shall be eligible for the consideration of an exemption as set forth in subparagraph (C).

(ii) Any felony conviction within the last seven years that is not otherwise prohibited by subparagraph (A).

(C) When granting an exemption for a crime listed in subparagraph (B), the department or other approving entity shall consider all reasonably available information, including, but not limited to, the following:

(i) The nature of the crime or crimes.

(ii) The period of time since the crime was committed.

(iii) The number of offenses.

(iv) Circumstances surrounding the commission of the crime indicating the likelihood of future criminal activity.

(v) Activities since conviction, including employment, participation in therapy, education, or treatment.

(vi) Whether the person convicted has successfully completed probation or parole, obtained a certificate of rehabilitation, or been granted a pardon by the Governor.

(vii) Any character references or other evidence submitted by the applicant.

(viii) Whether the person convicted demonstrated honesty and truthfulness concerning the crime or crimes during the application and approval process and made reasonable efforts to assist the department in obtaining records and documents concerning the crime or crimes.

(D) (i) The department or other approving entity shall grant an exemption from disqualification to a foster care provider applicant, resource family applicant, or any person subject to the background check requirements of this section pursuant to foster care provider applicant, resource family approval, or respite care provider standards, who has been convicted of an offense not listed in subparagraph (A) or (B), if the individual's state and federal criminal history information received from the Department of Justice independently supports a reasonable belief that the applicant or the person convicted of the crime, if other than the applicant, is of present good character necessary to justify the granting of an exemption.

(ii) Notwithstanding the fact that an individual meets the criteria described in clause (i), the department or other approving entity, at its discretion, as necessary to protect the health and safety of a child, may evaluate a person described in clause (i), for purposes of making an exemption decision, pursuant to the criteria described in subparagraphs (B) and (C).

(E) This paragraph shall not apply to licenses or approvals for which a caregiver was granted an exemption for a criminal conviction prior to January 1, 2018.

(3) The department shall not prohibit a person from being employed or having contact with clients in a facility, certified family home, or resource family home on the basis of a denied criminal record exemption request or arrest information unless the department complies with the requirements of Section 1558 of this code or Section 16519.6 of the Welfare and Institutions Code, as applicable.

(h) (1) For purposes of compliance with this section, the department may permit an individual to transfer a current criminal record clearance, as defined in subdivision (a), from one facility to another, as long as the criminal record clearance has been processed through a state licensing district office, and is being transferred to another facility licensed by a state licensing district office. The request shall be in writing to the State Department of Social Services, and shall include a copy of the person's driver's license or valid identification card issued by the Department of Motor Vehicles, or a valid photo identification issued by another state or the United States government if the person is not a California resident. Upon request of the licensee, who shall enclose a self-addressed envelope for this purpose, the State Department of Social Services shall verify whether the individual has a clearance that can be transferred.

(2) The State Department of Social Services shall hold criminal record clearances in its active files for a minimum of three years after an employee is no longer employed at a licensed facility in order for the criminal record clearance to be transferred.

(3) A criminal record clearance or exemption processed by the department, a county office with clearance and exemption authority pursuant to Section 16519.5 of the Welfare and Institutions Code, or a county office with department-delegated licensing authority shall be accepted by the department or county upon notification of transfer.

(4) With respect to notifications issued by the Department of Justice pursuant to Section 11105.2 of the Penal Code and Section 1522.1 concerning an individual whose criminal record clearance was originally processed by the department, a county office with clearance and exemption authority pursuant to Section 16519.5 of the Welfare and Institutions Code, or a county office with department-delegated licensing authority, all of the following shall apply:

(A) The Department of Justice shall process a request from the department or a county to receive the notice only if all of the following conditions are met:

(i) The request shall be submitted to the Department of Justice by the agency to be substituted to receive the notification.

(ii) The request shall be for the same applicant type as the type for which the original clearance was obtained.

(iii) The request shall contain all prescribed data elements and format protocols pursuant to a written agreement between the department and the Department of Justice.

(B) (i) On or before January 7, 2005, the department shall notify the Department of Justice of all county offices that have department-delegated licensing authority.

(ii) The department shall notify the Department of Justice within 15 calendar days of the date on which a new county office receives department-delegated licensing authority or a county's delegated licensing authority is rescinded.

(C) The Department of Justice shall charge the department, a county office with department-delegated licensing authority, or a county child welfare agency with criminal record clearance and exemption authority, a fee for each time a request to substitute the recipient agency is received for purposes of this paragraph. This fee shall not exceed the cost of providing the service.

(i) The full criminal record obtained for purposes of this section may be used by the department or by a licensed adoption agency as a clearance required for adoption purposes.

(j) If a licensee or facility is required by law to deny employment or to terminate employment of any employee based on written notification from the department that the employee has a prior criminal conviction or is determined unsuitable for employment under Section 1558, the licensee or facility shall not incur civil liability or unemployment insurance liability as a result of that denial or termination.

(k) The State Department of Social Services may charge a reasonable fee for the costs of processing electronic fingerprint images and related information.

**SEC. 9.** Section 1596.66 of the Health and Safety Code is amended to read:

**1596.66.** (a) Each license-exempt childcare provider, as defined pursuant to Section 1596.60, who is compensated, in whole or in part, with funds provided pursuant to the Alternative Payment Program, Article 3 (commencing with Section 8220) of Chapter 2 of Part 6 of the Education Code or pursuant to the federal Child Care and Development Block Grant Program, except a provider who is, by marriage, blood, or court decree, the grandparent, aunt, or uncle of the child in care, shall be registered pursuant to Sections 1596.603 and 1596.605 in order to be eligible to receive this compensation. Registration under this chapter shall be required for providers who receive funds under Section 9858 and following of Title 42 of the United States Code only to the extent permitted by that law and the regulations adopted pursuant thereto. Registration under this chapter shall be required for providers who receive funds under the federal Child Care and Development Block Grant Program only to the extent permitted by that program and the regulations adopted pursuant thereto.

(b) For the purposes of registration of the providers identified in subdivision (a), the following procedures shall apply:

(1) Notwithstanding subdivision (a) of Section 1596.603, the provider shall submit the fingerprints and Trustline application to the local childcare resource and referral agency established pursuant to Article 2 (commencing with Section 8210) of Chapter 2 of Part 6 of the Education Code. The local childcare resource and referral agency shall transmit the fingerprints and completed Trustline applications to the department and address any local problems that occur in the registration system. If a fee is charged by the local childcare resource and referral agency that takes a provider's fingerprints, the provider shall be

reimbursed for this charge by the State Department of Education, through the local childcare resource and referral agency, from federal Child Care and Development Block Grant funds to the extent that those funds are available.

(2) The department shall adhere to the requirements of Sections 1596.603, 1596.605, 1596.606, and 1596.607 and shall notify the California Child Care Resource and Referral Network of any action it takes pursuant to Sections 1596.605, 1596.606, and 1596.607.

(3) The California Child Care Resource and Referral Network shall notify the applicable local childcare resource and referral agencies, alternative payment programs, and county welfare departments of the status of the Trustline applicants and registered Trustline childcare providers. The network shall maintain a toll-free telephone line to provide information to the local resource and referral agencies, the alternative payment programs, and the childcare recipients of the status of providers.

(c) This section shall become operative only if funds appropriated for the purposes of this article from Item 6110-196-890 of Section 2 of the Budget Act of 1991 are incorporated into and approved as part of the state plan that is required pursuant to Section 658(E)(a) of the federal Child Care Block Grant Act of 1990 (Sec. 5082, P.L. 101-508).

**SEC. 10.** Section 1596.67 of the Health and Safety Code is amended to read:

**1596.67.** (a) To the extent permitted by federal law, each childcare provider, as defined by Section 1596.60, who receives compensation, in whole or in part, under Stage 1 of the CalWORKs Child Care Program pursuant to Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of the Education Code, for providing childcare for a recipient or former recipient, except a provider who is, by marriage, blood, or court decree, the grandparent, aunt, or uncle of the child in care, shall be registered pursuant to Sections 1596.603 and 1596.605 in order to be eligible to receive this compensation. Active Trustline registration is required for providers who receive compensation under Stage 1 of the CalWORKs Child Care Program pursuant to Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of the Education Code, for providing childcare for a recipient or former recipient only to the extent permitted by that law and the regulations adopted pursuant thereto. This section applies only to a license-exempt childcare provider, as defined by Section 1596.60, who registers for payment under Stage 1 of the CalWORKs Child Care Program pursuant to Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of the Education Code, for providing childcare for a recipient or former recipient after the implementation of the Trustline registration system in those programs. A provider, as defined by Section 1596.60, who was exempted from Trustline registration because the provider was not compensated, in whole or in part, with funds provided under Stage 1 of the CalWORKs Child Care Program pursuant to Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of the Education Code, for providing childcare for a recipient or former recipient shall be registered, at no cost to the provider, pursuant to Sections 1596.603 and 1596.605 when either of the following occur:

(1) The provider begins to provide childcare to an eligible family for which the provider has not provided care.

(2) The provider begins to provide childcare to an eligible family subsequent to a lapse in providing care that is compensated under Stage 1 of the CalWORKs Child Care Program pursuant to Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of the Education Code, for providing childcare for a recipient or former recipient.

(b) Payment provided pursuant to subdivision (a) shall cease if the provider has a criminal conviction for which the department has not granted a criminal record exemption pursuant to subdivision (f) of Section 1596.871.

(c) Subdivision (a) shall not be implemented unless funding for Trustline registration is appropriated to the department for this purpose in the annual Budget Act or in other legislation. The department shall enter into a contract with the California Child Care Resource and Referral Network to administer the Trustline as it relates to providers who are compensated under Stage 1 of the CalWORKs Child Care Program pursuant to Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of the Education Code, for providing childcare for a recipient or former recipient.

**SEC. 11.** Section 1596.671 is added to the Health and Safety Code, immediately following Section 1596.67, to read:

**1596.671.** (a) To the extent required by federal law, each license-exempt childcare provider, as defined in Section 1596.60, who receives compensation, in whole or in part, under the Emergency Child Care Bridge Program for Foster Children established pursuant to Section 11461.6 of the Welfare and Institutions Code, shall be registered pursuant to Sections 1596.603 and 1596.605. Registration shall be at no cost to the provider, and payment of the cost shall be consistent with county policies and procedures for payment of the cost for childcare providers who receive compensation under Stage 1 of the CalWORKs Child Care Program and who register with Trustline pursuant to Section 1596.67.

(b) Payment provided to a license-exempt childcare provider pursuant to Section 11461.6 of the Welfare and Institutions Code shall cease if the provider has a criminal conviction for which the department has not granted a criminal record exemption pursuant to subdivision (f) of Section 1596.871.

(c) Subdivision (a) shall not be implemented unless funding for Trustline registration is appropriated to the department for this purpose in the annual Budget Act or in other legislation.

**SEC. 12.** Section 1596.871 of the Health and Safety Code is amended to read:

**1596.871.** The Legislature recognizes the need to generate timely and accurate positive fingerprint identification of applicants as a condition of issuing licenses, permits, or certificates of approval for persons to operate or provide direct care services in a childcare center or family childcare home. It is the intent of the Legislature in enacting this section to require the fingerprints of those individuals whose contact with child day care facility clients may pose a risk to the children's health and safety. An individual shall be required to obtain either a criminal record clearance or a criminal record exemption from the State Department of Social Services before the individual's initial presence in a child day care facility.

(a) (1) Before and, as applicable, subsequent to issuing a license or special permit to any person to operate or manage a day care facility, the department shall secure from an appropriate law enforcement agency a criminal record to determine whether the applicant or any other person specified in subdivision (b) has ever been convicted of a crime other than a minor traffic violation or arrested for any crime specified in subdivision (c) of Section 290 of the Penal Code, or for violating Section 245, 273ab, or 273.5, subdivision (b) of Section 273a, or, prior to January 1, 1994, paragraph (2) of Section 273a, of the Penal Code, or for any crime for which the department is prohibited from granting a criminal record exemption pursuant to subdivision (f).

(2) The criminal history information shall include the full criminal record, if any, of those persons, and subsequent arrest information pursuant to Section 11105.2 of the Penal Code.

(3) The following shall apply to the criminal record information:

(A) If the State Department of Social Services finds that the applicant or any other person specified in subdivision (b) has been convicted of a crime, other than a minor traffic violation, the application shall be denied, unless the director grants an exemption pursuant to subdivision (f).

(B) If the State Department of Social Services finds that the applicant, or any other person specified in subdivision (b), is awaiting trial for a crime other than a minor traffic violation, the State Department of Social Services may cease processing the criminal record information until the conclusion of the trial.

(C) If no criminal record information has been recorded, the Department of Justice shall provide the applicant and the State Department of Social Services with a statement of that fact.

(D) If the State Department of Social Services finds after licensure that the licensee, or any other person specified in paragraph (2) of subdivision (b), has been convicted of a crime other than a minor traffic violation, the license may be revoked, unless the director grants an exemption pursuant to subdivision (f).

(E) An applicant and any other person specified in subdivision (b) shall submit fingerprint images and related information to the Department of Justice and the Federal Bureau of Investigation, through the Department of Justice, for a state and federal level criminal offender record information search, in addition to the search required by subdivision (a). If an applicant meets all other conditions for licensure, except receipt of the Federal Bureau of Investigation's criminal history information for the applicant and persons listed in subdivision (b), the department may issue a license if the applicant and each person described by subdivision (b) has signed and submitted a statement that the person has never been convicted of a crime in the United States, other than a traffic infraction as defined in paragraph (1) of subdivision (a) of Section 42001 of the Vehicle Code. If, after licensure, the department determines that the licensee or person specified in subdivision (b) has a criminal record, the license may be revoked pursuant to Section 1596.885. The department may also suspend the license pending an administrative hearing pursuant to Section 1596.886.

(b) (1) In addition to the applicant, this section shall be applicable to criminal record clearances and exemptions for the following persons:

(A) Adults responsible for administration or direct supervision of staff.

(B) Any person, other than a child, residing in the facility.

(C) Any person who provides care and supervision to the children.

(D) Any staff person, volunteer, or employee who has contact with the children.

(i) A volunteer providing time-limited specialized services shall be exempt from the requirements of this subdivision if this person is directly supervised by the licensee or a facility employee with a criminal record clearance or exemption, the volunteer spends no more than 16 hours per week at the facility, and the volunteer is not left alone with children in care.

(ii) A student enrolled or participating at an accredited educational institution shall be exempt from the requirements of this subdivision if the student is directly supervised by the licensee or a facility employee with a criminal record clearance or exemption, the facility has an agreement with the educational institution concerning the placement of the student, the student spends no more than 16 hours per week at the facility, and the student is not left alone with children in care.

(iii) A volunteer who is a relative, legal guardian, or foster parent of a client in the facility shall be exempt from the requirements of this subdivision.

(iv) A contracted repair person retained by the facility, if not left alone with children in care, shall be exempt from the requirements of this subdivision.

(v) Any person similar to those described in this subdivision, as defined by the department in regulations.

(E) If the applicant is a firm, partnership, association, or corporation, the chief executive officer, other person serving in like capacity, or a person designated by the chief executive officer as responsible for the operation of the facility, as designated by the applicant agency.

(F) If the applicant is a local educational agency, the president of the governing board, the school district superintendent, or a person designated to administer the operation of the facility, as designated by the local educational agency.

(G) Additional officers of the governing body of the applicant, or other persons with a financial interest in the applicant, as determined necessary by the department by regulation. The criteria used in the development of these regulations shall be based on the person's capability to exercise substantial influence over the operation of the facility.

(H) This section does not apply to employees of childcare and development programs under contract with the State Department of Education who have completed a criminal record clearance as part of an application to the Commission on Teacher Credentialing, and who possess a current credential or permit issued by the commission, including employees of childcare and development programs that serve both children subsidized under, and children not subsidized under, a State Department of Education contract. The Commission on Teacher Credentialing shall notify the department upon revocation of a current credential or permit issued to an employee of a childcare and development program under contract with the State Department of Education.

(I) This section does not apply to employees of a childcare and development program operated by a school district, county office of education, or community college district under contract with the State Department of Education who have completed a criminal record clearance as a condition of employment. The school district, county office of education, or community college district upon receiving information that the status of an employee's criminal record clearance has changed shall submit that information to the department.

(2) Nothing in this subdivision shall prevent a licensee from requiring a criminal record clearance of any individuals exempt from the requirements under this subdivision.

(c) (1) (A) Subsequent to initial licensure, a person specified in subdivision (b) who is not exempt from fingerprinting shall obtain either a criminal record clearance or an exemption from disqualification, pursuant to subdivision (f), from the State Department of Social Services prior to employment, residence, or initial presence in the facility. A person specified in subdivision (b) who is not exempt from fingerprinting shall be fingerprinted and shall sign a declaration under penalty of perjury regarding any prior criminal convictions. The licensee shall submit fingerprint images and related information to the Department of Justice and the Federal Bureau of Investigation, through the Department of Justice, or comply with paragraph (1) of subdivision (h), prior to the person's employment, residence, or initial presence in the child day care facility.

(B) These fingerprint images and related information shall be electronically submitted to the Department of Justice in a manner approved by the State Department of Social Services and the Department of Justice for the purpose of obtaining a permanent set of fingerprints. A licensee's failure to submit fingerprint images and related information to the Department of Justice or to comply with paragraph (1) of subdivision (h), as required in this section, shall result in the citation of a deficiency, and an immediate assessment of civil penalties in the amount of one hundred dollars ($100) per violation per day for a maximum of five days, unless the violation is a second or subsequent violation within a 12-month period in which case the civil penalties shall be in the amount of one hundred dollars ($100) per violation for a maximum of 30 days, and shall be grounds for disciplining the licensee pursuant to Section 1596.885 or 1596.886. The State Department of Social Services may assess civil penalties for repeated or continued violations permitted by Sections 1596.99 and 1597.58. The fingerprint images and related information shall then be submitted to the department for processing. Within 14 calendar days of the receipt of the fingerprint images, the Department of Justice shall notify the State Department of Social Services of the criminal record information, as provided in this subdivision. If no criminal record information has been recorded, the Department of Justice shall provide the licensee and the State Department of Social Services with a statement of that fact within 14 calendar days of receipt of the fingerprint images. If new fingerprint images are required for processing, the

Department of Justice shall, within 14 calendar days from the date of receipt of the fingerprint images, notify the licensee that the fingerprints were illegible.

(C) Documentation of the individual's clearance or exemption shall be maintained by the licensee, and shall be available for inspection. When live-scan technology is operational, as defined in Section 1522.04, the Department of Justice shall notify the department, as required by that section, and notify the licensee by mail within 14 days of electronic transmission of the fingerprints to the Department of Justice, if the person has no criminal record. Any violation of the regulations adopted pursuant to Section 1522.04 shall result in the citation of a deficiency and an immediate assessment of civil penalties in the amount of one hundred dollars ($100) per violation per day for a maximum of five days, unless the violation is a second or subsequent violation within a 12-month period in which case the civil penalties shall be in the amount of one hundred dollars ($100) per violation for a maximum of 30 days, and shall be grounds for disciplining the licensee pursuant to Section 1596.885 or 1596.886. The department may assess civil penalties for repeated or continued violations, as permitted by Sections 1596.99 and 1597.58.

(2) Except for persons specified in paragraph (2) of subdivision (b), the licensee shall endeavor to ascertain the previous employment history of persons required to be fingerprinted under this subdivision. If it is determined by the department, on the basis of fingerprints submitted to the Department of Justice, that the person has been convicted of a sex offense against a minor, an offense specified in Section 243.4, 273a, 273ab, 273d, 273g, or 368 of the Penal Code, or a felony, the State Department of Social Services shall notify the licensee to act immediately to terminate the person's employment, remove the person from the child day care facility, or bar the person from entering the child day care facility. The department may subsequently grant an exemption pursuant to subdivision (f). If the conviction was for another crime except a minor traffic violation, the licensee shall, upon notification by the State Department of Social Services, act immediately to either (1) terminate the person's employment, remove the person from the child day care facility, or bar the person from entering the child day care facility; or (2) seek an exemption pursuant to subdivision (f). The department shall determine if the person shall be allowed to remain in the facility until a decision on the exemption is rendered. A licensee's failure to comply with the department's prohibition of employment, contact with clients, or presence in the facility as required by this paragraph shall result in a citation of deficiency and an immediate assessment of civil penalties by the department against the licensee, in the amount of one hundred dollars ($100) per violation per day for a maximum of five days, unless the violation is a second or subsequent violation within a 12-month period in which case the civil penalties shall be in the amount of one hundred dollars ($100) per violation for a maximum of 30 days, and shall be grounds for disciplining the licensee pursuant to Section 1596.885 or 1596.886.

(3) The department may issue an exemption on its own motion pursuant to subdivision (f) if the person's criminal history indicates that the person is of good character based on the age, seriousness, and frequency of the conviction or convictions. The department, in consultation with interested parties, shall develop regulations to establish the criteria to grant an exemption pursuant to this paragraph.

(4) Concurrently with notifying the licensee pursuant to paragraph (3), the department shall notify the affected individual of the right to seek an exemption pursuant to subdivision (f). The individual may seek an exemption only if the licensee terminates the person's employment or removes the person from the facility after receiving notice from the department pursuant to paragraph (3).

(d) (1) For purposes of this section or any other provision of this chapter, a conviction means a plea or verdict of guilty or a conviction following a plea of nolo contendere. Any action that the department is permitted to take following the establishment of a conviction may be taken when the time for appeal has elapsed, when the judgment of conviction has been affirmed on appeal, or when an order granting probation is made suspending the imposition of sentence, notwithstanding a subsequent order pursuant to Sections 1203.4 and 1203.4a of the Penal Code permitting the person to withdraw a plea of guilty and to enter a plea of not guilty, or setting aside the verdict of guilty, or dismissing the accusation, information, or indictment. For purposes of this section or any other provision of this chapter, the record of a conviction, or a copy thereof certified by the clerk of the court or by a judge of the court in which the conviction occurred, shall be conclusive evidence of the conviction. For purposes of this section or any other provision of this chapter, the arrest disposition report certified by the Department of Justice, or documents admissible in a criminal action pursuant to Section 969b of the Penal Code, shall be prima facie evidence of conviction, notwithstanding any other law prohibiting the admission of these documents in a civil or administrative action.

(2) For purposes of this section or any other provision of this chapter, the department shall consider criminal convictions from another state or federal court as if the criminal offense was committed in this state.

(e) (1) The State Department of Social Services shall not use a record of arrest to deny, revoke, or terminate any application, license, employment, or residence unless the department investigates the incident and secures evidence, whether or not related to the incident of arrest, that is admissible in an administrative hearing to establish conduct by the person that may pose a risk to the health and safety of any person who is or may become a client.

(2) The department shall not issue a criminal record clearance to a person who has been arrested for any crime specified in Section 290 of the Penal Code, or for violating Section 245, 273ab, or 273.5, or subdivision (b) of Section 273a of the Penal Code, or, prior to January 1, 1994, paragraph (2) of Section 273a of the Penal Code, or for any crime for which the department is prohibited from granting a criminal record exemption pursuant to subdivision (f), prior to the department's completion of an investigation pursuant to paragraph (1).

(3) The State Department of Social Services is authorized to obtain any arrest or conviction records or reports from any law enforcement agency as necessary to the performance of its duties to inspect, license, and investigate community care facilities and individuals associated with a community care facility.

(f) (1) After review of the record, the director may grant an exemption from disqualification for a license or special permit as specified in paragraphs (1) and (4) of subdivision (a), or for employment, residence, or presence in a child day care facility as specified in paragraphs (3), (4), and (5) of subdivision (c) if the director has substantial and convincing evidence to support a reasonable belief that the applicant and the person convicted of the crime, if other than the applicant, are of good character so as to justify issuance of the license or special permit or granting an exemption for purposes of subdivision (c). However, an exemption shall not be granted pursuant to this subdivision if the conviction was for any of the following offenses:

(A) An offense specified in Section 220, 243.4, or 264.1, subdivision (a) of Section 273a, or, prior to January 1, 1994, paragraph (1) of Section 273a, Section 273ab, 273d, 288, or 289, subdivision (c) of Section 290, or Section 368, of the Penal Code, or was a conviction of another crime against an individual specified in subdivision (c) of Section 667.5 of the Penal Code.

(B) A felony offense specified in Section 729 of the Business and Professions Code or Section 206 or 215, subdivision (a) of Section 347, subdivision (b) of Section 417, or subdivision (a) or (b) of Section 451 of the Penal Code.

(2) The department shall not prohibit a person from being employed or having contact with clients in a facility on the basis of a denied criminal record exemption request or arrest information unless the department complies with the requirements of Section 1596.8897.

(g) Upon request of the licensee, who shall enclose a self-addressed stamped postcard for this purpose, the Department of Justice shall verify receipt of the fingerprint images.

(h) (1) For the purposes of compliance with this section, the department may permit an individual to transfer a current criminal record clearance, as defined in subdivision (a), from one facility to another, as long as the criminal record clearance has been processed through a state licensing district office, and is being transferred to another facility licensed by a state licensing district office. The request shall be in writing to the department, and shall include a copy of the person's driver's license or valid identification card issued by the Department of Motor Vehicles, or a valid photo identification issued by another state or the United States government if the person is not a California resident. Upon request of the licensee, who shall enclose a self-addressed stamped envelope for this purpose, the department shall verify whether the individual has a clearance that can be transferred.

(2) The State Department of Social Services shall hold criminal record clearances in its active files for a minimum of two years after an employee is no longer employed at a licensed facility in order for the criminal record clearances to be transferred.

(3) The following shall apply to a criminal record clearance or exemption from the department or a county office with department-delegated licensing authority:

(A) A county office with department-delegated licensing authority may accept a clearance or exemption from the department.

(B) The department may accept a clearance or exemption from any county office with department-delegated licensing authority.

(C) A county office with department-delegated licensing authority may accept a clearance or exemption from any other county office with department-delegated licensing authority.

(4) With respect to notifications issued by the Department of Justice pursuant to Section 11105.2 of the Penal Code concerning an individual whose criminal record clearance was originally processed by the department or a county office with department-delegated licensing authority, all of the following shall apply:

(A) The Department of Justice shall process a request from the department or a county office with department-delegated licensing authority to receive the notice, only if all of the following conditions are met:

(i) The request shall be submitted to the Department of Justice by the agency to be substituted to receive the notification.

(ii) The request shall be for the same applicant type as the type for which the original clearance was obtained.

(iii) The request shall contain all prescribed data elements and format protocols pursuant to a written agreement between the department and the Department of Justice.

(B) (i) On or before January 7, 2005, the department shall notify the Department of Justice of all county offices that have department-delegated licensing authority.

(ii) The department shall notify the Department of Justice within 15 calendar days of the date on which a new county office receives department-delegated licensing authority or a county's delegated licensing authority is rescinded.

(C) The Department of Justice shall charge the department or a county office with department-delegated licensing authority a fee for each time a request to substitute the recipient agency is received for purposes of this paragraph. This fee shall not exceed the cost of providing the service.

(i) Notwithstanding any other law, the department may provide an individual with a copy of the individual's state or federal level criminal offender record information search response as provided to that department by the Department of Justice if the department has denied a criminal background clearance based on this information and the individual makes a written request to the department for a copy specifying an address to which it is to be sent. The state or federal level criminal offender record information search response shall not be modified or altered from its form or content as provided by the Department of Justice and shall be provided to the address specified by the individual in the individual's written request. The department shall retain a copy of the individual's written request and the response and date provided.

(j) The State Department of Social Services may charge a reasonable fee for the costs of processing electronic fingerprint images and related information.

**SEC. 13.** Section 1597.09 of the Health and Safety Code is amended to read:

**1597.09.** (a) Each licensed child day care center shall be subject to unannounced inspections by the department. The department shall inspect these facilities as often as necessary to ensure the quality of care provided.

(b) The department shall conduct an annual unannounced inspection of a licensed child day care center under any of the following circumstances:

(1) When a license is on probation.

(2) When the terms of agreement in a facility compliance plan require an annual inspection.

(3) When an accusation against a licensee is pending.

(4) In order to verify that a person who has been ordered out of a child day care center by the department is no longer at the facility.

(c) (1) The department shall conduct an annual unannounced inspection of no less than 30 percent of facilities not subject to an evaluation under subdivision (b).

(2) These unannounced inspections shall be conducted based on a random sampling methodology developed by the department.

(d) The department shall inspect a licensed child day care center at least once every three years.

(e) It is the intent of the Legislature to achieve annual inspections for licensed child day care centers governed by this section on or before July 1, 2021.

**SEC. 14.** Section 1597.55a of the Health and Safety Code is amended to read:

**1597.55a.** (a) Every family day care home shall be subject to unannounced inspections by the department, as provided in this section. The department shall inspect these facilities as often as necessary to ensure the quality of care provided.

(b) The department shall conduct an announced site inspection prior to the initial licensing of the applicant.

(c) The department shall conduct an annual unannounced inspection of a facility under any of the following circumstances:

(1) When a license is on probation.

(2) When the terms of agreement in a facility compliance plan require an annual inspection.

(3) When an accusation against a licensee is pending.

(4) In order to verify that a person who has been ordered out of a family day care home by the department is no longer at the facility.

(d) (1) The department shall conduct annual unannounced inspections of no less than 30 percent of facilities not subject to an inspection under subdivision (c).

(2) These unannounced inspections shall be conducted based on a random sampling methodology developed by the department.

(e) The department shall inspect a licensed family day care home at least once every three years.

(f) A public agency under contract with the department may make spot checks if it does not result in any cost to the state. However, spot checks shall not be required by the department.

(g) The department or licensing agency shall make an unannounced site inspection on the basis of a complaint and a followup inspection, as provided in Section 1596.853.

(h) An unannounced site inspection shall adhere to both of the following conditions:

(1) The inspection shall take place only during the facility's normal business hours or at any time family day care services are being provided.

(2) The inspection of the facility shall be limited to those parts of the facility in which family day care services are provided or to which the children have access.

(i) The department shall implement this section during periods that Section 1597.55b is not being implemented in accordance with Section 18285.5 of the Welfare and Institutions Code.

(j) It is the intent of the Legislature to achieve annual inspections for licensed family day care homes and facilities governed by this section on or before July 1, 2021.

**SEC. 15.** Chapter 11.7 (commencing with Section 50807) is added to Part 2 of Division 31 of the Health and Safety Code, to read:

**CHAPTER 11.7. Transitional Housing Program**

**50807.** (a) Subject to an appropriation in the annual Budget Act, the Department of Housing and Community Development shall provide funding to counties for allocation to child welfare services agencies to help young adults who are 18 to 24 years of age secure and maintain housing, with priority given to young adults formerly in the state's foster care or probation systems.

(b) The department shall consult with the Department of Social Services, the Department of Finance, and the County Welfare Directors Association to develop an allocation schedule for purposes of distributing funds pursuant to subdivision (a) to counties.

(c) (1) The implementation of this chapter shall be suspended on December 31, 2021, unless paragraph (2) applies.

(2) If, in the determination of the Department of Finance, the estimates of General Fund revenues and expenditures determined pursuant to Section 12.5 of Article IV of the California Constitution that accompany the May Revision required to be released by May 14, 2021, pursuant to Section 13308 of the Government Code, contain projected annual General Fund revenues that exceed projected annual General Fund expenditures in the 2021–22 and 2022–23 fiscal years by the sum total of General Fund moneys appropriated for all programs subject to suspension on December 31, 2021, pursuant to the Budget Act of 2019 and the bills providing for appropriations related to the Budget Act of 2019 within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, then the implementation of this chapter shall not be suspended pursuant to paragraph (1).

(3) If paragraph (1) applies, it is the intent of the Legislature to consider alternative solutions to facilitate the continued implementation of the program created pursuant to this chapter.

**SEC. 16.** Section 11166 of the Penal Code is amended to read:

**11166.** (a) Except as provided in subdivision (d), and in Section 11166.05, a mandated reporter shall make a report to an agency specified in Section 11165.9 whenever the mandated reporter, in the mandated reporter's professional capacity or within the scope of the mandated reporter's employment, has knowledge of or observes a child whom the mandated reporter knows or reasonably suspects has been the victim of child abuse or neglect. The mandated reporter shall make an initial report by telephone to the agency immediately or as soon as is practicably possible, and shall prepare and send, fax, or electronically

transmit a written followup report within 36 hours of receiving the information concerning the incident. The mandated reporter may include with the report any nonprivileged documentary evidence the mandated reporter possesses relating to the incident.

(1) For purposes of this article, “reasonable suspicion” means that it is objectively reasonable for a person to entertain a suspicion, based upon facts that could cause a reasonable person in a like position, drawing, when appropriate, on the person’s training and experience, to suspect child abuse or neglect. “Reasonable suspicion” does not require certainty that child abuse or neglect has occurred nor does it require a specific medical indication of child abuse or neglect; any “reasonable suspicion” is sufficient. For purposes of this article, the pregnancy of a minor does not, in and of itself, constitute a basis for a reasonable suspicion of sexual abuse.

(2) The agency shall be notified and a report shall be prepared and sent, faxed, or electronically transmitted even if the child has expired, regardless of whether or not the possible abuse was a factor contributing to the death, and even if suspected child abuse was discovered during an autopsy.

(3) A report made by a mandated reporter pursuant to this section shall be known as a mandated report.

(b) If, after reasonable efforts, a mandated reporter is unable to submit an initial report by telephone, the mandated reporter shall immediately or as soon as is practicably possible, by fax or electronic transmission, make a one-time automated written report on the form prescribed by the Department of Justice, and shall also be available to respond to a telephone followup call by the agency with which the mandated reporter filed the report. A mandated reporter who files a one-time automated written report because the mandated reporter was unable to submit an initial report by telephone is not required to submit a written followup report.

(1) The one-time automated written report form prescribed by the Department of Justice shall be clearly identifiable so that it is not mistaken for a standard written followup report. In addition, the automated one-time report shall contain a section that allows the mandated reporter to state the reason the initial telephone call was not able to be completed. The reason for the submission of the one-time automated written report in lieu of the procedure prescribed in subdivision (a) shall be captured in the Child Welfare Services/Case Management System (CWS/CMS). The department shall work with stakeholders to modify reporting forms and the CWS/CMS as is necessary to accommodate the changes enacted by these provisions.

(2) This subdivision shall not become operative until the CWS/CMS is updated to capture the information prescribed in this subdivision.

(3) This subdivision shall become inoperative three years after this subdivision becomes operative or on January 1, 2009, whichever occurs first.

(4) This section does not supersede the requirement that a mandated reporter first attempt to make a report via telephone, or that agencies specified in Section 11165.9 accept reports from mandated reporters and other persons as required.

(c) A mandated reporter who fails to report an incident of known or reasonably suspected child abuse or neglect as required by this section is guilty of a misdemeanor punishable by up to six months confinement in a county jail or by a fine of one thousand dollars ($1,000) or by both that imprisonment and fine. If a mandated reporter intentionally conceals the mandated reporter’s failure to report an incident known by the mandated reporter to be abuse or severe neglect under this section, the failure to report is a continuing offense until an agency specified in Section 11165.9 discovers the offense.

(d) (1) A clergy member who acquires knowledge or a reasonable suspicion of child abuse or neglect during a penitential communication is not subject to subdivision (a). For the purposes of this subdivision, “penitential communication” means a communication, intended to be in confidence, including, but not limited to, a sacramental confession, made to a clergy member who, in the course of the discipline or practice of the clergy member’s church, denomination, or organization, is authorized or accustomed to hear those communications, and under the discipline, tenets, customs, or practices of the clergy member’s church, denomination, or organization, has a duty to keep those communications secret.

(2) Nothing in this subdivision shall be construed to modify or limit a clergy member’s duty to report known or suspected child abuse or neglect when the clergy member is acting in some other capacity that would otherwise make the clergy member a mandated reporter.

(3) (A) On or before January 1, 2004, a clergy member or any custodian of records for the clergy member may report to an agency specified in Section 11165.9 that the clergy member or any custodian of records for the clergy member, prior to January 1, 1997, in the clergy member’s professional capacity or within the scope of the clergy member’s employment, other than during a penitential communication, acquired knowledge or had a reasonable suspicion that a child had been the victim of sexual abuse and that the clergy member or any custodian of records for the clergy member did not previously report the abuse to an agency specified in Section 11165.9. The provisions of Section 11172 shall apply to all reports made pursuant to this paragraph.

(B) This paragraph shall apply even if the victim of the known or suspected abuse has reached the age of majority by the time the required report is made.

(C) The local law enforcement agency shall have jurisdiction to investigate any report of child abuse made pursuant to this paragraph even if the report is made after the victim has reached the age of majority.

(e) (1) A commercial film, photographic print, or image processor who has knowledge of or observes, within the scope of that person's professional capacity or employment, any film, photograph, videotape, negative, slide, or any representation of information, data, or an image, including, but not limited to, any film, filmstrip, photograph, negative, slide, photocopy, videotape, video laser disc, computer hardware, computer software, computer floppy disk, data storage medium, CD-ROM, computer-generated equipment, or computer-generated image depicting a child under 16 years of age engaged in an act of sexual conduct, shall, immediately or as soon as practicably possible, telephonically report the instance of suspected abuse to the law enforcement agency located in the county in which the images are seen. Within 36 hours of receiving the information concerning the incident, the reporter shall prepare and send, fax, or electronically transmit a written followup report of the incident with a copy of the image or material attached.

(2) A commercial computer technician who has knowledge of or observes, within the scope of the technician's professional capacity or employment, any representation of information, data, or an image, including, but not limited to, any computer hardware, computer software, computer file, computer floppy disk, data storage medium, CD-ROM, computer-generated equipment, or computer-generated image that is retrievable in perceivable form and that is intentionally saved, transmitted, or organized on an electronic medium, depicting a child under 16 years of age engaged in an act of sexual conduct, shall immediately, or as soon as practicably possible, telephonically report the instance of suspected abuse to the law enforcement agency located in the county in which the images or materials are seen. As soon as practicably possible after receiving the information concerning the incident, the reporter shall prepare and send, fax, or electronically transmit a written followup report of the incident with a brief description of the images or materials.

(3) For purposes of this article, "commercial computer technician" includes an employee designated by an employer to receive reports pursuant to an established reporting process authorized by subparagraph (B) of paragraph (43) of subdivision (a) of Section 11165.7.

(4) As used in this subdivision, "electronic medium" includes, but is not limited to, a recording, CD-ROM, magnetic disk memory, magnetic tape memory, CD, DVD, thumbdrive, or any other computer hardware or media.

(5) As used in this subdivision, "sexual conduct" means any of the following:

(A) Sexual intercourse, including genital-genital, oral-genital, anal-genital, or oral-anal, whether between persons of the same or opposite sex or between humans and animals.

(B) Penetration of the vagina or rectum by any object.

(C) Masturbation for the purpose of sexual stimulation of the viewer.

(D) Sadomasochistic abuse for the purpose of sexual stimulation of the viewer.

(E) Exhibition of the genitals, pubic, or rectal areas of a person for the purpose of sexual stimulation of the viewer.

(f) Any mandated reporter who knows or reasonably suspects that the home or institution in which a child resides is unsuitable for the child because of abuse or neglect of the child shall bring the condition to the attention of the agency to which, and at the same time as, the mandated reporter makes a report of the abuse or neglect pursuant to subdivision (a).

(g) Any other person who has knowledge of or observes a child whom the person knows or reasonably suspects has been a victim of child abuse or neglect may report the known or suspected instance of child abuse or neglect to an agency specified in Section 11165.9. For purposes of this section, "any other person" includes a mandated reporter who acts in the person's private capacity and not in the person's professional capacity or within the scope of the person's employment.

(h) When two or more persons, who are required to report, jointly have knowledge of a known or suspected instance of child abuse or neglect, and when there is agreement among them, the telephone report may be made by a member of the team selected by mutual agreement and a single report may be made and signed by the selected member of the reporting team. Any member who has knowledge that the member designated to report has failed to do so shall thereafter make the report.

(i) (1) The reporting duties under this section are individual, and no supervisor or administrator may impede or inhibit the reporting duties, and no person making a report shall be subject to any sanction for making the report. However, internal procedures to facilitate reporting and apprise supervisors and administrators of reports may be established provided that they are not

inconsistent with this article. An internal policy shall not direct an employee to allow the employee's supervisor to file or process a mandated report under any circumstances.

(2) The internal procedures shall not require any employee required to make reports pursuant to this article to disclose the employee's identity to the employer.

(3) Reporting the information regarding a case of possible child abuse or neglect to an employer, supervisor, school principal, school counselor, coworker, or other person shall not be a substitute for making a mandated report to an agency specified in Section 11165.9.

(j) (1) A county probation or welfare department shall immediately, or as soon as practicably possible, report by telephone, fax, or electronic transmission to the law enforcement agency having jurisdiction over the case, to the agency given the responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code, and to the district attorney's office every known or suspected instance of child abuse or neglect, as defined in Section 11165.6, except acts or omissions coming within subdivision (b) of Section 11165.2, or reports made pursuant to Section 11165.13 based on risk to a child that relates solely to the inability of the parent to provide the child with regular care due to the parent's substance abuse, which shall be reported only to the county welfare or probation department. A county probation or welfare department also shall send, fax, or electronically transmit a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it makes a telephone report under this subdivision.

(2) A county probation or welfare department shall immediately, and in no case in more than 24 hours, report to the law enforcement agency having jurisdiction over the case after receiving information that a child or youth who is receiving child welfare services has been identified as the victim of commercial sexual exploitation, as defined in subdivision (d) of Section 11165.1.

(3) When a child or youth who is receiving child welfare services and who is reasonably believed to be the victim of, or is at risk of being the victim of, commercial sexual exploitation, as defined in Section 11165.1, is missing or has been abducted, the county probation or welfare department shall immediately, or in no case later than 24 hours from receipt of the information, report the incident to the appropriate law enforcement authority for entry into the National Crime Information Center database of the Federal Bureau of Investigation and to the National Center for Missing and Exploited Children.

(k) A law enforcement agency shall immediately, or as soon as practicably possible, report by telephone, fax, or electronic transmission to the agency given responsibility for investigation of cases under Section 300 of the Welfare and Institutions Code and to the district attorney's office every known or suspected instance of child abuse or neglect reported to it, except acts or omissions coming within subdivision (b) of Section 11165.2, which shall be reported only to the county welfare or probation department. A law enforcement agency shall report to the county welfare or probation department every known or suspected instance of child abuse or neglect reported to it which is alleged to have occurred as a result of the action of a person responsible for the child's welfare, or as the result of the failure of a person responsible for the child's welfare to adequately protect the minor from abuse when the person responsible for the child's welfare knew or reasonably should have known that the minor was in danger of abuse. A law enforcement agency also shall send, fax, or electronically transmit a written report thereof within 36 hours of receiving the information concerning the incident to any agency to which it makes a telephone report under this subdivision.

**SEC. 17.** Section 224.1 of the Welfare and Institutions Code is amended to read:

**224.1.** (a) As used in this division, unless the context requires otherwise, the terms "Indian," "Indian child," "Indian custodian," "Indian tribe," "reservation," and "tribal court" shall be defined as provided in Section 1903 of the federal Indian Child Welfare Act (25 U.S.C. Sec. 1901 et seq.).

(b) As used in connection with an Indian child custody proceeding, the term "Indian child" also means an unmarried person who is 18 years of age or over, but under 21 years of age, who is a member of an Indian tribe or eligible for membership in an Indian tribe and is the biological child of a member of an Indian tribe, and who is under the jurisdiction of the dependency court, unless that person or their attorney elects not to be considered an Indian child for purposes of the Indian child custody proceeding. All Indian child custody proceedings involving persons 18 years of age and older shall be conducted in a manner that respects the person's status as a legal adult.

(c) As used in connection with an Indian child custody proceeding, the terms "extended family member" and "parent" shall be defined as provided in Section 1903 of the federal Indian Child Welfare Act.

(d) (1) "Indian child custody proceeding" means a hearing during a juvenile court proceeding brought under this code, or a proceeding under the Probate Code or the Family Code, involving an Indian child, other than an emergency proceeding under Section 319, that may culminate in one of the following outcomes:

(A) Foster care placement, which includes removal of an Indian child from their parent, parents, or Indian custodian for placement in a foster home, institution, or the home of a guardian or conservator, in which the parent or Indian custodian may not have the child returned upon demand, but in which parental rights have not been terminated. Foster care placement does not include an emergency placement of an Indian child pursuant to Section 309, as long as the emergency proceeding requirements set forth in Section 319 are met.

(B) Termination of parental rights, which includes any action involving an Indian child resulting in the termination of the parent-child relationship.

(C) Preadoptive placement, which includes the temporary placement of an Indian child in a foster home or institution after the termination of parental rights, but prior to, or in lieu of, adoptive placement.

(D) Adoptive placement, which includes the permanent placement of an Indian child for adoption, including any action resulting in a final decree of adoption.

(E) If a child is placed in foster care or another out-of-home placement as a result of a status offense, that status offense proceeding is considered an Indian child custody proceeding.

(2) "Indian child custody proceeding" does not include a voluntary foster care or guardianship placement if the parent or Indian custodian retains the right to have the child returned upon demand.

(e) (1) "Indian child's tribe" means the Indian tribe in which an Indian child is a member or citizen or eligible for membership or citizenship, or in the case of an Indian child who is a member or citizen of, or eligible for membership or citizenship in, more than one tribe, the Indian tribe with which the Indian child has the more significant contacts.

(2) In the case of an Indian child who meets the definition of "Indian child" through more than one tribe, deference should be given to the tribe of which the Indian child is already a member or citizen, unless otherwise agreed to by the tribes.

(3) If an Indian child meets the definition of "Indian child" through more than one tribe because the child is a member or citizen of more than one tribe or the child is not a member or citizen but is eligible for membership or citizenship in more than one tribe, the court shall provide the tribes the opportunity to determine which tribe shall be designated as the Indian child's tribe.

(4) If the tribes are able to reach an agreement, the agreed-upon tribe shall be designated as the Indian child's tribe.

(5) If the tribes are unable to reach an agreement, the court shall designate as the Indian child's tribe, the tribe with which the Indian child has the more significant contacts, taking into consideration all of the following:

(A) Preference of the parents for membership of the child.

(B) Length of past domicile or residence on or near the reservation of each tribe.

(C) Tribal membership of the child's custodial parent or Indian custodian.

(D) Interest asserted by each tribe in the child custody proceeding.

(E) Whether there has been a previous adjudication with respect to the child by a court of one of the tribes.

(F) Self-identification by the child, if the child is of sufficient age and capacity to meaningfully self-identify.

(6) If an Indian child becomes a member of a tribe other than the one designated by the court as the Indian child's tribe under paragraph (5), actions taken based on the court's determination prior to the child's becoming a tribal member continue to be valid.

(7) A determination of the Indian child's tribe for purposes of the federal Indian Child Welfare Act does not constitute a determination for any other purpose.

(f) "Active efforts" means affirmative, active, thorough, and timely efforts intended primarily to maintain or reunite an Indian child with their family. If an agency is involved in an Indian child custody proceeding, active efforts shall involve assisting the parent, parents, or Indian custodian through the steps of a case plan and with accessing or developing the resources necessary to satisfy the case plan. To the maximum extent possible, active efforts shall be provided in a manner consistent with the prevailing social and cultural conditions and way of life of the Indian child's tribe and shall be conducted in partnership with the Indian child and the Indian child's parents, extended family members, Indian custodians, and tribe. Active efforts shall be tailored to the facts and circumstances of the case and may include, but are not limited to, any of the following:

(1) Conducting a comprehensive assessment of the circumstances of the Indian child's family, with a focus on safe reunification as the most desirable goal.

(2) Identifying appropriate services and helping the parents overcome barriers, including actively assisting the parents in obtaining those services.

(3) Identifying, notifying, and inviting representatives of the Indian child's tribe to participate in providing support and services to the Indian child's family and in family team meetings, permanency planning, and resolution of placement issues.

(4) Conducting or causing to be conducted a diligent search for the Indian child's extended family members, and contacting and consulting with extended family members to provide family structure and support for the Indian child and the Indian child's parents.

(5) Offering and employing all available and culturally appropriate family preservation strategies and facilitating the use of remedial and rehabilitative services provided by the child's tribe.

(6) Taking steps to keep siblings together whenever possible.

(7) Supporting regular visits with parents or Indian custodians in the most natural setting possible, as well as trial home visits of the Indian child during any period of removal, consistent with the need to ensure the health, safety, and welfare of the child.

(8) Identifying community resources, including housing, financial assistance, transportation, mental health and substance abuse services, and peer support services, and actively assisting the Indian child's parents or, when appropriate, the child's family, in utilizing and accessing those resources.

(9) Monitoring progress and participation in services.

(10) Considering alternative ways to address the needs of the Indian child's parents and, where appropriate, the family, if the optimum services do not exist or are not available.

(11) Providing postreunification services and monitoring.

(g) "Assistant Secretary" means the Assistant Secretary of the Bureau of Indian Affairs.

(h) "Bureau of Indian Affairs" means the Bureau of Indian Affairs of the Department of the Interior.

(i) "Continued custody" means physical custody or legal custody or both, under any applicable tribal law or tribal custom or state law, that a parent or Indian custodian already has or had at any time in the past. The biological mother of an Indian child is deemed to have had custody of the Indian child.

(j) "Custody" means physical custody or legal custody or both, under any applicable tribal law or tribal custom or state law.

(k) "Domicile" means either of the following:

(1) For a parent, Indian custodian, or legal guardian, the place that a person has been physically present and that the person regards as home. This includes a person's true, fixed, principal, and permanent home, to which that person intends to return and remain indefinitely even though the person may be currently residing elsewhere.

(2) For an Indian child, the domicile of the Indian child's parents, Indian custodian, or legal guardian. In the case of an Indian child whose parents are not married to each other, the domicile of the Indian child means the domicile of the Indian child's custodial parent.

(l) "Emergency proceeding" for purposes of juvenile dependency proceedings is the initial petition hearing held pursuant to Section 319.

(m) "Indian foster home" means a foster home where one or more of the licensed or approved foster parents is an Indian as defined in Section 3 of the federal Indian Child Welfare Act of 1978.

(n) "Involuntary proceeding" means an Indian child custody proceeding in which the parent does not consent of their free will to the foster care, preadoptive, or adoptive placement, or termination of parental rights. "Involuntary proceeding" also means an Indian child custody proceeding in which the parent consents to the foster care, preadoptive, or adoptive placement, under threat of removal of the child by a state court or agency.

(o) "Status offense" means an offense that would not be considered criminal if committed by an adult, including, but not limited to, school truancy and incorrigibility.

(p) "Upon demand" means, in the case of an Indian child, the parent or Indian custodian may regain physical custody during a voluntary proceeding simply upon verbal request, without any delay, formalities, or contingencies.

(q) “Voluntary proceeding” means an Indian child custody proceeding that is not an involuntary proceeding, including, but not limited to, a proceeding for foster care, preadoptive or adoptive placement that either parent, both parents, or the Indian custodian has, of their free will, without a threat of removal by a state agency, consented to for the Indian child, or a proceeding for voluntary termination of parental rights.

(r) “Tribally approved home” means a home that has been licensed or approved by an Indian child’s tribe, or a tribe or tribal organization designated by the Indian child’s tribe, for foster care or adoptive placement of an Indian child using standards established by the child’s tribe pursuant to Section 1915 of the federal Indian Child Welfare Act (25 U.S.C. Sec. 1901 et seq.). A tribally approved home is not required to be licensed or approved by the state or county and is equivalent to a state-licensed or county-licensed or approved home, including an approved resource family home. Background check requirements for foster care or adoptive placement as required by Sections 1522 and 1522.1 of the Health and Safety Code shall apply to a tribally approved home.

**SEC. 18.** Section 4094.2 of the Welfare and Institutions Code is amended to read:

**4094.2.** (a) For the purpose of establishing payment rates for community treatment facility programs, the private nonprofit agencies selected to operate these programs shall prepare a budget that covers the total costs of providing residential care and supervision and mental health services for their proposed programs. These costs shall include categories that are allowable under California’s Foster Care program and existing programs for mental health services. They shall not include educational, nonmental health medical, and dental costs.

(b) Each agency operating a community treatment facility program shall negotiate a final budget with the local mental health department in the county in which its facility is located (the host county) and other local agencies, as appropriate. This budget agreement shall specify the types and level of care and services to be provided by the community treatment facility program and a payment rate that fully covers the costs included in the negotiated budget. All counties that place children in a community treatment facility program shall make payments using the budget agreement negotiated by the community treatment facility provider and the host county.

(c) A foster care rate shall be established for each community treatment facility program by the State Department of Social Services.

(1) These rates shall be established using the existing foster care ratesetting system for group homes, or the rate for a short-term residential therapeutic program, as defined in subdivision (ad) of Section 11400, with modifications designed as necessary. It is anticipated that all community treatment facility programs will offer the level of care and services required to receive the highest foster care rate provided for under the current ratesetting system.

(2) Except as otherwise provided in paragraph (3), commencing January 1, 2017, the program shall have accreditation from a nationally recognized accrediting entity identified by the State Department of Social Services pursuant to the process described in paragraph (4) of subdivision (b) of Section 11462.

(3) With respect to a program that has been granted an extension pursuant to the exception process described in subdivision (d) of Section 11462.04, the requirement described in paragraph (2) shall apply to that program commencing January 1, 2020.

(4) With respect to a program that has been granted an extension pursuant to the exception process described in subdivision (e) of Section 11462.04, the requirement described in paragraph (2) shall apply to that program commencing January 1, 2021.

(d) For the 2001–02 fiscal year, the 2002–03 fiscal year, the 2003–04 fiscal year, and the 2004–05 fiscal year, community treatment facility programs shall also be paid a community treatment facility supplemental rate of up to two thousand five hundred dollars ($2,500) per child per month on behalf of children eligible under the foster care program and children placed out of home pursuant to an individualized education program developed under former Section 7572.5 of the Government Code. Subject to the availability of funds, the supplemental rate shall be shared by the state and the counties. Counties shall be responsible for paying a county share of cost equal to 60 percent of the community treatment rate for children placed by counties in community treatment facilities and the state shall be responsible for 40 percent of the community treatment facility supplemental rate. The community treatment facility supplemental rate is intended to supplement, and not to supplant, the payments for which children placed in community treatment facilities are eligible to receive under the foster care program and the existing programs for mental health services.

(e) For initial ratesetting purposes for community treatment facility funding, the cost of mental health services shall be determined by deducting the foster care rate and the community treatment facility supplemental rate from the total allowable cost of the community treatment facility program. Payments to certified providers for mental health services shall be based on eligible services provided to children who are Medi-Cal beneficiaries, up to the approved federal rate for these services.

(f) The State Department of Health Care Services shall provide the community treatment facility supplemental rates to the counties for advanced payment to the community treatment facility providers in the same manner as the regular foster care payment and within the same required payment time limits.

(g) In order to facilitate the study of the costs of community treatment facilities, licensed community treatment facilities shall provide all documents regarding facility operations, treatment, and placements requested by the department.

(h) It is the intent of the Legislature that the State Department of Health Care Services and the State Department of Social Services work to maximize federal financial participation in funding for children placed in community treatment facilities through funds available pursuant to Titles IV-E and XIX of the federal Social Security Act (42 U.S.C. Sec. 670 et seq. and Sec. 1396 et seq.) and other appropriate federal programs.

(i) The State Department of Health Care Services and the State Department of Social Services may adopt emergency regulations necessary to implement joint protocols for the oversight of community treatment facilities, to modify existing licensing regulations governing reporting requirements and other procedural and administrative mandates to take into account the seriousness and frequency of behaviors that are likely to be exhibited by seriously emotionally disturbed children placed in community treatment facility programs, to modify the existing foster care ratesetting regulations, and to pay the community treatment facility supplemental rate. The adoption of these regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health and safety, and general welfare. The regulations shall become effective immediately upon filing with the Secretary of State. The regulations shall not remain in effect more than 180 days unless the adopting agency complies with all the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, as required by subdivision (e) of Section 11346.1 of the Government Code.

**SEC. 19.** Section 4096.1 of the Welfare and Institutions Code is amended to read:

**4096.1.** (a) (1) Interagency collaboration and children's program services shall be structured in a manner that will facilitate future implementation of the goals of Part 4 (commencing with Section 5850) of Division 5 to develop protocols outlining the roles and responsibilities of placing agencies and group homes regarding emergency and nonemergency placements of foster children in group homes.

(2) Components shall be added to state-county performance contracts required in Section 5650 that provide for reports from counties on how this section is implemented.

(3) The State Department of Health Care Services shall develop performance contract components required by paragraph (2).

(4) Performance contracts subject to this section shall document that the procedures to be implemented in compliance with this section have been approved by the county social services department and the county probation department.

(b) Funds specified in subdivision (a) of Section 17601 for services to wards of the court and dependent children of the court shall be allocated and distributed to counties based on the number of wards of the court and dependent children of the court in the county.

(c) A county may utilize funds allocated pursuant to subdivision (b) only if the county has established an operational interagency placement committee, with a membership that includes at least the county placement agency and a licensed mental health professional from the county department of mental health. If necessary, the funds may be used for costs associated with establishing the interagency placement committee.

(d) Subsequent to the establishment of an interagency placement committee, funds allocated pursuant to subdivision (b) shall be used to provide services to wards of the court and dependent children of the court jointly identified by county mental health, social services, and probation departments as the highest priority. Every effort shall be made to match those funds with funds received pursuant to Title XIX of the federal Social Security Act, contained in Subchapter 19 (commencing with Section 1396) of Chapter 7 of Title 42 of the United States Code.

(e) (1) Each interagency placement committee shall establish procedures whereby a ward of the court or dependent child of the court, or a voluntarily placed child whose placement is funded by the Aid to Families with Dependent Children-Foster Care Program, who is to be placed or is currently placed in a group home program at a rate classification level 13 or rate classification level 14, as specified in Section 11462.001, is assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3.

(2) The assessment required by paragraph (1) shall also indicate that the child or youth is in need of the care and services provided by that group home program.

(f) The interagency placement committee shall document the results of the assessment required by subdivision (e) and shall notify the appropriate group home provider and county placing agency, in writing, of those results within 10 days of the completion

of the assessment.

(g) If the child's or youth's placement is not funded by the Aid to Families with Dependent Children-Foster Care Program, a licensed mental health professional, as defined in subdivision (g) of Section 4096, shall certify that the child has been assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3.

(h) This section shall only apply to a group home that has been granted an extension pursuant to the exception process described in subdivision (d) or (e) of Section 11462.04 or that has been granted an extension pursuant to the exception process described in subdivision (d) of Section 11463.1.

(i) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2021, deletes or extends that date.

**SEC. 20.** Section 4096.55 of the Welfare and Institutions Code is amended to read:

**4096.55.** (a) The State Department of Health Care Services shall make a determination, within 45 days of receiving a request from a group home to be classified at rate classification level 13 or rate classification level 14 pursuant to Section 11462.015, to certify or deny certification that the group home program includes provisions for mental health treatment services that meet the needs of children who have been assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3. The department shall issue each certification for a period of one year and shall specify the effective date the program met the certification requirements. A program may be recertified if the program continues to meet the criteria for certification.

(b) The State Department of Health Care Services shall, in consultation with the County Behavioral Health Directors Association of California and representatives of provider organizations, develop the criteria for the certification required by subdivision (a).

(c) (1) The State Department of Health Care Services may, upon the request of a county, delegate to that county the certification task.

(2) Any county to which the certification task is delegated pursuant to paragraph (1) shall use the criteria and format developed by the department.

(d) The State Department of Health Care Services or delegated county shall notify the State Department of Social Services Community Care Licensing Division immediately upon the termination of any certification issued in accordance with subdivision (a).

(e) Upon receipt of notification from the State Department of Social Services Community Care Licensing Division of any adverse licensing action taken after the finding of noncompliance during an inspection conducted pursuant to Section 1538.7 of the Health and Safety Code, the State Department of Health Care Services or the delegated county shall review the certification issued pursuant to this section.

(f) This section shall only apply to a group home that has been granted an extension pursuant to the exception process described in subdivision (d) or (e) of Section 11462.04.

(g) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2021, deletes or extends that date.

**SEC. 21.** Section 4359 of the Welfare and Institutions Code is repealed.

**SEC. 22.** Section 9121 is added to the Welfare and Institutions Code, to read:

**9121.** (a) Upon appropriation by the Legislature for this purpose, the California Department of Aging shall administer the Aging and Disability Resource Connection (ADRC) Infrastructure Grants Program for the purpose of implementing a No Wrong Door System. Funds shall be awarded pursuant to the grant program to interested and qualified area agencies on aging and independent living centers, including area agencies on aging and independent living centers in rural areas, to complete the planning and application process for designation and approval to operate as an ADRC program pursuant to Section 9120. Grant funds may also be awarded to aid designated ADRC programs operated by area agencies on aging and independent living centers in expanding or strengthening the services they provide.

(b) For purposes of this section, "No Wrong Door System" means a system that enables consumers to access all long-term services and supports (LTSS) through one agency, organization, coordinated network, or portal, and that provides information regarding the availability of LTSS, how to apply for LTSS, referral services for LTSS otherwise available in the community, and either a determination of financial and functional eligibility for LTSS or assistance with assessment processes for financial and functional eligibility for LTSS.

(c) (1) The implementation of this section shall be suspended on December 31, 2021, unless paragraph (2) applies.

(2) If, in the determination of the Department of Finance, the estimates of General Fund revenues and expenditures determined pursuant to Section 12.5 of Article IV of the California Constitution that accompany the May Revision required to be released by May 14, 2021, pursuant to Section 13308 of the Government Code, contain projected annual General Fund revenues that exceed projected annual General Fund expenditures in the 2021–22 and 2022–23 fiscal years by the sum total of General Fund moneys appropriated for all programs subject to suspension on December 31, 2021, pursuant to the Budget Act of 2019 and the bills providing for appropriations related to the Budget Act of 2019 within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, then the implementation of this section shall not be suspended pursuant to paragraph (1).

(3) If paragraph (1) applies, it is the intent of the Legislature to consider alternative solutions to facilitate the continued implementation of the program created pursuant to this section.

**SEC. 23.** Section 9712.5 of the Welfare and Institutions Code is amended to read:

**9712.5.** The State Ombudsman shall, personally or through representatives of the office, do all of the following:

(a) (1) Identify, investigate, and resolve complaints that are made by, or on behalf of, residents of long-term care facilities that relate to actions, inactions, or decisions of providers or representatives of providers of long-term care services, public agencies, or health and social services agencies that may adversely affect the health, safety, welfare, or rights of residents, including the welfare and rights of residents with respect to the appointment and activities of conservators, guardians, and representative payees.

(2) The requirement described in paragraph (1) shall not preclude the referral of other individuals' complaints and concerns that a representative becomes aware are occurring in the facility to the appropriate governmental agency.

(3) At the conclusion of any investigation of a complaint, the findings shall be reported to the complainant. If the office does not investigate a complaint, the complainant shall be notified in writing of the decision not to investigate and the reasons for the decision.

(b) Provide services to assist residents in the protection of their health, safety, welfare, and rights.

(c) Inform residents about the means of obtaining services delivered by the providers or agencies described in paragraph (1) of subdivision (a) or services described in subdivision (b).

(d) (1) Provide residents with regular and timely access to the services provided by the office through quarterly facility visits to skilled nursing facilities and residential care facilities for the elderly and provide residents or other complainants with timely responses from representatives of the office to complaints.

(2) To the extent permitted under federal law, paragraph (1) shall be implemented only to the maximum extent possible within available resources.

(e) Represent the interests of the residents before governmental agencies and seek administrative, legal, and other remedies to protect the health, safety, welfare, and rights of the residents.

(f) Provide administrative and technical assistance to entities designated as local ombudsman programs, to assist the entities in participating in the program.

(g) Analyze, comment on, and monitor the development and implementation of federal, state, and local laws, regulations, and other governmental policies and actions that pertain to the health, safety, welfare, and rights of the residents, with respect to the adequacy of long-term care facilities and services in the state, without interference from the office of the Governor, any state agency, or other entity.

(h) Facilitate public comment on relevant laws, regulations, policies, and actions.

(i) Recommend changes to relevant laws, regulations, policies, or actions that the office determines to be appropriate.

(j) Provide information that the office determines to be necessary to public and private agencies, legislators, and other persons, regarding the problems and concerns of residents of long-term care facilities and recommendations relating to resolving these problems and concerns.

(k) Provide for training representatives of the office.

(l) Promote the development of citizen organizations to participate in the program.

**SEC. 24.** Section 10507 of the Welfare and Institutions Code is repealed.

**SEC. 25.** Section 10790 of the Welfare and Institutions Code is repealed.

**SEC. 26.** Section 10791 of the Welfare and Institutions Code is repealed.

**SEC. 27.** Section 10822 of the Welfare and Institutions Code is repealed.

**SEC. 28.** Section 10823.3 is added to the Welfare and Institutions Code, to read:

**10823.3.** (a) The development of the SAWS enrollment and eligibility functionality, case management systems, ancillary services, public portals, and mobile applications shall, to the extent possible within the technology, have the goals of:

(1) Minimizing the burden of the overall eligibility process for enrollment and retention of benefits for low-income Californians and streamlining interactions for both clients and eligibility workers.

(2) Facilitating applicant and client submission of feedback.

(b) The parties listed in subdivision (a) of Section 10823.1 shall jointly update the Legislature at least twice per year through existing processes as to how the SAWS development, implementation, and maintenance minimizes client burden in order to improve access to safety net programs and incorporates ongoing applicant and client feedback towards continuous improvement.

**SEC. 29.** Chapter 4.6 (commencing with Section 10831) of Part 2 of Division 9 of the Welfare and Institutions Code is repealed.

**SEC. 30.** Chapter 4.6 (commencing with Section 10831) is added to Part 2 of Division 9 of the Welfare and Institutions Code, to read:

**CHAPTER 4.6. CalWORKs Identity Verification**

**10831.** The department shall implement and maintain a nonbiometric identity verification method in the CalWORKs program. It is the intent of the Legislature to codify additional details regarding this method so that recipients of aid, other than dependent children, will be required, as a condition of eligibility, to cooperate with this method.

**10832.** This chapter shall remain in effect only until January 1, 2021, and as of that date is repealed.

**SEC. 31.** Chapter 4.7 (commencing with Section 10835) is added to Part 2 of Division 9 of the Welfare and Institutions Code, to read:

**CHAPTER 4.7. Electronic Visit Verification System**

**10835.** The State Department of Social Services shall develop and implement an electronic visit verification system (EVV system) for the In-Home Supportive Services program, pursuant to this chapter. For purposes of this chapter, “electronic visit verification system” or “EVV system” means a system as described in subsection (l) of Section 1396b of Title 42 of the United States Code, as added by the federal 21st Century Cures Act (Public Law 114-255).

**10836.** In developing and implementing the EVV system, the department shall adhere to the following general principles:

(a) The EVV shall be developed and implemented in a manner and timeframe that avoids payment of the federal financial participation penalties described in the federal 21st Century Cures Act.

(b) Consistent with the requirements of the federal 21st Century Cures Act, the EVV system shall be developed through a collaborative stakeholder process, and be as minimally burdensome to providers and consumers as is necessary to comply with the federal mandate to implement electronic visit verification.

(c) Consistent with the United States Supreme Court decision in Olmstead v. L.C. ex rel. Zimring (1999) 527 U.S. 581, the EVV system shall not infringe upon the rights of In-Home Supportive Services program consumers.

(d) The EVV system shall not utilize geotracking or global positioning system capabilities.

(e) To the maximum extent possible, the EVV system shall leverage the existing electronic and telephonic timesheet systems.

(f) The EVV system shall utilize the maximum flexibility allowed by the federal government in the definitions of the terms “personal care services,” “location of services,” and “start and stop time of each service.”

(g) The department shall not implement a violations policy or process for in-home supportive service providers as part of electronic visit verification, social workers shall continue to do individual assessments, and information from electronic visit verification cannot be used to reduce a consumer's hours.

(h) Consistent with the requirements of the federal 21st Century Cures Act, in-home supportive service providers and recipients shall be provided with training on the use of the EVV system.

**SEC. 32.** Section 11004 of the Welfare and Institutions Code, as added by Section 2 of Chapter 930 of the Statutes of 2018, is amended to read:

**11004.** The provisions of this code relative to public social services for which state grants-in-aid are made to the counties shall be administered fairly to the end that all persons who are eligible and apply for those public social services shall receive the assistance to which they are entitled promptly, with due consideration for the needs of applicants and the safeguarding of public funds.

(a) Any applicant for, or recipient or payee of, those public social services shall be informed as to the provisions of eligibility and the responsibility to report facts material to a correct determination of eligibility and grant.

(b) Any applicant for, or recipient or payee of, those public social services shall be responsible for reporting accurately and completely within the applicant's, or recipient's or payee's, competence those facts required pursuant to subdivision (a) and to promptly report any changes in those facts.

(c) Current and future grants payable to an assistance unit may be reduced because of prior overpayments. In cases in which the overpayment was caused by agency error, grant payments shall be reduced by 5 percent of the maximum aid payment of the assistance unit. Grant payments to be adjusted because of prior overpayments because of any other reason shall be reduced by 10 percent of the maximum aid payments for the assistance unit. A recipient may have an overpayment adjustment in excess of the amounts allowable under this section if the recipient requests it.

(d) A determination of ineligibility shall not be made retrospectively so as to result in an assessment of an overpayment when there is a failure on the part of an applicant or recipient to perform an act constituting a condition of eligibility, if the failure is caused by an error made by a state agency or a county welfare department, and if the amount of the grant received by the applicant or recipient would not have been different had the act been performed.

(e) Prior to effectuating any reduction of current grants to recover past overpayments, the recipient shall be advised of the proposed reduction and of the recipient's entitlement to a hearing on the propriety of the reduction.

(f) If the department determines after a hearing that an overpayment has occurred, the county providing the public social services shall seek to recover the overpayment in accordance with subdivision (c), including any amount paid while the hearing process was pending. That adjustment shall be permitted concurrently with any suit for restitution, and recovery of overpayment by adjustment shall reduce by the amount of such recovery the extent of liability for restitution.

(g) (1) If the individual responsible for an overpayment is no longer receiving aid under Chapter 2 (commencing with Section 11200), recovery of overpayments received under that chapter shall not be attempted when the outstanding overpayments are less than two hundred fifty dollars ($250). When an overpayment collection is attempted, reasonable cost-effective efforts at collection shall be implemented. Reasonable efforts shall include notification of the amount of the overpayment and that repayment is required. The department shall define reasonable cost-effective collection methods. In cases involving fraud, every effort shall be made to collect the overpayments regardless of the amount.

(2) The department may establish a threshold higher than two hundred fifty dollars ($250) if it determines that a higher threshold is more cost effective, but the department shall not set a lower threshold than that amount.

(3) Notwithstanding subdivision (c), a county shall expunge an overpayment if the county determines that the overpayment has been caused by a major systemic error or negligence, as those terms are defined by the department.

(h) If the individual responsible for the overpayment to the assistance unit becomes a member of another assistance unit, recovery of overpayments shall be made against the individual or the individual's present assistance unit, or both.

(i) (1) If an overpayment has been made to an assistance unit that is no longer receiving public social services, recovery shall be made by appropriate action under state law.

(2) This paragraph shall be operative when the Statewide Automated Welfare System (SAWS) is able to produce a report identifying overpayments to which this paragraph applies. Except in cases involving overpayments due to fraud or an investigation into suspected fraud, if the individual responsible for the overpayment has not received aid under Chapter 2

(commencing with Section 11200) for 36 consecutive months or longer, the county shall deem an overpayment uncollectible and discharge, in accordance with existing discharge procedures, an overpayment received under that chapter.

(j) A civil or criminal action shall not be commenced against any person based on alleged unlawful application for or receipt of public social services if the case record, or any consumer credit report used in the civil or criminal case of that person for the purpose of determining that the overpayment, has not been made available to that person or has been destroyed after the expiration of the three-year retention period pursuant to Section 10851.

(k) (1) When an underpayment or denial of public social services occurs and, as a result, the applicant or recipient does not receive the amount to which the applicant or recipient is entitled, the county shall provide public social services equal to the full amount of the underpayment unless prohibited by federal law. In cases that have both an underpayment and an overpayment, the underpayment shall be offset against the overpayment prior to correcting any remaining underpayment.

(2) Any corrective payments made pursuant to this subdivision shall be disregarded in determining the income of the family and shall be disregarded in determining the resources of the family in the month the corrective payment is made and in the following month.

(l) This subdivision is applicable only to applicants, recipients and payees under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9. Any suits to recover overpayments described in subdivision (f) shall be brought on behalf of the county by the county counsel unless the board of supervisors delegates that duty to the district attorney by ordinance or resolution.

(m) This section shall become operative on July 1, 2019.

**SEC. 33.** Section 11155 of the Welfare and Institutions Code is amended to read:

**11155.** (a) Notwithstanding Section 11257, in addition to the personal property or resources permitted by other provisions of this part, and to the extent permitted by federal law, an applicant or recipient for aid under this chapter including an applicant or recipient under Chapter 2 (commencing with Section 11200) may retain countable resources in an amount equal to the amount permitted under federal law for qualification for the federal Supplemental Nutrition Assistance Program, administered in California as CalFresh.

(b) The county shall determine the value of exempt personal property other than motor vehicles in conformance with methods established under CalFresh.

(c) (1) (A) The value of each motor vehicle that is not exempt under paragraph (4) shall be the equity value of the vehicle, which shall be the fair market value less encumbrances.

(B) Any motor vehicle with an equity value of nine thousand five hundred dollars ($9,500) or less shall not be attributed to the family's resource level.

(C) For each motor vehicle with an equity value of more than nine thousand five hundred dollars ($9,500), the equity value that exceeds nine thousand five hundred dollars ($9,500) shall be attributed to the family's resource level.

(2) The equity threshold described in paragraph (1) of nine thousand five hundred dollars ($9,500) shall be adjusted upward annually by the increase, if any, in the United States Transportation Consumer Price Index for All Urban Consumers published by the United States Department of Labor, Bureau of Labor Statistics.

(3) The county shall determine the fair market value of the vehicle in accordance with a methodology determined by the department. The applicant or recipient shall self-certify the amount of encumbrance, if any.

(4) The entire value of any motor vehicle shall be exempt if any of the following apply:

(A) It is used primarily for income-producing purposes.

(B) It annually produces income that is consistent with its fair market value, even if used on a seasonal basis.

(C) It is necessary for long distance travel, other than daily commuting, that is essential for the employment of a family member.

(D) It is used as the family's residence.

(E) It is necessary to transport a physically disabled family member, including an excluded disabled family member, regardless of the purpose of the transportation.

(F) It would be exempted under any of subparagraphs (A) to (D), inclusive, but the vehicle is not in use because of temporary unemployment.

(G) It is used to carry fuel for heating or water for home use, when the transported fuel or water is the primary source of fuel or water for the family.

(H) Ownership of the vehicle was transferred through a gift, donation, or family transfer, as defined by the Department of Motor Vehicles.

(d) This section shall become inoperative on June 1, 2020, or when the department notifies the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement this section, as added by Section 34 of the act that added this subdivision, whichever date is later, and as of that date is repealed.

**SEC. 34.** Section 11155 is added to the Welfare and Institutions Code, to read:

**11155.** (a) Notwithstanding Section 11257, in addition to the personal property or resources permitted by other provisions of this part, and to the extent permitted by federal law, an applicant or recipient for aid under this chapter including an applicant or recipient under Chapter 2 (commencing with Section 11200) may retain countable resources in an amount not to exceed ten thousand dollars ($10,000) for assistance units that do not include at least one member 60 years of age or older or a disabled member, and in an amount not to exceed fifteen thousand dollars ($15,000) for assistance units that include at least one member 60 years of age or older or a disabled member.

(b) Effective January 1, 2021, or the date that automation changes occur, as required for implementation, in the Statewide Automated Welfare System, whichever date is later, and annually thereafter, the resources thresholds described in subdivision (a) shall be increased on January 1 of each subsequent year by an amount equal to the increase in the California Necessities Index for the most recent fiscal year.

(c) The county shall determine the value of exempt personal property other than motor vehicles in conformance with methods established under CalFresh.

(d) (1) (A) The value of each motor vehicle that is not exempt under paragraph (4) shall be the equity value of the vehicle, which shall be the fair market value less encumbrances.

(B) Any motor vehicle with an equity value of twenty-five thousand dollars ($25,000) or less shall not be attributed to the family's resource level.

(C) For each motor vehicle with an equity value of more than twenty-five thousand dollars ($25,000), the equity value that exceeds twenty-five thousand dollars ($25,000) shall be attributed to the family's resource level.

(2) The equity threshold described in paragraph (1) of twenty-five thousand dollars ($25,000) shall be adjusted upward annually, commencing January 1, 2021, or the date that automation changes occur, as required for implementation, in the Statewide Automated Welfare System, whichever date is later, by the increase, if any, in the United States Transportation Consumer Price Index for All Urban Consumers published by the United States Department of Labor, Bureau of Labor Statistics.

(3) The county shall determine the fair market value of the vehicle in accordance with a methodology determined by the department. The applicant or recipient shall self-certify the amount of encumbrance, if any.

(4) The entire value of any motor vehicle shall be exempt if any of the following apply:

(A) It is used primarily for income-producing purposes.

(B) It annually produces income that is consistent with its fair market value, even if used on a seasonal basis.

(C) It is necessary for long distance travel, other than daily commuting, that is essential for the employment of a family member.

(D) It is used as the family's residence.

(E) It is necessary to transport a physically disabled family member, including an excluded disabled family member, regardless of the purpose of the transportation.

(F) It would be exempted under any of subparagraphs (A) to (D), inclusive, but the vehicle is not in use because of temporary unemployment.

(G) It is used to carry fuel for heating for home use, when the transported fuel or water is the primary source of fuel or water for the family.

(H) Ownership of the vehicle was transferred through a gift, donation, or family transfer, as defined by the Department of Motor Vehicles.

(e) This section shall become operative on June 1, 2020, or when the department notifies the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement this section, whichever date is later.

**SEC. 35.** Section 11155.1 of the Welfare and Institutions Code is repealed.

**SEC. 36.** Section 11253 of the Welfare and Institutions Code is amended to read:

**11253.** (a) Except as provided in subdivision (b), aid shall not be granted under this chapter to or on behalf of any child who has attained 18 years of age unless all of the following apply:

(1) The child is less than 19 years of age and is attending high school or the equivalent level of vocational or technical training on a full-time basis.

(2) The child can reasonably be expected to complete the educational or training program before the child's 19th birthday.

(b) (1) On and after January 1, 2012, aid shall be granted under this chapter to or on behalf of any nonminor dependent, as defined in subdivision (v) of Section 11400, if the nonminor dependent is placed in the approved home of a relative under the supervision of the county child welfare or probation department or Indian tribe that has entered into an agreement pursuant to Section 10553.1, and the nonminor dependent otherwise is eligible pursuant to Section 11403.

(2) The eligible nonminor dependent shall be exempt from identity verification requirements for the CalWORKs program.

(c) Notwithstanding any other law, payment of aid under this chapter may be made out of state if the nonminor dependent who is described in subdivision (b) is placed in the approved home of a relative who resides in another state.

**SEC. 37.** Section 11253.2 of the Welfare and Institutions Code is amended to read:

**11253.2.** (a) Notwithstanding any other law, an application for aid filed on behalf of a child to whom Section 309, 361.45, or 16519.5 applies shall be processed pursuant to an expedited process as determined by the department in consultation with the counties.

(b) Subdivision (a) does not apply if the person who applies for aid on behalf of a child described in subdivision (a) is also an applicant for or a recipient of benefits under this chapter.

(c) (1) Except as provided in paragraph (2), a person who applies for aid on behalf of a child described in subdivision (a) shall be exempt from identity verification requirements for the CalWORKs program.

(2) A relative caregiver who is also an applicant for or a recipient of benefits under this chapter shall comply with the identity verification requirements for the CalWORKs program, as those statutory and regulatory requirements existed on October 1, 2018.

**SEC. 38.** Section 11253.4 of the Welfare and Institutions Code is amended to read:

**11253.4.** (a) (1) On and after January 1, 2015, a child eligible for the Approved Relative Caregiver Funding Program in accordance with Section 11461.3 is not subject to the provisions of this chapter relating to CalWORKs, including, but not limited to, the provisions that relate to CalWORKs eligibility, welfare-to-work, time limits, or grant computation.

(2) All of the following shall apply to a child specified in paragraph (1):

(A) The child shall receive the applicable regional CalWORKs grant for recipient in an assistance unit of one, pursuant to the exempt maximum aid payment set forth in Section 11450, and any changes to the CalWORKs grant amount shall apply to the grant described in this subparagraph.

(B) Notwithstanding any other law, the CalWORKs grant of the child shall be paid by the county with payment responsibility as described in subdivision (b) of Section 11461.3, rather than the county of residence of the child, unless the child resides in the county with payment responsibility.

(C) For an assistance unit described in subparagraph (A), eligibility shall be determined in accordance with paragraph (3) of subdivision (a) of Section 672 of Title 42 of the United States Code and state law implementing those requirements for the purposes of Article 5 (commencing with Section 11400).

(D) (i) Article 7 (commencing with Section 11476.6), as modified by subdivisions (g) and (h) of Section 11461.3, applies to an assistance unit described in subparagraph (A).

(ii) This subparagraph is intended by the Legislature to clarify existing law.

(b) (1) Except as provided in paragraph (2), a person who is an approved relative caregiver with whom a child eligible in accordance with Section 11461.3 is placed shall be exempt from identity verification requirements for the CalWORKs program.

(2) An approved relative caregiver who is also an applicant for or a recipient of benefits under this chapter shall comply with the identity verification requirements for the CalWORKs program, as those statutory and regulatory requirements existed on October 1, 2018.

(c) Notwithstanding Sections 11004 and 11004.1 or any other law, overpayments to an assistance unit described in subparagraph (A) of paragraph (2) of subdivision (a) shall be collected in accordance with subdivision (d) of Section 11461.3.

(d) If an approved relative caregiver with whom a child eligible in accordance with Section 11461.3 is placed is also an applicant for or a recipient of benefits under this chapter, all of the following apply:

(1) The applicant or recipient and each eligible child, excluding any child eligible in accordance with Section 11461.3, shall receive aid in an assistance unit separate from the assistance unit described in subparagraph (A) of paragraph (2) of subdivision (a), and the CalWORKs grant of the assistance unit shall be paid by the county of residence of the assistance unit.

(2) For purposes of calculating the grant of the assistance unit, the number of eligible needy persons on which the grant is based pursuant to paragraph (1) of subdivision (a) of Section 11450 does not include any child eligible in accordance with Section 11461.3.

(3) For purposes of calculating minimum basic standards of adequate care for the assistance unit, any child eligible in accordance with Section 11461.3 shall be included as an eligible needy person in the same family pursuant to paragraph (2) of subdivision (a) of Section 11452.

**SEC. 39.** Section 11257 of the Welfare and Institutions Code is amended to read:

**11257.** (a) To the extent not inconsistent with Sections 11265.1, 11265.2, 11265.3, and 11004.1, no aid under this chapter shall be granted or paid for any child who has real or personal property, the combined market value reduced by any obligations or debts with respect to this property of which exceeds one thousand dollars ($1,000), or for any child or children in one family who have, or whose parents have, or the child or children and parents have, real and personal property the combined market value reduced by any obligations or debts with respect to this property which exceeds one thousand dollars ($1,000).

For purposes of this subdivision, real and personal property shall be considered both when actually available and when the applicant or recipient has a legal interest in a liquidated sum and has the legal ability to make that sum available for support and maintenance.

(b) Notwithstanding subdivision (a) above, an applicant or recipient may retain the following:

(1) Personal or real property owned by him or her, or in combination with any other person, without reference to its value, if it serves to provide the applicant or recipient with a home. If the basic home is a unit in a multiple dwelling, then only that unit shall be exempt.

For the purposes of paragraph (1), if an applicant has entered into a marital separation for the purpose of trial or legal separation or dissolution, real property which was the usual home of the applicant shall be exempt for three months following the end of the month in which aid begins. If the recipient was receiving aid when the marital separation occurred, the period of exemption shall be three months following the end of the month in which the separation occurs. To remain exempt following this three-month period, the home must be occupied by the recipient, or be unavailable for use, control, and possession due to legal proceedings affecting a property settlement or sale of the property.

(2) Personal property consisting of one automobile with maximum equity value as permitted by federal law.

(3) In addition to the foregoing, the director may at his or her discretion, and to the extent permitted by federal law, exempt other items of personal property not exempted under this section.

(c) This section shall become inoperative on June 1, 2020, or when the department notifies the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement Section 11257, as added by Section 40 of the act that added this subdivision, whichever date is later, and as of that date is repealed.

**SEC. 40.** Section 11257 is added to the Welfare and Institutions Code, to read:

**11257.** (a) (1) (A) To the extent not inconsistent with Sections 11265.1, 11265.2, 11265.3, and 11004.1, aid under this chapter shall not be granted or paid for any child who has real or personal property, the combined market value reduced by any obligations or debts with respect to this property of which exceeds ten thousand dollars ($10,000), or for any child or children in one family who have, or whose parents have, or the child or children and parents have, real and personal property the combined market value reduced by any obligations or debts with respect to this property which exceeds ten thousand dollars ($10,000).

(B) Effective July 1, 2020, or the date that automation changes occur, as required for implementation, in the Statewide Automated Welfare System, whichever date is later, and annually thereafter, the resources threshold described in subparagraph (A) shall be increased on January 1 of each subsequent year by an amount equal to the increase in the California Necessities Index for the most recent fiscal year.

(2) For purposes of this subdivision, real and personal property shall be considered both when actually available and when the applicant or recipient has a legal interest in a liquidated sum and has the legal ability to make that sum available for support and maintenance.

(b) Notwithstanding subdivision (a), an applicant or recipient may retain the following:

(1) (A) Personal or real property owned by the applicant or recipient, or in combination with any other person, without reference to its value, if it serves to provide the applicant or recipient with a home. If the basic home is a unit in a multiple dwelling, then only that unit shall be exempt.

(B) For the purposes of subparagraph (A), if an applicant has entered into a marital separation for the purpose of trial or legal separation or dissolution, real property that was the usual home of the applicant shall be exempt for three months following the end of the month in which aid begins. If the recipient was receiving aid when the marital separation occurred, the period of exemption shall be three months following the end of the month in which the separation occurred. To remain exempt following this three-month period, the home must be occupied by the recipient, or be unavailable for use, control, and possession due to legal proceedings affecting a property settlement or sale of the property.

(2) Motor vehicles, subject to the methods of calculation and limitations of subdivision (c) of Section 11155.

(3) In addition to the foregoing, the director may, at the director's discretion, and to the extent permitted by federal law, exempt other items of personal property not exempted under this section.

(c) This section shall become operative on June 1, 2020, or when the department notifies the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement this section, whichever date is later.

**SEC. 41.** Section 11265.3 of the Welfare and Institutions Code is amended to read:

**11265.3.** (a) In addition to submitting the semiannual report form as required in Section 11265.1, the department shall establish an income reporting threshold for recipients of CalWORKs.

(b) The CalWORKs income reporting threshold shall be the lesser of the following:

(1) Fifty-five percent of the monthly income for a family of three at the federal poverty level, plus the amount of income last used to calculate the recipient's monthly benefits.

(2) The amount likely to render the recipient ineligible for CalWORKs benefits.

(3) The amount likely to render the recipient ineligible for federal Supplemental Nutrition Assistance Program benefits.

(c) A recipient shall report to the county, orally or in writing, within 10 days, when any of the following occurs:

(1) The monthly household income exceeds the threshold established pursuant to this section.

(2) The household address has changed. The act of failing to report an address change shall not, in and of itself, result in a reduction in aid or termination of benefits.

(3) An incidence of an individual fleeing prosecution or custody or confinement, or violating a condition of probation or parole, as specified in Section 11486.5.

(d) At least once per semiannual reporting period, counties shall inform each recipient of all of the following:

(1) The amount of the recipient's income reporting threshold.

(2) The duty to report under this section.

(3) The consequences of failing to report.

(e) When a recipient reports income exceeding the reporting threshold, the county shall redetermine eligibility and the grant amount as follows:

(1) If the recipient reports the increase in income for the first through fifth months of a current semiannual reporting period, the county shall verify the report and determine the recipient's financial eligibility and grant amount.

(A) If the recipient is determined to be financially ineligible based on the increase in income, the county shall discontinue the recipient with timely and adequate notice, effective at the end of the month in which the income was received.

(B) If it is determined that the recipient's grant amount should decrease based on the increase in income, the county shall reduce the recipient's grant amount for the remainder of the semiannual reporting period with timely and adequate notice, effective the first of the month following the month in which the income was received.

(C) If a recipient has reported a change in income in accordance with subdivision (c), an overpayment shall not be assessed for the following month if the county was unable to provide 10 days' notice of the termination or reduction in benefits before the first of the month following the month in which the change occurred.

(2) If the recipient reports an increase in income for the sixth month of a current semiannual reporting period, the county shall not redetermine eligibility for the current semiannual reporting period, but shall consider this income in redetermining eligibility and the grant amount for the following semiannual reporting period, as provided in Sections 11265.1 and 11265.2.

(f) Counties shall act upon changes in income voluntarily reported during the semiannual reporting period that result in an increase in benefits, only after verification specified by the department is received. Reported changes in income that increase the grants shall be effective for the entire month in which the change is reported. If the reported change in income results in an increase in benefits, the county shall issue the increased benefit amount within 10 days of receiving required verification.

(g) (1) When a decrease in gross monthly income is voluntarily reported and verified, the county shall recalculate the grant for the current month and any remaining months in the semiannual reporting period pursuant to Sections 11265.1 and 11265.2 based on the actual gross monthly income reported and verified from the voluntary report for the current month and the gross monthly income that is reasonably anticipated for any future months remaining in the semiannual reporting period.

(2) When the anticipated income is determined pursuant to paragraph (1), and a grant amount is calculated based upon the new income, if the grant amount is higher than the grant currently in effect, the county shall revise the grant for the current month and any remaining months in the semiannual reporting period to the higher amount and shall issue any increased benefit amount as provided in subdivision (f).

(h) During the semiannual reporting period, a recipient may report to the county, orally or in writing, any changes in income and household circumstances that may increase the recipient's grant. Except as provided in subdivision (i), counties shall act only upon changes in household composition voluntarily reported by the recipients during the semiannual reporting period that result in an increase in benefits, after verification specified by the department is received. If the reported change in household composition is for the first through fifth month of the semiannual reporting period and results in an increase in benefits, the county shall recalculate the grant effective for the month following the month in which the change was reported. If the reported change in household composition is for the sixth month of a semiannual reporting period, the county shall not redetermine the grant for the current semiannual reporting period, but shall redetermine the grant for the following reporting period as provided in Sections 11265.1 and 11265.2.

(i) During the semiannual reporting period, a recipient may request that the county discontinue the recipient's entire assistance unit or any individual member of the assistance unit who is no longer in the home or is an optional member of the assistance unit. If the recipient's request is verbal, the county shall provide a 10-day notice before discontinuing benefits. If the recipient's request is in writing, the county shall discontinue benefits effective the end of the month in which the request is made, and simultaneously issue a notice informing the recipient of the discontinuance.

(j) (1) This section shall become operative on April 1, 2013. A county shall implement the semiannual reporting requirements in accordance with the act that added this section no later than October 1, 2013.

(2) Upon implementation described in paragraph (1), each county shall provide a certificate to the director certifying that semiannual reporting has been implemented in the county.

(3) Upon filing the certificate described in paragraph (2), a county shall comply with the semiannual reporting provisions of this section.

(k) This section shall become inoperative on June 1, 2020, or when the department notifies the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement Section 11265.3, as added by Section 42 of the act that added this subdivision, whichever date is later, and as of that date is repealed.

**SEC. 42.** Section 11265.3 is added to the Welfare and Institutions Code, to read:

**11265.3.** (a) In addition to submitting the semiannual report form as required in Section 11265.1, the department shall establish an income reporting threshold for recipients of CalWORKs.

(b) The CalWORKs income reporting threshold shall be the lesser of the following:

(1) Fifty-five percent of the monthly income for a family of three at the federal poverty level, plus the amount of income last used to calculate the recipient's monthly benefits.

(2) The amount likely to render the recipient ineligible for federal Supplemental Nutrition Assistance Program benefits.

(c) A recipient shall report to the county, orally or in writing, within 10 days, when any of the following occurs:

(1) The monthly household income exceeds the threshold established pursuant to this section.

(2) The household address has changed. The act of failing to report an address change shall not, in and of itself, result in a reduction in aid or termination of benefits.

(3) An incidence of an individual fleeing prosecution or custody or confinement, or violating a condition of probation or parole, as specified in Section 11486.5.

(d) At least once per semiannual reporting period, counties shall inform each recipient of all of the following:

(1) The amount of the recipient's income reporting threshold.

(2) The duty to report under this section.

(3) The consequences of failing to report.

(e) When a recipient reports income exceeding the reporting threshold, the county shall redetermine eligibility and the grant amount as follows:

(1) If the recipient reports the increase in income for the first through fifth months of a current semiannual reporting period, the county shall verify the report and determine the recipient's financial eligibility and grant amount.

(A) If the recipient is determined to be financially ineligible based on the increase in income, the county shall discontinue the recipient with timely and adequate notice, effective at the end of the month in which the income was received.

(B) If it is determined that the recipient's grant amount should decrease based on the increase in income, the county shall reduce the recipient's grant amount for the remainder of the semiannual reporting period with timely and adequate notice, effective the first of the month following the month in which the income was received.

(C) If a recipient has reported a change in income in accordance with subdivision (c), an overpayment shall not be assessed for the following month if the county was unable to provide 10 days' notice of the termination or reduction in benefits before the first of the month following the month in which the change occurred.

(2) If the recipient reports an increase in income for the sixth month of a current semiannual reporting period, the county shall not redetermine eligibility for the current semiannual reporting period, but shall consider this income in redetermining eligibility and the grant amount for the following semiannual reporting period, as provided in Sections 11265.1 and 11265.2.

(f) Counties shall act upon changes in income voluntarily reported during the semiannual reporting period that result in an increase in benefits, only after verification specified by the department is received. Reported changes in income that increase the grants shall be effective for the entire month in which the change is reported. If the reported change in income results in an increase in benefits, the county shall issue the increased benefit amount within 10 days of receiving required verification.

(g) (1) When a decrease in gross monthly income is voluntarily reported and verified, the county shall recalculate the grant for the current month and any remaining months in the semiannual reporting period pursuant to Sections 11265.1 and 11265.2 based on the actual gross monthly income reported and verified from the voluntary report for the current month and the gross monthly income that is reasonably anticipated for any future months remaining in the semiannual reporting period.

(2) When the anticipated income is determined pursuant to paragraph (1), and a grant amount is calculated based upon the new income, if the grant amount is higher than the grant currently in effect, the county shall revise the grant for the current month and any remaining months in the semiannual reporting period to the higher amount and shall issue any increased benefit amount as provided in subdivision (f).

(h) During the semiannual reporting period, a recipient may report to the county, orally or in writing, any changes in income and household circumstances that may increase the recipient's grant. Except as provided in subdivision (i), counties shall act only upon changes in household composition voluntarily reported by the recipients during the semiannual reporting period that result in an increase in benefits, after verification specified by the department is received. If the reported change in household composition is for the first through fifth month of the semiannual reporting period and results in an increase in benefits, the county shall recalculate the grant effective for the month following the month in which the change was reported. If the reported change in household composition is for the sixth month of a semiannual reporting period, the county shall not redetermine the grant for the current semiannual reporting period, but shall redetermine the grant for the following reporting period as provided in Sections 11265.1 and 11265.2.

(i) During the semiannual reporting period, a recipient may request that the county discontinue the recipient's entire assistance unit or any individual member of the assistance unit who is no longer in the home or is an optional member of the assistance unit. If the recipient's request is verbal, the county shall provide a 10-day notice before discontinuing benefits. If the recipient's request is in writing, the county shall discontinue benefits effective the end of the month in which the request is made, and simultaneously issue a notice informing the recipient of the discontinuance.

(j) This section shall become operative on June 1, 2020, or when the department notifies the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement this section, whichever date is later.

**SEC. 43.** Section 11265.47 of the Welfare and Institutions Code is amended to read:

**11265.47.** (a) The department shall establish an income reporting threshold for CalWORKs assistance units described in subdivision (a) of Section 11265.45.

(b) The income reporting threshold described in subdivision (a) shall be the lesser of the following:

(1) Fifty-five percent of the monthly income for a family of three at the federal poverty level, plus the amount of income last used to calculate the recipient's monthly benefits.

(2) The amount likely to render the recipient ineligible for federal Supplemental Nutrition Assistance Program benefits.

(3) The amount likely to render the recipient ineligible for CalWORKs benefits.

(c) A recipient described in subdivision (a) of Section 11265.45 shall report to the county, orally or in writing, within 10 days, when any of the following occurs:

(1) The monthly household income exceeds the threshold established pursuant to this section.

(2) Any change in household composition.

(3) The household address has changed.

(4) An incidence of an individual fleeing prosecution or custody or confinement, or violating a condition or probation or parole, as specified in Section 11486.5.

(d) When a recipient described in subdivision (a) of Section 11265.45 reports income or a household composition change pursuant to subdivision (c), the county shall redetermine eligibility and grant amounts as follows:

(1) If the recipient reports an increase in income or household composition change for the first through 11th months of a year, the county shall verify the report and determine the recipient's financial eligibility and grant amount.

(A) If the recipient is determined to be financially ineligible based on the increase in income or household composition change, the county shall discontinue the recipient with timely and adequate notice, effective at the end of the month in which the change occurred.

(B) If it is determined that the recipient's grant amount should decrease based on the increase in income, or increase or decrease based on a change in household composition, the county shall increase or reduce the recipient's grant amount for the remainder of the year with timely and adequate notice, effective the first of the month following the month in which the change occurred.

(C) If a recipient has reported a change in income or household composition in accordance with subdivision (c), an overpayment shall not be assessed for the following month if the county was unable to provide 10 days' notice of the termination or reduction in benefits before the first of the month following the month in which the change occurred.

(2) If the recipient reports an increase in income for the 12th month of a grant year, the county shall verify this report and consider this income in redetermining eligibility and the grant amount for the following year.

(e) During the year, a recipient described in subdivision (a) of Section 11265.45 may report to the county, orally or in writing, any changes in income that may increase the recipient's grant. Increases in the grant that result from reported changes in income shall be effective for the entire month in which the change is reported and any remaining months in the year. If the reported change in income results in an increase in benefits, the county shall issue the increased benefit amount within 10 days of receiving required verification.

(f) During the year, a recipient described in subdivision (a) of Section 11265.45 may request that the county discontinue the recipient's entire assistance unit or any individual member of the assistance unit who is no longer in the home or is an optional member of the assistance unit. If the recipient's request is verbal, the county shall provide a 10-day notice before discontinuing benefits. If the recipient's request is in writing, the county shall discontinue benefits effective the end of the month in which the request is made, and simultaneously shall issue a notice informing the recipient of the discontinuance.

(g) This section shall become inoperative on June 1, 2020, or when the department notifies the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement section 11265.47, as added by Section 44 of the act that added this subdivision, whichever date is later, and as of that date is repealed.

**SEC. 44.** Section 11265.47 is added to the Welfare and Institutions Code, to read:

**11265.47.** (a) The department shall establish an income reporting threshold for CalWORKs assistance units described in subdivision (a) of Section 11265.45.

(b) The income reporting threshold described in subdivision (a) shall be the lesser of the following:

(1) Fifty-five percent of the monthly income for a family of three at the federal poverty level, plus the amount of income last used to calculate the recipient's monthly benefits.

(2) The amount likely to render the recipient ineligible for federal Supplemental Nutrition Assistance Program benefits.

(c) A recipient described in subdivision (a) of Section 11265.45 shall report to the county, orally or in writing, within 10 days, when any of the following occurs:

(1) The monthly household income exceeds the threshold established pursuant to this section.

(2) Any change in household composition.

(3) The household address has changed.

(4) An incidence of an individual fleeing prosecution or custody or confinement, or violating a condition or probation or parole, as specified in Section 11486.5.

(d) When a recipient described in subdivision (a) of Section 11265.45 reports income or a household composition change pursuant to subdivision (c), the county shall redetermine eligibility and grant amounts as follows:

(1) If the recipient reports an increase in income or household composition change for the first through 11th months of a year, the county shall verify the report and determine the recipient's financial eligibility and grant amount.

(A) If the recipient is determined to be financially ineligible based on the increase in income or household composition change, the county shall discontinue the recipient with timely and adequate notice, effective at the end of the month in which the change occurred.

(B) If it is determined that the recipient's grant amount should decrease based on the increase in income, or increase or decrease based on a change in household composition, the county shall increase or reduce the recipient's grant amount for the remainder of the year with timely and adequate notice, effective the first of the month following the month in which the change occurred.

(C) If a recipient has reported a change in income or household composition in accordance with subdivision (c), an overpayment shall not be assessed for the following month if the county was unable to provide 10 days' notice of the termination or reduction in benefits before the first of the month following the month in which the change occurred.

(2) If the recipient reports an increase in income for the 12th month of a grant year, the county shall verify this report and consider this income in redetermining eligibility and the grant amount for the following year.

(e) During the year, a recipient described in subdivision (a) of Section 11265.45 may report to the county, orally or in writing, any changes in income that may increase the recipient's grant. Increases in the grant that result from reported changes in income shall be effective for the entire month in which the change is reported and any remaining months in the year. If the reported

change in income results in an increase in benefits, the county shall issue the increased benefit amount within 10 days of receiving required verification.

(f) During the year, a recipient described in subdivision (a) of Section 11265.45 may request that the county discontinue the recipient's entire assistance unit or any individual member of the assistance unit who is no longer in the home or is an optional member of the assistance unit. If the recipient's request is verbal, the county shall provide a 10-day notice before discontinuing benefits. If the recipient's request is in writing, the county shall discontinue benefits effective the end of the month in which the request is made, and simultaneously shall issue a notice informing the recipient of the discontinuance.

(g) This section shall become operative on June 1, 2020, or when the department notifies the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement this section, whichever date is later.

**SEC. 45.** Section 11265.5 of the Welfare and Institutions Code is repealed.

**SEC. 46.** The Legislature finds and declares all of the following:

(a) The California Work Opportunity and Responsibility to Kids (CalWORKs) program serves the poorest families with children in the state by providing a basic needs cash grant and support services needed for family stabilization, employment, or job training. Childcare is a critical support service for CalWORKs families.

(b) Children in poverty are most in need of quality, stable early care and education to achieve their full potential. Research demonstrates the benefits of providing early care and education to ameliorate the effects of poverty and address inequities before achievement gaps widen.

(c) Families that are initially afforded the opportunity to participate in CalWORKs childcare are more likely to avoid sanction, and to be able to promptly participate in the necessary activities and progress toward economic stability, knowing that their children are in a safe, nurturing environment.

(d) In 2017, less than 30 percent of parents or other adult caretakers who were participating in the CalWORKs Welfare-to-Work Program and were responsible for the care of an eligible child were receiving Stage 1 childcare services.

(e) All Child Care and Development Services Act programs, except for CalWORKs Stage 1 childcare, have adopted 12-month continuous eligibility rules pursuant to subdivision (h) of Section 8263 of the Education Code. Aligning Stage 1 childcare eligibility periods with all other childcare and development programs will benefit families, childcare providers, and the state and local agencies that administer the various childcare programs.

**SEC. 47.** Section 11323.2 of the Welfare and Institutions Code is repealed.

**SEC. 48.** Section 11323.2 is added to the Welfare and Institutions Code, to read:

**11323.2.** (a) Necessary supportive services shall be offered and available to every participant to enable them to participate in a program activity or to accept or maintain employment. Necessary supportive services shall also be offered and available to every individual who is not required to participate, but chooses to participate voluntarily, to allow them to participate in a program activity or to accept or maintain employment. A participant who is required to participate and who does not receive necessary supportive services shall have good cause for not participating under subdivision (f) of Section 11320.3. Supportive services shall be listed in the welfare-to-work plan or other agreement entered into between the county and participant pursuant to this article, supportive services shall include all of the following:

(1) Childcare.

(A) Paid childcare shall be available to every participant, including an individual who is not required to participate, but chooses to participate voluntarily, with a dependent child in the household who needs paid childcare if the child is 12 years of age or under, or requires childcare or supervision due to a physical, mental, or developmental disability or other similar condition as verified by the county welfare department, or who is under court supervision. A county welfare department may verify the need for childcare or supervision for a child over 12 years of age from an individualized education plan or a statement from a qualified professional that the child is a child with exceptional needs, as defined in subdivision (l) of Section 8208 of the Education Code.

(B) First-stage childcare, as described in Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be full time, unless the participant determines that part-time care better meets the family's needs. First-stage childcare shall be authorized for one year, or until the participant is transferred to the second stage of childcare, for every participant, including a sanctioned participant who indicates an intent to participate in any program activity, who indicates a need for childcare in order to engage in a program activity or employment. A participant

may, at any time, indicate a new or increased need for childcare and the information shall be used, as applicable, to authorize childcare in accordance with this subparagraph or increase the family's services.

(C) Necessary childcare services shall be available to every former recipient for up to two years, pursuant to Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code. Beginning January 1, 2021, or the date that automation changes occur, as required for implementation, in the Statewide Automated Welfare System, whichever date is later, in the 18th month following the date of last receipt of aid, the county shall send a notice, via mail to the last known address, text message, or email, to a former recipient who is not currently receiving second or third stage childcare informing them that their eligibility for stage-two childcare will expire by the end of the 24th month following their last receipt of aid, and how to obtain stage-two childcare services. The department shall issue an all-county letter or similar directive by November 1, 2019, to implement this subparagraph, until regulations are adopted.

(D) A child in foster care receiving benefits under Title IV-E of the federal Social Security Act (42 U.S.C. Sec. 670 et seq.), or a child who would become a dependent child except for the receipt of federal Supplemental Security Income benefits pursuant to Title XVI of the federal Social Security Act (42 U.S.C. Sec. 1381 et seq.), or a child who is not a member of the assistance unit but for whom the recipient is responsible for providing support, shall be deemed to be a dependent child for the purposes of this paragraph.

(E) The provision of care and payment rates under this paragraph shall be governed by Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code. Parent fees shall be governed by Sections 8263 and 8273.1 of the Education Code.

(2) Diaper costs.

(A) On and after April 1, 2018, a participant who is participating in a welfare-to-work plan shall be eligible for thirty dollars ($30) per month to assist with diaper costs for each child who is under 36 months of age.

(B) The department shall adopt regulations by January 1, 2020, to implement this paragraph. Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department shall implement this paragraph through all-county letters until regulations are adopted.

(3) Transportation costs, which shall be governed by regional market rates as determined in accordance with regulations established by the department.

(4) Ancillary expenses, which shall include the cost of books, tools, clothing specifically required for the job, fees, and other necessary costs.

(5) Personal counseling. A participant who has personal or family problems that would affect the outcome of the welfare-to-work plan entered into pursuant to this article shall, to the extent available, receive necessary counseling and related supportive services, to help the participant and the participant's family adjust to the participant's job or training assignment.

(b) If provided in a county plan, the county may continue to provide case management and supportive services under this section to former participants who become employed. The county may provide these services for up to the first 12 months of employment to the extent they are not available from other sources and are needed for the individual to retain the employment.

(c) For the purposes of paragraph (1) of subdivision (a), "program activity" includes, but is not limited to, any welfare-to-work activity, orientation, appraisal, assessment, job search, job club, domestic violence services, court appearances, housing searches and classes, homeless support programs, shelter participation requirements, eviction proceedings, mental health services, including therapy or personal counseling, home visiting, drug and substance abuse services, parenting classes, and medical or education-related appointments for the participant or their dependents.

**SEC. 49.** Section 11323.3 of the Welfare and Institutions Code is amended to read:

**11323.3.** (a) An applicant for, or a recipient of, CalWORKs benefits shall be informed of the availability of childcare services upon enrollment in the CalWORKs program, and at later times when a participant expresses to the county a need for childcare. The county shall verify if childcare is needed to participate in a program activity, as defined in subdivision (c) of Section 11323.2, and, if needed, that childcare services are authorized and that the participant has secured appropriate childcare prior to requiring a participant to participate in any mandatory activity. Verification that childcare has been secured may be established by the participant, the childcare contractor, or the childcare provider.

(b) An applicant for, or a recipient of, CalWORKs benefits shall be provided written notice, both at the time of application and when he or she signs an original or amended welfare-to-work plan, of the availability of paid childcare as provided in Section 11323.2. The notice shall inform applicants and recipients of all of the following:

(1) Paid childcare is available to allow them to be employed or participate in welfare-to-work activities.

(2) Assistance in finding and choosing a childcare provider is available.

(3) A recipient is required to inform the county welfare department of his or her need for paid childcare as soon as that need arises.

(4) The recipient is required to request a childcare subsidy from the county within 30 days from the first day child care services are received from each different provider, to be fully reimbursed for child care services.

(c) An applicant for, or recipient of, CalWORKs benefits shall be required to sign a copy of the written notice acknowledging that he or she has been informed of and understands the notice. The signed notice shall be retained in the client's file.

(d) No payment shall be made for childcare services provided pursuant to Section 8351 of the Education Code more than 30 days prior to the recipient's initial request for payment for the childcare service from that provider, when the recipient received the written notice provided in subdivision (b).

(e) The department shall develop regulations to implement this section.

(f) This section shall become inoperative on June 1, 2020, or when the department notifies the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement Section 11323.3, as added by Section 50 of the act that added this subdivision, whichever date is later, and as of that date is repealed.

**SEC. 50.** Section 11323.3 is added to the Welfare and Institutions Code, to read:

**11323.3.** (a) An applicant for, or a recipient of, CalWORKs benefits shall be informed of the availability of childcare services upon enrollment in the CalWORKs program, and at later times when a participant expresses to the county a need for childcare. The county shall verify if childcare is needed to participate in a program activity, as defined in subdivision (c) of Section 11323.2, and, if needed, that childcare services are authorized and that the participant has secured appropriate childcare prior to requiring a participant to participate in any mandatory activity. Verification that childcare has been secured may be established by the participant, the childcare contractor, or the childcare provider.

(b) (1) An applicant for, or a recipient of, CalWORKs benefits shall be provided written notice, at the time of application, at the time of orientation, when they are assigned to a program activity, when they report new or increased participation in a program activity, when they report new earned income or employment, and when they sign an original or amended welfare-to-work plan, of the availability of paid childcare as provided in Section 11323.2. The notice shall inform applicants and recipients of all of the following:

(A) Paid childcare is available to allow them to be employed or participate in a program activity, as defined in Section 11323.2.

(B) Assistance in finding and choosing a childcare provider is available.

(C) The name and contact information for the local childcare resource and referral program.

(D) A recipient is required to inform the county welfare department of the recipient's need for paid childcare as soon as that need arises.

(E) The recipient is required to request a childcare subsidy from the county within 30 days from the first day childcare services are received from each different provider, to be fully reimbursed for childcare services.

(2) The department shall issue an all-county letter or similar directive by November 1, 2019, to implement this subdivision, until regulations are adopted.

(c) The notice shall be provided in the applicant or recipient's primary language or shall be translated for the applicant or recipient.

(d) An applicant for, or recipient of, CalWORKs benefits shall be asked to sign a copy of the written notice acknowledging that they have received the notice. The signed notice shall be retained in the client's file and a copy shall be given to the client.

(e) No payment shall be made for childcare services provided pursuant to Section 8351 of the Education Code more than 30 days prior to the recipient's initial request for payment for the childcare service from that provider, when the recipient received the written notice provided in subdivision (b).

(f) (1) The department shall develop regulations to implement this section.

(2) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement the amendments to this section by the act that added this paragraph by all-county letter or similar directive until regulations are adopted.

(g) This section shall become operative on January 1, 2021, or the date that automation changes occur, as required for implementation of this section, in the Statewide Automated Welfare System, whichever date is later.

**SEC. 51.** Section 11323.4 of the Welfare and Institutions Code is amended to read:

**11323.4.** (a) Payments for supportive services, as described in Section 11323.2, shall be advanced to the participant, whenever necessary, and when desired by the participant, so that the participant need not use the participant's funds to pay for these services. Payments for childcare services shall be made in accordance with Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of the Education Code.

(b) The county welfare department shall take all reasonable steps necessary to promptly correct any overpayment or underpayment of supportive services payments to a recipient or a service provider, including, but not limited to, all cases involving fraud and abuse, consistent with procedures developed by the department.

(c) Notwithstanding any other provision of this article, any participant in on-the-job training who becomes ineligible for aid under this chapter due to earned income or hours worked, shall remain a participant in the program under this article for the duration of the on-the-job training assignment and shall be eligible for supportive services for the duration of the on-the-job training, provided this duration does not exceed the time limits otherwise applicable to the recipient.

(d) Notwithstanding any other provision of this article, any participant in on-the-job training, grant-based on-the-job training, supported work, or transitional employment who remains eligible for aid pursuant to this chapter, shall be eligible for transportation and ancillary expenses pursuant to paragraphs (3) and (4) of subdivision (a) of Section 11323.2.

(e) (1) Participants shall be encouraged to apply for financial aid, including educational grants, scholarships, and awards.

(2) To the extent permitted by federal law, the county shall coordinate with financial aid offices to establish procedures whereby the educational expenses of participants are met through available financial aid and the supportive services described in Section 11323.2. These procedures shall not result in duplication of payments, and shall require determinations to be made on an individual basis to ensure that using financial aid will not prevent the person's participation in their welfare-to-work plan.

(f) (1) Notwithstanding Section 10850, for purposes of childcare supportive services, county welfare departments shall share information necessary for the administration of the childcare programs and the CalWORKs program.

(2) By January 1, 2021, or the date that automation changes occur, as required for implementation of this section, in the Statewide Automated Welfare System, whichever date is later, a county welfare department shall provide limited, read-only, online access through individual county-level Statewide Automated Welfare System (SAWS) databases to local contractors providing CalWORKs childcare services. Access provided pursuant to this paragraph shall include a single summary page that contains current individual family data needed to enroll a family in CalWORKs childcare services or to transfer a family between stages. This data shall include, but not be limited to, all of the following items, if applicable:

(A) All of the information required in subdivision (a) of Section 18409 of Title 5 of the California Code of Regulations, or any successor regulation thereto.

(B) If the family is no longer receiving CalWORKs cash aid, the date that a parent or adult caretaker last received CalWORKs cash aid.

(3) Paragraph (2) does not supersede any agreement between a county and a CalWORKs childcare contractor that was in effect on January 1, 2020, or the date that automation changes occur, as required for implementation of this section, in the Statewide Automated Welfare System, whichever date is later, and provides for online access to the data described in that paragraph.

(4) Beginning January 1, 2021, or the date that automation changes occur, as required for implementation of this section, in the Statewide Automated Welfare System, whichever date is later, a county welfare department shall provide to stage-two contractors on a monthly basis a report of all families for which the parent's cash aid has been discontinued, the parent has not received aid for at least one month, and the parent has children in the home who are eligible for childcare services. The report shall include the parent's most up-to-date contact information. The report shall be jointly designed with representatives from the department, the County Welfare Directors Association of California, and Parent Voices, in consultation with county welfare departments and SAWS.

(5) A county welfare department may provide training on security protocols and confidentiality of individual family data to a contractor who is given access to data pursuant to this subdivision.

(6) This subdivision is not intended to limit the information shared for the administration of childcare in addition to the data described in paragraph (2).

(7) After consultation with stakeholders, the department shall issue an all-county letter or similar directive by November 1, 2019, to implement paragraphs (2) to (6), inclusive, until regulations are adopted.

**SEC. 52.** Section 11330.6 of the Welfare and Institutions Code is amended to read:

**11330.6.** (a) (1) The Legislature hereby establishes the CalWORKs Home Visiting Program as a voluntary program for the purpose of supporting positive health, development, and well-being outcomes for pregnant and parenting people, families, and infants born into poverty, expanding their future educational, economic, and financial capability opportunities, and improving the likelihood that they will exit poverty.

(2) The program shall provide high-quality, evidence-based, culturally competent services to pregnant people, parents or caretaker relatives, and children for 24 months or until the child's second birthday, whichever is later, that meet the needs of at-risk assistance units, including those in underserved, rural, tribal, impoverished, and other communities.

(b) Subject to an appropriation in the annual Budget Act, the department shall award funds to participating counties for the purposes of this article in order to provide voluntary evidence-based home visiting services to any assistance unit that meets the requirements of this article. Services authorized pursuant to this section are not entitlement services and participating counties may limit the number of families participating in the program to ensure that the costs do not exceed the amount of funds awarded to the county for this purpose. Funding awarded for the purpose of home visiting services provided under this article shall not supplant expenditures from any other existing funding sources subject to county control for home visiting services. Funding appropriated may be used in combination with funding from other sources if the entirety of services provided meet the award requirements of the program.

(c) (1) Participation in the program established in this article is optional for counties, and counties that apply for, and are awarded, funds shall agree to the terms of this article. A county's application for funding shall describe all of the following:

(A) How the program's purposes, as specified in subdivision (a), will be accomplished.

(B) How the county will integrate and coordinate the evidence-based home visiting programs with county workers and core CalWORKs services to maximize the utilization of those services provided to CalWORKs recipients.

(C) How the county consulted with existing home visiting programs, if applicable.

(D) The county's plan to recruit and retain home visitors that reflect the population of its CalWORKs program.

(E) The voluntary population of CalWORKs applicants and recipients the county intends to serve, which shall include those populations identified in paragraph (2).

(2) A voluntary participant shall meet both of the following criteria:

(A) The individual is one of the following:

(i) A member of a CalWORKs assistance unit.

(ii) The parent or caretaker relative for a child-only case.

(iii) A pregnant individual who has applied for CalWORKs aid within 60 calendar days prior to reaching the second trimester of pregnancy and would be eligible for CalWORKs aid other than not having reached the second trimester of pregnancy.

(iv) An individual who is apparently eligible for CalWORKs aid.

(B) (i) The individual is pregnant or the individual is a parent or caretaker relative of a child less than 24 months of age at the time the individual enrolls in the program.

(ii) A county may serve additional individuals not described in clause (i) with departmental approval.

(3) The department shall work with counties to develop the outreach and engagement process that will effectively reach the priority populations.

(4) The county shall demonstrate in its application to the department how services will be designed and provided as specified in Section 11330.7.

(d) (1) Participation in the program for eligible assistance units shall not be considered a condition of CalWORKs eligibility and this shall be explained in the document required pursuant to paragraph (2).

(2) Participation in the program shall be offered in writing to an eligible parent or caretaker relative. A document that includes a description of the program, its anticipated benefits and duration, a description of how to opt into the home visiting program, and a description of how to terminate participation shall be given to the parent or caretaker relative. Other forms of outreach are permitted and encouraged.

(3) An assistance unit agreeing to receive services under this article need not be eligible for, nor shall be required to participate in, the welfare-to-work program established pursuant to Article 3.2 (commencing with Section 11320). If an assistance unit elects to participate in the welfare-to-work program, the scheduled hours to be spent directly with the home visitor shall count toward allowable activities under a welfare-to-work plan.

(4) Participation in this program shall not affect a family's application for aid nor eligibility for any other CalWORKs benefits, supports, or services, including, but not limited to, welfare-to-work exemptions pursuant to subdivision (b) of Section 11320.3, good cause for not participating pursuant to subdivision (f) of Section 11320.3, participating in housing support services pursuant to Article 3.3 (commencing with Section 11330), or participating in family stabilization pursuant to Section 11325.24.

(5) If the parent or assisted caretaker has been removed from the assistance unit or exits the CalWORKs program, voluntary home visiting services may continue until completion of the evidence-based home visiting program or until the parent or assisted caretaker relative terminates their own participation.

(6) A county and the home visiting program may incorporate participation of the noncustodial parent of a child who is a member of a CalWORKs assistance unit into home visiting services, subject to the mutual agreement of the custodial and noncustodial parents.

(e) The following definitions shall apply for purposes of this article:

(1) "Cultural competence" means the ability to interact effectively with people of different cultures.

(2) "Evidence-based home visiting" means a home visiting model approved by the department, which shall be evaluated considering criteria developed by the United States Department of Health and Human Services for evidence-based home visiting.

(3) "Home" means a temporary or permanent residence or living space, or another location identified by the assistance unit.

**SEC. 53.** Section 11374 of the Welfare and Institutions Code is amended to read:

**11374.** (a) Each county that formally had court ordered jurisdiction under Section 300, 601, or 602 over a child receiving benefits under the state-funded Kin-GAP program shall be responsible for paying the child's aid regardless of where the child actually resides.

(b) Notwithstanding any other law, when a child receiving benefits under the Approved Relative Caregiver Funding Program (ARC) pursuant to Section 11461.3 becomes eligible for benefits under the state-funded Kin-GAP program during any month, the child shall continue to receive benefits under the ARC program, as appropriate, through the day that the juvenile court dismisses the dependency or terminates the wardship, and Kin-GAP payments shall begin the day following the day that the juvenile court dismisses the dependency or terminates the wardship.

**SEC. 54.** Section 11390 of the Welfare and Institutions Code is amended to read:

**11390.** (a) A person who is a kinship guardian under this article, and who has met the requirements of Section 361.4, is exempt from identity verification requirements for the CalWORKs program. A guardian who is also an applicant for, or a recipient of, benefits under the CalWORKs program shall comply with the identity verification requirements for the CalWORKs program, as those statutory and regulatory requirements existed on October 1, 2018.

(b) Any exemptions exercised pursuant to this section shall be implemented in accordance with Section 11393.

(c) Income to the child, including the Kin-GAP payment, shall not be considered income to the kinship guardian for purposes of determining the kinship guardian's eligibility for any other aid program, unless required by federal law as a condition of the receipt of federal financial participation.

(d) Each county that formally had court-ordered jurisdiction under Section 300 or Section 601 or 602 over a child receiving benefits under the Kin-GAP Program shall be responsible for paying the child's aid regardless of where the child actually resides.

(e) Notwithstanding any other law, when a child receiving benefits under the AFDC-FC program becomes eligible for benefits under the Kin-GAP Program during any month, the child shall continue to receive benefits under the AFDC-FC program, as appropriate, through the day that the juvenile court dismisses the dependency or terminates the wardship, and Kin-GAP payments shall begin the day following the day that the juvenile court dismisses the dependency or terminates the wardship.

(f) All of the following shall apply to any child or nonminor in receipt of Kin-GAP benefits:

(1) The child or nonminor is eligible to request and receive independent living services pursuant to Section 10609.3.

(2) The child or nonminor may retain cash savings, not to exceed ten thousand dollars ($10,000), including interest, pursuant to Section 11155.5.

(3) The child or nonminor shall have earned income disregarded pursuant to Section 11008.15.

**SEC. 55.** Section 11402.01 of the Welfare and Institutions Code is amended to read:

**11402.01.** (a) In addition to the placements described in Section 11402, a child or nonminor dependent may be eligible for AFDC-FC while placed in a group home with an extension pursuant to the exception process described in subdivision (d) or (e) of Section 11462.04.

(b) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2021, deletes or extends that date.

**SEC. 56.** Section 11450 of the Welfare and Institutions Code is amended to read:

**11450.** (a) (1) (A) Aid shall be paid for each needy family, which shall include all eligible brothers and sisters of each eligible applicant or recipient child and the parents of the children, but shall not include unborn children, or recipients of aid under Chapter 3 (commencing with Section 12000), qualified for aid under this chapter. In determining the amount of aid paid, and notwithstanding the minimum basic standards of adequate care specified in Section 11452, the family's income, exclusive of any amounts considered exempt as income or paid pursuant to subdivision (e) or Section 11453.1, determined for the prospective semiannual period pursuant to Sections 11265.1, 11265.2, and 11265.3, and then calculated pursuant to Section 11451.5, shall be deducted from the sum specified in the following table, as adjusted for cost-of-living increases pursuant to Section 11453 and paragraph (2). In no case shall the amount of aid paid for each month exceed the sum specified in the following table, as adjusted for cost-of-living increases pursuant to Section 11453 and paragraph (2), plus any special needs, as specified in subdivisions (c), (e), and (f):

| Number of eligible needy persons in the same home | Maximum aid |
|---|---|
| 1 ..... | $ 326 |
| 2 ..... | 535 |
| 3 ..... | 663 |
| 4 ..... | 788 |
| 5 ..... | 899 |
| 6 ..... | 1,010 |
| 7 ..... | 1,109 |
| 8 ..... | 1,209 |
| 9 ..... | 1,306 |
| 10 or more ..... | 1,403 |

(B) If, when, and during those times that the United States government increases or decreases its contributions in assistance of needy children in this state above or below the amount paid on July 1, 1972, the amounts specified in the above table shall be increased or decreased by an amount equal to that increase or decrease by the United States government, provided that no increase or decrease shall be subject to subsequent adjustment pursuant to Section 11453.

(2) The sums specified in paragraph (1) shall not be adjusted for cost of living for the 1990–91, 1991–92, 1992–93, 1993–94, 1994–95, 1995–96, 1996–97, and 1997–98 fiscal years, and through October 31, 1998, nor shall that amount be included in the base for calculating any cost-of-living increases for any fiscal year thereafter. Elimination of the cost-of-living adjustment pursuant to this paragraph shall satisfy the requirements of Section 11453.05, and no further reduction shall be made pursuant to that section.

(b) (1) When the family does not include a needy child qualified for aid under this chapter, aid shall be paid to a pregnant child who is 18 years of age or younger at any time after verification of pregnancy, in the amount that would otherwise be paid to one person, as specified in subdivision (a), if the child and her child, if born, would have qualified for aid under this chapter. Verification of pregnancy shall be required as a condition of eligibility for aid under this subdivision.

(2) Notwithstanding paragraph (1), when the family does not include a needy child qualified for aid under this chapter, aid shall be paid to a pregnant woman for the month in which the birth is anticipated and for the six-month period immediately prior to the month in which the birth is anticipated, in the amount that would otherwise be paid to one person, as specified in subdivision (a), if the woman and child, if born, would have qualified for aid under this chapter. Verification of pregnancy shall be required as a condition of eligibility for aid under this subdivision.

(3) Paragraph (1) shall apply only when the Cal-Learn Program is operative.

(c) The amount of forty-seven dollars ($47) per month shall be paid to pregnant women qualified for aid under subdivision (a) or (b) to meet special needs resulting from pregnancy if the woman and child, if born, would have qualified for aid under this chapter. County welfare departments shall refer all recipients of aid under this subdivision to a local provider of the Women, Infants, and Children program. If that payment to pregnant women qualified for aid under subdivision (a) is considered income under federal law in the first five months of pregnancy, payments under this subdivision shall not apply to persons eligible under subdivision (a), except for the month in which birth is anticipated and for the three-month period immediately prior to the month in which delivery is anticipated, if the woman and child, if born, would have qualified for aid under this chapter.

(d) For children receiving AFDC-FC under this chapter, there shall be paid, exclusive of any amount considered exempt as income, an amount of aid each month that, when added to the child's income, is equal to the rate specified in Section 11460, 11461, 11462, 11462.1, or 11463. In addition, the child shall be eligible for special needs, as specified in departmental regulations.

(e) In addition to the amounts payable under subdivision (a) and Section 11453.1, a family shall be entitled to receive an allowance for recurring special needs not common to a majority of recipients. These recurring special needs shall include, but not be limited to, special diets upon the recommendation of a physician for circumstances other than pregnancy, and unusual costs of transportation, laundry, housekeeping services, telephone, and utilities. The recurring special needs allowance for each family per month shall not exceed that amount resulting from multiplying the sum of ten dollars ($10) by the number of recipients in the family who are eligible for assistance.

(f) After a family has used all available liquid resources, both exempt and nonexempt, in excess of one hundred dollars ($100), with the exception of funds deposited in a restricted account described in subdivision (a) of Section 11155.2, the family shall also be entitled to receive an allowance for nonrecurring special needs.

(1) An allowance for nonrecurring special needs shall be granted for replacement of clothing and household equipment and for emergency housing needs other than those needs addressed by paragraph (2). These needs shall be caused by sudden and unusual circumstances beyond the control of the needy family. The department shall establish the allowance for each of the nonrecurring special needs items. The sum of all nonrecurring special needs provided by this subdivision shall not exceed six hundred dollars ($600) per event.

(2) (A) (i) Homeless assistance is available to a homeless family seeking shelter when the family is eligible for aid under this chapter.

(ii) Homeless assistance for temporary shelter is also available to homeless families that are apparently eligible for aid under this chapter. Apparent eligibility exists when evidence presented by the applicant, or that is otherwise available to the county welfare department, and the information provided on the application documents indicate that there would be eligibility for aid under this chapter if the evidence and information were verified. However, an alien applicant who does not provide verification of his or her eligible alien status, or a woman with no eligible children who does not provide medical verification of pregnancy, is not apparently eligible for purposes of this section.

(iii) Homeless assistance for temporary shelter is also available to homeless families that would be eligible for aid under this chapter but for the fact that the only child or children in the family are in out-of-home placement pursuant to an order of the dependency court, if the family is receiving reunification services and the county determines that homeless assistance is necessary for reunification to occur.

(B) A family is considered homeless, for the purpose of this section, when the family lacks a fixed and regular nighttime residence; or the family has a primary nighttime residence that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations; or the family is residing in a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. A family is also considered homeless for the purpose of this section if the family has received a notice to pay rent or quit. The family shall demonstrate that the eviction is the result of a verified financial hardship as a result of extraordinary circumstances beyond their control, and not other lease or rental violations, and that the family is experiencing a financial crisis that could result in homelessness if preventative assistance is not provided.

(3) (A) (i) A nonrecurring special needs benefit of sixty-five dollars ($65) a day shall be available to families of up to four members for the costs of temporary shelter, subject to the requirements of this paragraph. The fifth and additional members of the family shall each receive fifteen dollars ($15) per day, up to a daily maximum of one hundred twenty-five dollars ($125). County welfare departments may increase the daily amount available for temporary shelter as necessary to secure the additional bedspace needed by the family. This clause shall become inoperative on January 1, 2019.

(ii) On and after January 1, 2019, a nonrecurring special needs benefit of eighty-five dollars ($85) a day shall be available to families of up to four members for the costs of temporary shelter, subject to the requirements of this paragraph. The fifth and additional members of the family shall each receive fifteen dollars ($15) per day, up to a daily maximum of one hundred forty-five dollars ($145). County welfare departments may increase the daily amount available for temporary shelter as necessary to secure the additional bedspace needed by the family.

(iii) This special needs benefit shall be granted or denied immediately upon the family's application for homeless assistance, and benefits shall be available for up to three working days. The county welfare department shall verify the family's homelessness within the first three working days and if the family meets the criteria of questionable homelessness established by the department, the county welfare department shall refer the family to its early fraud prevention and detection unit, if the county has such a unit, for assistance in the verification of homelessness within this period.

(iv) After homelessness has been verified, the three-day limit shall be extended for a period of time that, when added to the initial benefits provided, does not exceed a total of 16 calendar days. This extension of benefits shall be done in increments of one week and shall be based upon searching for permanent housing which shall be documented on a housing search form, good cause, or other circumstances defined by the department. Documentation of a housing search shall be required for the initial extension of benefits beyond the three-day limit and on a weekly basis thereafter as long as the family is receiving temporary shelter benefits. Good cause shall include, but is not limited to, situations in which the county welfare department has determined that the family, to the extent it is capable, has made a good faith but unsuccessful effort to secure permanent housing while receiving temporary shelter benefits or that the family is homeless as a direct and primary result of a state or federally declared natural disaster.

(v) Notwithstanding clauses (iii) and (iv), the county may waive the three-day limit and may provide benefits in increments of more than one week for a family that becomes homeless as a direct and primary result of a state or federally declared natural disaster.

(B) (i) A nonrecurring special needs benefit for permanent housing assistance is available to pay for last month's rent and security deposits when these payments are reasonable conditions of securing a residence, or to pay for up to two months of rent arrearages, when these payments are a reasonable condition of preventing eviction.

(ii) The last month's rent or monthly arrearage portion of the payment (I) shall not exceed 80 percent of the family's total monthly household income without the value of CalFresh benefits or special needs benefit for a family of that size and (II) shall only be made to families that have found permanent housing costing no more than 80 percent of the family's total monthly household income without the value of CalFresh benefits or special needs benefit for a family of that size.

(iii) However, if the county welfare department determines that a family intends to reside with individuals who will be sharing housing costs, the county welfare department shall, in appropriate circumstances, set aside the condition specified in subclause (II) of clause (ii).

(C) The nonrecurring special needs benefit for permanent housing assistance is also available to cover the standard costs of deposits for utilities which are necessary for the health and safety of the family.

(D) A payment for or denial of permanent housing assistance shall be issued no later than one working day from the time that a family presents evidence of the availability of permanent housing. If an applicant family provides evidence of the availability of permanent housing before the county welfare department has established eligibility for aid under this chapter, the county welfare department shall complete the eligibility determination so that the payment for, or denial of, permanent

housing assistance is issued within one working day from the submission of evidence of the availability of permanent housing, unless the family has failed to provide all of the verification necessary to establish eligibility for aid under this chapter.

(E) (i) Except as provided in clauses (ii) and (iii), eligibility for the temporary shelter assistance and the permanent housing assistance pursuant to this paragraph shall be limited to one period of up to 16 consecutive calendar days of temporary assistance and one payment of permanent assistance every 12 months. A person who applies for homeless assistance benefits shall be informed that the temporary shelter benefit of up to 16 consecutive days is available only once every 12 months, with certain exceptions, and that a break in the consecutive use of the benefit constitutes exhaustion of the temporary benefit for that 12-month period.

(ii) (I) A family that becomes homeless as a direct and primary result of a state or federally declared natural disaster shall be eligible for temporary and permanent homeless assistance.

(II) In the event of a state or federally declared disaster in a county, the county human services agency shall coordinate with public and private disaster response organizations and agencies to identify and inform recipients of their eligibility for temporary and permanent homeless housing assistance available pursuant to subclause (I).

(iii) A family shall be eligible for temporary and permanent homeless assistance when homelessness is a direct result of domestic violence by a spouse, partner, or roommate; physical or mental illness that is medically verified that shall not include a diagnosis of alcoholism, drug addiction, or psychological stress; or the uninhabitability of the former residence caused by sudden and unusual circumstances beyond the control of the family including natural catastrophe, fire, or condemnation. These circumstances shall be verified by a third-party governmental or private health and human services agency, except that domestic violence may also be verified by a sworn statement by the victim, as provided under Section 11495.25. Homeless assistance payments based on these specific circumstances may not be received more often than once in any 12-month period. In addition, if the domestic violence is verified by a sworn statement by the victim, the homeless assistance payments shall be limited to two periods of not more than 16 consecutive calendar days of temporary assistance and two payments of permanent assistance. A county may require that a recipient of homeless assistance benefits who qualifies under this paragraph for a second time in a 24-month period participate in a homelessness avoidance case plan as a condition of eligibility for homeless assistance benefits. The county welfare department shall immediately inform recipients who verify domestic violence by a sworn statement of the availability of domestic violence counseling and services, and refer those recipients to services upon request.

(iv) If a county requires a recipient who verifies domestic violence by a sworn statement to participate in a homelessness avoidance case plan pursuant to clause (iii), the plan shall include the provision of domestic violence services, if appropriate.

(v) If a recipient seeking homeless assistance based on domestic violence pursuant to clause (iii) has previously received homeless avoidance services based on domestic violence, the county shall review whether services were offered to the recipient and consider what additional services would assist the recipient in leaving the domestic violence situation.

(vi) The county welfare department shall report necessary data to the department through a statewide homeless assistance payment indicator system, as requested by the department, regarding all recipients of aid under this paragraph.

(F) The county welfare departments, and all other entities participating in the costs of the CalWORKs program, have the right in their share to any refunds resulting from payment of the permanent housing. However, if an emergency requires the family to move within the 12-month period specified in subparagraph (E), the family shall be allowed to use any refunds received from its deposits to meet the costs of moving to another residence.

(G) Payments to providers for temporary shelter and permanent housing and utilities shall be made on behalf of families requesting these payments.

(H) The daily amount for the temporary shelter special needs benefit for homeless assistance may be increased if authorized by the current year's Budget Act by specifying a different daily allowance and appropriating the funds therefor.

(I) No payment shall be made pursuant to this paragraph unless the provider of housing is a commercial establishment, shelter, or person in the business of renting properties who has a history of renting properties.

(J) (i) Commencing July 1, 2018, a CalWORKs applicant who provides a sworn statement of past or present domestic abuse and who is fleeing his or her abuser shall be deemed to be homeless and shall be eligible for temporary homeless

assistance under clause (i) of subparagraph (A) and under subparagraph (E), notwithstanding any income and assets attributable to the alleged abuser.

(ii) The homeless assistance payments issued under this subparagraph shall be granted immediately after the family's application, and benefits shall be available in increments of 16 days of temporary shelter assistance pursuant to clause (i) of subparagraph (A). The homeless assistance payments shall be limited to two consecutive periods of not more than 16 consecutive calendar days each of temporary assistance within a lifetime. The homeless assistance payments issued under this subparagraph shall be in addition to other payments for which the CalWORKS applicant, if he or she becomes a CalWORKS recipient, may later qualify under this subdivision.

(iii) For purposes of this subparagraph, the housing search documentation described in clause (iii) of subparagraph (A) shall be required only upon issuance of an immediate need payment pursuant to Section 11266 or the issuance of benefits for the month of application.

(g) The department shall establish rules and regulations ensuring the uniform statewide application of this section.

(h) The department shall notify all applicants and recipients of aid through the standardized application form that these benefits are available and shall provide an opportunity for recipients to apply for the funds quickly and efficiently.

(i) The department shall work with county human services agencies, the County Welfare Directors Association, and advocates of CalWORKs recipients to gather information regarding the actual costs of a nightly shelter and best practices for transitioning families from a temporary shelter to a permanent shelter, and to provide that information to the Legislature, to be annually submitted in accordance with Section 9795 of the Government Code.

(j) (1) Except for the purposes of Section 15200, the amounts payable to recipients pursuant to Section 11453.1 shall not constitute part of the payment schedule set forth in subdivision (a).

(2) The amounts payable to recipients pursuant to Section 11453.1 shall not constitute income to recipients of aid under this section.

(k) For children receiving Kin-GAP pursuant to Article 4.5 (commencing with Section 11360) or Article 4.7 (commencing with Section 11385) there shall be paid, exclusive of any amount considered exempt as income, an amount of aid each month, which, when added to the child's income, is equal to the rate specified in Sections 11364 and 11387.

(l) (1) A county shall implement the semiannual reporting requirements in accordance with Chapter 501 of the Statutes of 2011 no later than October 1, 2013.

(2) Upon completion of the implementation described in paragraph (1), each county shall provide a certificate to the director certifying that semiannual reporting has been implemented in the county.

(3) Upon filing the certificate described in paragraph (2), a county shall comply with the semiannual reporting provisions of this section.

(m) This section shall become inoperative on January 1, 2020, or when the department notifies the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement Section 11450, as added by Section 57 of the act that added this subdivision, whichever date is later, and as of that date is repealed.

**SEC. 57.** Section 11450 is added to the Welfare and Institutions Code, to read:

**11450.** (a) (1) (A) Aid shall be paid for each needy family, which shall include all eligible brothers and sisters of each eligible applicant or recipient child and the parents of the children, but shall not include unborn children, or recipients of aid under Chapter 3 (commencing with Section 12000), qualified for aid under this chapter. In determining the amount of aid paid, and notwithstanding the minimum basic standards of adequate care specified in Section 11452, the family's income, exclusive of any amounts considered exempt as income or paid pursuant to subdivision (e) or Section 11453.1, determined for the prospective semiannual period pursuant to Sections 11265.1, 11265.2, and 11265.3, and then calculated pursuant to Section 11451.5, shall be deducted from the sum specified in the following table, as adjusted for cost-of-living increases pursuant to Section 11453 and paragraph (2). In no case shall the amount of aid paid for each month exceed the sum specified in the following table, as adjusted for cost-of-living increases pursuant to Section 11453 and paragraph (2), plus any special needs, as specified in subdivisions (c), (e), and (f):

| Number of eligible needy persons in the same home | Maximum aid |
|---|---|

| | |
|---|---|
| 1 ..... | $ 326 |
| 2 ..... | 535 |
| 3 ..... | 663 |
| 4 ..... | 788 |
| 5 ..... | 899 |
| 6 ..... | 1,010 |
| 7 ..... | 1,109 |
| 8 ..... | 1,209 |
| 9 ..... | 1,306 |
| 10 or more ..... | 1,403 |

(B) If, when, and during those times that the United States government increases or decreases its contributions in assistance of needy children in this state above or below the amount paid on July 1, 1972, the amounts specified in the above table shall be increased or decreased by an amount equal to that increase or decrease by the United States government, provided that no increase or decrease shall be subject to subsequent adjustment pursuant to Section 11453.

(2) The sums specified in paragraph (1) shall not be adjusted for cost of living for the 1990–91, 1991–92, 1992–93, 1993–94, 1994–95, 1995–96, 1996–97, and 1997–98 fiscal years, and through October 31, 1998, nor shall that amount be included in the base for calculating any cost-of-living increases for any fiscal year thereafter. Elimination of the cost-of-living adjustment pursuant to this paragraph shall satisfy the requirements of former Section 11453.05, and no further reduction shall be made pursuant to that section.

(b) (1) If the family does not include a needy child qualified for aid under this chapter, aid shall be paid to a pregnant child who is 18 years of age or younger at any time after verification of pregnancy, in the amount that would otherwise be paid to one person, as specified in subdivision (a), if the pregnant child and the child, if born, would have qualified for aid under this chapter. Verification of pregnancy shall be required as a condition of eligibility for aid under this subdivision.

(2) Notwithstanding paragraph (1), if the family does not include a needy child qualified for aid under this chapter, aid shall be paid to a pregnant person for the month in which the birth is anticipated and for the six-month period immediately prior to the month in which the birth is anticipated, in the amount that would otherwise be paid to one person, as specified in subdivision (a), if the pregnant person and child, if born, would have qualified for aid under this chapter. Verification of pregnancy is required as a condition of eligibility for aid under this subdivision.

(3) Paragraph (1) shall apply only when the Cal-Learn Program is operative.

(c) The amount of forty-seven dollars ($47) per month shall be paid to a pregnant person qualified for aid under subdivision (a) or (b) to meet special needs resulting from pregnancy if the pregnant person and child, if born, would have qualified for aid under this chapter. County welfare departments shall refer all recipients of aid under this subdivision to a local provider of the Women, Infants, and Children program. If that payment to a pregnant person qualified for aid under subdivision (a) is considered income under federal law in the first five months of pregnancy, payments under this subdivision do not apply to a person eligible under subdivision (a), except for the month in which birth is anticipated and for the three-month period immediately prior to the month in which delivery is anticipated, if the pregnant person and child, if born, would have qualified for aid under this chapter.

(d) For children receiving AFDC-FC under this chapter, there shall be paid, exclusive of any amount considered exempt as income, an amount of aid each month that, if added to the child's income, is equal to the rate specified in Section 11460, 11461, 11462, 11462.1, or 11463. In addition, the child is eligible for special needs, as specified in departmental regulations.

(e) In addition to the amounts payable under subdivision (a) and former Section 11453.1, a family is entitled to receive an allowance for recurring special needs not common to a majority of recipients. These recurring special needs include, but are not limited to, special diets upon the recommendation of a physician for circumstances other than pregnancy, and unusual costs of transportation, laundry, housekeeping services, telephone, and utilities. The recurring special needs allowance for each family per month shall not exceed that amount resulting from multiplying the sum of ten dollars ($10) by the number of recipients in the family who are eligible for assistance.

(f) After a family has used all available liquid resources, both exempt and nonexempt, in excess of one hundred dollars ($100), with the exception of funds deposited in a restricted account described in subdivision (a) of Section 11155.2, the family is also entitled to receive an allowance for nonrecurring special needs.

(1) An allowance for nonrecurring special needs shall be granted for replacement of clothing and household equipment and for emergency housing needs other than those needs addressed by paragraph (2). These needs shall be caused by sudden and unusual circumstances beyond the control of the needy family. The department shall establish the allowance for each of the nonrecurring special needs items. The sum of all nonrecurring special needs provided by this subdivision shall not exceed six hundred dollars ($600) per event.

(2) (A) (i) Homeless assistance is available to a homeless family seeking shelter when the family is eligible for aid under this chapter.

(ii) Homeless assistance for temporary shelter is also available to homeless families that are apparently eligible for aid under this chapter. Apparent eligibility exists when evidence presented by the applicant, or that is otherwise available to the county welfare department, and the information provided on the application documents indicate that there would be eligibility for aid under this chapter if the evidence and information were verified. However, an alien applicant who does not provide verification of their eligible alien status, or a person with no eligible children who does not provide medical verification of their pregnancy, is not apparently eligible for purposes of this section.

(iii) Homeless assistance for temporary shelter is also available to homeless families that would be eligible for aid under this chapter but for the fact that the only child or children in the family are in out-of-home placement pursuant to an order of the dependency court, if the family is receiving reunification services and the county determines that homeless assistance is necessary for reunification to occur.

(B) A family is considered homeless, for the purpose of this section, when the family lacks a fixed and regular nighttime residence, the family has a primary nighttime residence that is a supervised publicly or privately operated shelter designed to provide temporary living accommodations, or the family is residing in a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. A family is also considered homeless for the purpose of this section if the family has received a notice to pay rent or quit. The family shall demonstrate that the eviction is the result of a verified financial hardship as a result of extraordinary circumstances beyond their control, and not other lease or rental violations, and that the family is experiencing a financial crisis that may result in homelessness if preventive assistance is not provided.

(3) (A) (i) A nonrecurring special needs benefit of sixty-five dollars ($65) a day shall be available to families of up to four members for the costs of temporary shelter, subject to the requirements of this paragraph. The fifth and additional members of the family shall each receive fifteen dollars ($15) per day, up to a daily maximum of one hundred twenty-five dollars ($125). County welfare departments may increase the daily amount available for temporary shelter as necessary to secure the additional bedspace needed by the family. This clause shall become inoperative on January 1, 2019.

(ii) On and after January 1, 2019, a nonrecurring special needs benefit of eighty-five dollars ($85) a day shall be available to families of up to four members for the costs of temporary shelter, subject to the requirements of this paragraph. The fifth and additional members of the family shall each receive fifteen dollars ($15) per day, up to a daily maximum of one hundred forty-five dollars ($145). County welfare departments may increase the daily amount available for temporary shelter as necessary to secure the additional bedspace needed by the family.

(iii) This special needs benefit shall be granted or denied immediately upon the family's application for homeless assistance, and benefits shall be available for up to three working days. The county welfare department shall verify the family's homelessness within the first three working days. If the family meets the criteria of questionable homelessness established by the department, the county welfare department shall refer the family to its early fraud prevention and detection unit, if the county has such a unit, for assistance in the verification of homelessness within this period.

(iv) After homelessness has been verified, the three-day limit shall be extended for a period of time that, when added to the initial benefits provided, does not exceed a total of 16 calendar days. This extension of benefits shall be done in increments of one week, and shall be based upon searching for permanent housing, which shall be documented on a housing search form, good cause, or other circumstances defined by the department. Documentation of a housing search is required for the initial extension of benefits beyond the three-day limit and on a weekly basis thereafter if the family is receiving temporary shelter benefits. Good cause shall include, but is not limited to, situations in which the county welfare department has determined that the family, to the extent it is capable, has made a good faith but unsuccessful effort to secure permanent housing while receiving temporary shelter benefits or that the family is homeless as a direct and primary result of a state or federally declared natural disaster.

(v) Notwithstanding clauses (iii) and (iv), the county may waive the three-day limit and may provide benefits in increments of more than one week for a family that becomes homeless as a direct and primary result of a state or federally declared natural disaster.

(B) (i) A nonrecurring special needs benefit for permanent housing assistance is available to pay for last month's rent and security deposits if these payments are reasonable conditions of securing a residence, or to pay for up to two months of rent arrearages, if these payments are a reasonable condition of preventing eviction.

(ii) The last month's rent or monthly arrearage portion of the payment shall meet both of the following requirements:

(I) It shall not exceed 80 percent of the family's total monthly household income without the value of CalFresh benefits or special needs benefit for a family of that size.

(II) It shall only be made to families that have found permanent housing costing no more than 80 percent of the family's total monthly household income without the value of CalFresh benefits or special needs benefit for a family of that size.

(iii) However, if the county welfare department determines that a family intends to reside with individuals who will be sharing housing costs, the county welfare department shall, in appropriate circumstances, set aside the condition specified in subclause (II) of clause (ii).

(C) The nonrecurring special needs benefit for permanent housing assistance is also available to cover the standard costs of deposits for utilities which are necessary for the health and safety of the family.

(D) A payment for or denial of permanent housing assistance shall be issued no later than one working day from the time that a family presents evidence of the availability of permanent housing. If an applicant family provides evidence of the availability of permanent housing before the county welfare department has established eligibility for aid under this chapter, the county welfare department shall complete the eligibility determination so that the payment for, or denial of, permanent housing assistance is issued within one working day from the submission of evidence of the availability of permanent housing, unless the family has failed to provide all of the verification necessary to establish eligibility for aid under this chapter.

(E) (i) Except as provided in clauses (ii) and (iii), eligibility for the temporary shelter assistance and the permanent housing assistance pursuant to this paragraph is limited to 16 cumulative calendar days of temporary assistance and one payment of permanent assistance every 12 months. A person who applies for homeless assistance benefits shall be informed that, with certain exceptions, the temporary shelter benefit is limited to a maximum of 16 calendar days for that 12-month period.

(ii) (I) A family that becomes homeless as a direct and primary result of a state or federally declared natural disaster is eligible for temporary and permanent homeless assistance.

(II) If there is a state or federally declared disaster in a county, the county human services agency shall coordinate with public and private disaster response organizations and agencies to identify and inform recipients of their eligibility for temporary and permanent homeless housing assistance available pursuant to subclause (I).

(iii) A family is eligible for temporary and permanent homeless assistance if homelessness is a direct result of domestic violence by a spouse, partner, or roommate; physical or mental illness that is medically verified that shall not include a diagnosis of alcoholism, drug addiction, or psychological stress; or the uninhabitability of the former residence caused by sudden and unusual circumstances beyond the control of the family, including natural catastrophe, fire, or condemnation. These circumstances shall be verified by a third-party governmental or private health and human services agency, except that domestic violence may also be verified by a sworn statement by the victim, as provided under Section 11495.25. Homeless assistance payments based on these specific circumstances may not be received more often than once in any 12-month period. In addition, if the domestic violence is verified by a sworn statement by the victim, the homeless assistance payments shall be limited to two periods of not more than 16 calendar days of temporary assistance and two payments of permanent assistance. A county may require that a recipient of homeless assistance benefits who qualifies under this paragraph for a second time in a 24-month period participate in a homelessness avoidance case plan as a condition of eligibility for homeless assistance benefits. The county welfare department shall immediately inform recipients who verify domestic violence by a sworn statement of the availability of domestic violence counseling and services, and refer those recipients to services upon request.

(iv) If a county requires a recipient who verifies domestic violence by a sworn statement to participate in a homelessness avoidance case plan pursuant to clause (iii), the plan shall include the provision of domestic violence services, if appropriate.

(v) If a recipient seeking homeless assistance based on domestic violence pursuant to clause (iii) has previously received homeless avoidance services based on domestic violence, the county shall review whether services were offered to the recipient and consider what additional services would assist the recipient in leaving the domestic violence situation.

(vi) The county welfare department shall report necessary data to the department through a statewide homeless assistance payment indicator system, as requested by the department, regarding all recipients of aid under this paragraph.

(F) The county welfare departments, and all other entities participating in the costs of the CalWORKs program, have the right in their share to any refunds resulting from payment of the permanent housing. However, if an emergency requires the family to move within the 12-month period specified in subparagraph (E), the family shall be allowed to use any refunds received from its deposits to meet the costs of moving to another residence.

(G) Payments to providers for temporary shelter and permanent housing and utilities shall be made on behalf of families requesting these payments.

(H) The daily amount for the temporary shelter special needs benefit for homeless assistance may be increased if authorized by the current year's Budget Act by specifying a different daily allowance and appropriating the funds therefor.

(I) A payment shall not be made pursuant to this paragraph unless the provider of housing is a commercial establishment, shelter, or person in the business of renting properties who has a history of renting properties.

(J) (i) Commencing July 1, 2018, a CalWORKs applicant who provides a sworn statement of past or present domestic abuse and who is fleeing their abuser is deemed to be homeless and is eligible for temporary homeless assistance under clause (i) of subparagraph (A) and under subparagraph (E), notwithstanding any income and assets attributable to the alleged abuser.

(ii) The homeless assistance payments issued under this subparagraph shall be granted immediately after the family's application, and benefits shall be available in increments of 16 days of temporary shelter assistance pursuant to clause (i) of subparagraph (A). The homeless assistance payments shall be limited to two periods of not more than 16 cumulative calendar days each of temporary assistance within a lifetime. The homeless assistance payments issued under this subparagraph shall be in addition to other payments for which the CalWORKs applicant, if the applicant becomes a CalWORKs recipient, may later qualify under this subdivision.

(iii) For purposes of this subparagraph, the housing search documentation described in clause (iii) of subparagraph (A) shall be required only upon issuance of an immediate need payment pursuant to Section 11266 or the issuance of benefits for the month of application.

(g) The department shall establish rules and regulations ensuring the uniform statewide application of this section.

(h) The department shall notify all applicants and recipients of aid through the standardized application form that these benefits are available and shall provide an opportunity for recipients to apply for the funds quickly and efficiently.

(i) The department shall work with county human services agencies, the County Welfare Directors Association of California, and advocates of CalWORKs recipients to gather information regarding the actual costs of a nightly shelter and best practices for transitioning families from a temporary shelter to a permanent shelter, and to provide that information to the Legislature, to be submitted annually in accordance with Section 9795 of the Government Code.

(j) (1) Except for the purposes of Section 15200, the amounts payable to recipients pursuant to Section 11453.1 shall not constitute part of the payment schedule set forth in subdivision (a).

(2) The amounts payable to recipients pursuant to Section 11453.1 shall not constitute income to recipients of aid under this section.

(k) For children receiving Kin-GAP pursuant to Article 4.5 (commencing with Section 11360) or Article 4.7 (commencing with Section 11385) there shall be paid, exclusive of any amount considered exempt as income, an amount of aid each month, which, when added to the child's income, is equal to the rate specified in Sections 11364 and 11387.

(l) (1) A county shall implement the semiannual reporting requirements in accordance with Chapter 501 of the Statutes of 2011 no later than October 1, 2013.

(2) Upon completion of the implementation described in paragraph (1), each county shall provide a certificate to the director certifying that semiannual reporting has been implemented in the county.

(3) Upon filing the certificate described in paragraph (2), a county shall comply with the semiannual reporting provisions of this section.

(m) This section shall become operative on January 1, 2020, or when the department notifies the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement this section, whichever date is later.

**SEC. 58.** Section 11450.023 is added to the Welfare and Institutions Code, to read:

**11450.023.** (a) Notwithstanding any other law, effective October 1, 2019, the maximum aid payments pursuant to paragraph (1) of subdivision (a) of Section 11450 in effect on April 1, 2019, shall be set forth as follows:

| | REGION 1 | |
|---|---|---|
| Assistance Unit Size | Maximum Aid Payment-Exempt | Maximum Aid Payment-Nonexempt |
| 1 | $606 | $550 |
| 2 | $778 | $696 |
| 3 | $983 | $878 |
| 4 | $1,181 | $1,060 |
| 5 | $1,385 | $1,242 |
| 6 | $1,589 | $1,424 |
| 7 | $1,792 | $1,606 |
| 8 | $1,998 | $1,788 |
| 9 | $2,199 | $1,970 |
| 10 or more | $2,406 | $2,152 |

| | REGION 2 | |
|---|---|---|
| Assistance Unit Size | Maximum Aid Payment-Exempt | Maximum Aid Payment-Nonexempt |
| 1 | $576 | $520 |
| 2 | $739 | $661 |
| 3 | $934 | $834 |
| 4 | $1,122 | $1,007 |
| 5 | $1,316 | $1,180 |
| 6 | $1,510 | $1,353 |
| 7 | $1,702 | $1,526 |
| 8 | $1,898 | $1,699 |
| 9 | $2,089 | $1,872 |
| 10 or more | $2,286 | $2,044 |

(b) For purposes of this section, “Region 1” and “Region 2” have the same meanings as defined in Section 11452.018.

**SEC. 59.** Section 11451.5 of the Welfare and Institutions Code is amended to read:

**11451.5.** (a) The following income shall be exempt from the calculation of the income of the family for purposes of subdivision (a) of Section 11450:

(1) If disability-based unearned income does not exceed two hundred twenty-five dollars ($225), both of the following amounts:

(A) All disability-based unearned income, plus any amount of not otherwise exempt earned income equal to the amount of the difference between the amount of disability-based unearned income and two hundred twenty-five dollars ($225).

(B) Fifty percent of all not otherwise exempt earned income in excess of the amount applied to meet the differential applied in subparagraph (A).

(2) If disability-based unearned income exceeds two hundred twenty-five dollars ($225), both of the following amounts:

(A) All of the first two hundred twenty-five dollars ($225) in disability-based unearned income.

(B) Fifty percent of all earned income.

(b) For purposes of this section:

(1) Earned income means gross income received as wages, salary, employer-provided sick leave benefits, commissions, or profits from activities such as a business enterprise or farming in which the recipient is engaged as a self-employed individual or as an employee.

(2) Disability-based unearned income means state disability insurance benefits, private disability insurance benefits, temporary workers' compensation benefits, social security disability benefits, and any veteran's disability compensation.

(3) Unearned income means any income not described in paragraph (1) or (2).

(c) This section shall become inoperative on June 1, 2020, or when the department notifies the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement Section 11451.5, as added by Section 60 of the act that added this subdivision, whichever date is later, and as of that date is repealed.

**SEC. 60.** Section 11451.5 is added to the Welfare and Institutions Code, to read:

**11451.5.** (a) Except as provided in subdivision (c), the following income shall be exempt from the calculation of the income of the family for purposes of subdivision (a) of Section 11450:

(1) If disability-based unearned income does not exceed two hundred twenty-five dollars ($225), both of the following amounts:

(A) All disability-based unearned income, plus any amount of not otherwise exempt earned income equal to the amount of the difference between the amount of disability-based unearned income and two hundred twenty-five dollars ($225).

(B) Fifty percent of all not otherwise exempt earned income in excess of the amount applied to meet the differential applied in subparagraph (A).

(2) If disability-based unearned income exceeds two hundred twenty-five dollars ($225), both of the following amounts:

(A) All of the first two hundred twenty-five dollars ($225) in disability-based unearned income.

(B) Fifty percent of all earned income.

(b) For purposes of this section:

(1) Earned income means gross income received as wages, salary, employer-provided sick leave benefits, commissions, or profits from activities such as a business enterprise or farming in which the recipient is engaged as a self-employed individual or as an employee.

(2) Disability-based unearned income means state disability insurance benefits, private disability insurance benefits, temporary workers' compensation benefits, social security disability benefits, and any veteran's disability compensation.

(3) Unearned income means any income not described in paragraph (1) or (2).

(c) Each two-hundred-twenty-five-dollar ($225) amount specified in subdivision (a), shall be increased as follows:

(1) Effective the date on which this section becomes operative pursuant to subdivision (d), to five hundred dollars ($500).

(2) Effective one year from the date on which this section becomes operative pursuant to subdivision (d), to five hundred fifty dollars ($550).

(3) Effective two years from the date on which this section becomes operative pursuant to subdivision (d), to six hundred dollars ($600).

(d) This section shall become operative on June 1, 2020, or when the department notifies the Legislature that the Statewide Automated Welfare System can perform the necessary automation to implement this section.

**SEC. 61.** Section 11460 of the Welfare and Institutions Code is amended to read:

**11460.** (a) (1) Foster care providers shall be paid a per child per month rate in return for the care and supervision of the AFDC-FC child placed with them. The department is designated the single organizational unit whose duty it shall be to administer a state system for establishing rates in the AFDC-FC program. State functions shall be performed by the department or by delegation of the department to county welfare departments or Indian tribes, consortia of tribes, or tribal organizations that have entered into an agreement pursuant to Section 10553.1.

(2) (A) Foster care providers that care for a child in a home-based setting described in paragraph (1) of subdivision (g) of Section 11461, or in a certified home or an approved resource family of a foster family agency, shall be paid the per child per month rate as set forth in subdivision (g) of Section 11461.

(B) The basic rate paid to either a certified family home or an approved resource family of a foster family agency shall be paid by the agency to the certified family home or approved resource family from the rate that is paid to the agency pursuant to Section 11463.

(b) “Care and supervision” includes food, clothing, shelter, daily supervision, school supplies, a child’s personal incidentals, liability insurance with respect to a child, reasonable travel to the child’s home for visitation, and reasonable travel for the child to remain in the school in which the child is enrolled at the time of placement. Reimbursement for the costs of educational travel, as provided for in this subdivision, shall be made pursuant to procedures determined by the department, in consultation with representatives of county welfare and probation directors, and additional stakeholders, as appropriate.

(1) For a child or youth placed in a short-term residential therapeutic program or a group home, care and supervision shall also include reasonable administration and operational activities necessary to provide the items listed in this subdivision.

(2) For a child or youth placed in a short-term residential therapeutic program or a group home, care and supervision may also include reasonable activities performed by social workers employed by the program provider that are not otherwise considered daily supervision or administration activities.

(3) The department, in consultation with the California State Foster Parent Association, and other interested stakeholders, shall provide information to the Legislature, no later than January 1, 2017, regarding the availability and cost for liability and property insurance covering acts committed by children in care, and shall make recommendations for any needed program development in this area.

(c) It is the intent of the Legislature to establish the maximum level of financial participation in out-of-state foster care group home program rates for placements in facilities described in subdivision (h) of Section 11402.

(1) The department shall develop regulations that establish the method for determining the level of financial participation in the rate paid for out-of-state placements in facilities described in subdivision (h) of Section 11402. The department shall consider all of the following methods:

(A) Until December 31, 2016, a standardized system based on the rate classification level of care and services per child per month.

(B) The rate developed for a short-term residential therapeutic program pursuant to Section 11462.

(C) A system that considers the actual allowable and reasonable costs of care and supervision incurred by the out-of-state program.

(D) A system that considers the rate established by the host state.

(E) Any other appropriate methods as determined by the department.

(2) Reimbursement for the Aid to Families with Dependent Children-Foster Care rate to be paid to an out-of-state program described in subdivision (h) of Section 11402 shall only be paid to programs that have done all of the following:

(A) Submitted a rate application to the department, which shall include, but not be limited to, both of the following:

(i) Commencing January 1, 2017, unless granted an extension from the department pursuant to subdivision (d) or (e) of Section 11462.04, the equivalent of the mental health program approval required in Section 4096.5.

(ii) Commencing January 1, 2017, unless granted an extension from the department pursuant to subdivision (d) or (e) of Section 11462.04, the national accreditation required in paragraph (6) of subdivision (b) of Section 11462.

(B) Maintained a level of financial participation that shall not exceed any of the following:

(i) The current fiscal year’s standard rate for rate classification level 14 for a group home.

(ii) Commencing January 1, 2017, the current fiscal year’s rate for a short-term residential therapeutic program.

(iii) The rate determined by the ratesetting authority of the state in which the facility is located.

(C) Agreed to comply with information requests, and program and fiscal audits as determined necessary by the department.

(3) Except as specifically provided for in statute, reimbursement for an AFDC-FC rate shall only be paid to a group home or short-term residential therapeutic program organized and operated on a nonprofit basis.

(d) A foster care provider that accepts payments, following the effective date of this section, based on a rate established under this section, shall not receive rate increases or retroactive payments as the result of litigation challenging rates established prior to the effective date of this section. This shall apply regardless of whether a provider is a party to the litigation or a member of a class covered by the litigation.

(e) Nothing shall preclude a county from using a portion of its county funds to increase rates paid to family homes, foster family agencies, group homes, and short-term residential therapeutic programs within that county, and to make payments for specialized care increments, clothing allowances, or infant supplements to homes within that county, solely at that county's expense.

(f) Nothing shall preclude a county from providing a supplemental rate to serve commercially sexually exploited foster children to provide for the additional care and supervision needs of these children. To the extent that federal financial participation is available, it is the intent of the Legislature that the federal funding shall be utilized.

**SEC. 62.** Section 11461.36 of the Welfare and Institutions Code is amended to read:

**11461.36.** (a) It is the intent of the Legislature to provide support to emergency caregivers, as defined in subdivision (c), who care for children and nonminor dependents before approval of an application under the Resource Family Approval Program.

(b) For placements made on and after July 1, 2018, each county shall provide a payment equivalent to the resource family basic level rate of the home-based family care rate structure, pursuant to Section 11463, to an emergency caregiver on behalf of a child or nonminor dependent placed in the home of the caregiver pursuant to subdivision (d) of Section 309 or Section 361.45, or based on a compelling reason pursuant to subdivision (e) of Section 16519.5, subject to the availability of state and federal funds pursuant to subdivision (e), if all of the following criteria are met:

(1) The child or nonminor dependent is not otherwise eligible for AFDC-FC or the Approved Relative Caregiver Funding Program, pursuant to Section 11461.3, while placed in the home of the emergency caregiver.

(2) The child or nonminor dependent resides in California.

(3) The emergency caregiver has signed and submitted to the county an application for resource family approval.

(4) An application for the Emergency Assistance Program has been completed.

(c) For purposes of this section, an "emergency caregiver" means an individual who has a pending resource family application filed with an appropriate agency on or after July 1, 2018, and who meets one of the following requirements:

(1) The individual has been assessed pursuant to Section 361.4.

(2) The individual has successfully completed the home environment assessment portion of the resource family approval pursuant to paragraph (2) of subdivision (d) of Section 16519.5.

(d) The beginning date of aid for payments made pursuant to subdivision (b) shall be the date of placement.

(e) Funding for payments made pursuant to subdivision (b) shall be as follows:

(1) For emergency or compelling reason placements made during the 2018–19 fiscal year:

(A) Payments shall be made to an emergency caregiver through the Emergency Assistance Program included in the state's Temporary Assistance for Needy Families block grant.

(B) The county shall be solely responsible for the nonfederal share of cost.

(C) Notwithstanding subparagraphs (A) and (B), if the child or nonminor dependent is determined to be ineligible for the Emergency Assistance Program included in the state's Temporary Assistance for Needy Families block grant, 70 percent of the cost of emergency payments made to the emergency caregiver shall be funded by the department and 30 percent shall be funded by the county.

(D) Notwithstanding subparagraphs (A), (B), and (C), payments required to be provided pursuant to subdivision (b) shall not be eligible for the federal or state share of cost upon approval or denial of the resource family application, consistent with subdivision (g), beyond 180 days, or, if the conditions of subparagraph (E) are met, beyond 365 days, whichever occurs first.

(E) The federal and state share of payment made pursuant to this paragraph shall be available beyond 180 days of payments, and up to 365 days of payments, if all of the following conditions are met:

(i) On a monthly basis, the county has documented good cause for the delay in approving the resource family application that is outside the direct control of the county, which may include delays in processing background check clearances or exemptions, medical examinations, or delays that are based on the needs of the family.

(ii) On a monthly basis, the deputy director or director of the county child welfare department, or their designee, has been notified of the delay in approving the resource family application and that notification is documented in the resource family approval file.

(iii) On a monthly basis, the county provides to the department a list of the resource family applications that have been pending for more than 90 days and the reason for the delays.

(2) For emergency or compelling reason placements made during the 2019–20 fiscal year:

(A) Payments shall be made to an emergency caregiver through the Emergency Assistance Program included in the state's Temporary Assistance for Needy Families block grant.

(B) The county shall be solely responsible for the nonfederal share of cost.

(C) Notwithstanding subparagraphs (A) and (B), if the child or nonminor dependent is determined to be ineligible for the Emergency Assistance Program included in the state's Temporary Assistance for Needy Families block grant, 70 percent of the cost of emergency payments made to the emergency caregiver shall be funded by the department and 30 percent shall be funded by the county.

(D) Notwithstanding subparagraphs (A), (B), and (C), payments required to be provided pursuant to subdivision (b) shall not be eligible for the federal or state share of cost upon approval or denial of the resource family application, consistent with subdivision (g), or beyond 120 days, whichever occurs first.

(E) The federal and state share of payment made pursuant to this paragraph shall be available beyond 120 days of payments, and up to 365 days of payments, if all of the following conditions are met:

(i) On a monthly basis, the county has documented good cause for the delay in approving the resource family application that is outside the direct control of the county, which may include delays in processing background check clearances or exemptions, medical examinations, or delays that are based on the needs of the family.

(ii) On a monthly basis, the deputy director or director of the county child welfare department, or their designee, or the chief probation officer, or their designee, as applicable, has been notified of the delay in approving the resource family application and that notification is documented in the resource family approval file.

(iii) On a monthly basis, the county provides to the department a list of the resource family applications that have been pending for more than 120 days and the reason for the delays.

(3) For emergency or compelling reason placements made during the 2020–21 fiscal year, and each fiscal year thereafter:

(A) Payments shall be made to an emergency caregiver through the Emergency Assistance Program included in the state's Temporary Assistance for Needy Families block grant.

(B) The county shall be solely responsible for the nonfederal share of cost.

(C) Notwithstanding subparagraphs (A) and (B), if the child or nonminor dependent is determined to be ineligible for the Emergency Assistance Program included in the state's Temporary Assistance for Needy Families block grant, 70 percent of the cost of emergency payments made to the emergency caregiver shall be funded by the department and 30 percent shall be funded by the county.

(D) Notwithstanding subparagraphs (A), (B), and (C), payments required to be provided pursuant to subdivision (b) shall not be eligible for the federal or state share of cost upon approval or denial of the resource family application, consistent with subdivision (g), or beyond 90 days, whichever occurs first.

(E) The department shall consider extending the payments required pursuant to subdivision (b) beyond the 90-day limit identified in subparagraph (D) if it makes a determination that the resource family approval process cannot be completed within 90 days due to circumstances outside of a county's control.

(f) (1) An emergency caregiver eligible for payments pursuant to subdivision (b) of Section 11461.35, as that section read on June 30, 2018, shall continue to be eligible for those payments on and after July 1, 2018, until the emergency caregiver's resource family application is approved or denied.

(2) Funding for a payment described in paragraph (1) shall be as follows:

(A) If the emergency caregiver was eligible to receive payments funded through the Approved Relative Caregiver Funding Program, payments shall be made through that program until the application for resource family approval is approved or denied.

(B) If the emergency caregiver was eligible to receive payments funded through the Emergency Assistance Program, payments shall be made through that program, subject to the following conditions:

(i) Up to 180 total days or, if the conditions of subparagraph (D) are met, up to 365 total days of payments shall be made to the emergency caregiver through the Emergency Assistance Program. For the purpose of this subdivision, "total days of payments" includes all payments made to the emergency caregiver through the Emergency Assistance Program pursuant to this section and Section 11461.35, as that section read on June 30, 2018.

(ii) The county shall be solely responsible for the nonfederal share of cost.

(C) Notwithstanding subparagraphs (A) and (B), payments required to be provided pursuant to subdivision (b) shall not be eligible for the federal or state share of cost upon approval or denial of the resource family application, consistent with subdivision (g), beyond 180 days, or, if the conditions of subparagraph (D) are met, beyond 365 days, whichever occurs first.

(D) The federal and state share of payment made pursuant to this subdivision shall be available beyond 180 total days of payments, and up to 365 total days of payments, when the following conditions are met:

(i) On a monthly basis, the county has documented good cause for the delay in approving the resource family application that is outside the direct control of the county, which may include delays in processing background check clearances or exemptions, medical examinations, or delays that are based on the needs of the family.

(ii) On a monthly basis, the deputy director or director of the county child welfare department, or their designee, has been notified of the delay in approving the resource family application and that notification is documented in the resource family approval file.

(iii) On a monthly basis, the county provides to the department a list of the resource family applications that have been pending for more than 90 days, the number of cases that have received more than 90 total days of payments pursuant to this section and Section 11461.35, and the reason for the delays in approval or denial of the resource family applications.

(g) (1) If the application for resource family approval is approved, the funding source for the placement shall be changed to AFDC-FC or the Approved Relative Caregiver Funding Program, as appropriate and consistent with existing eligibility requirements.

(2) If the application for resource family approval is denied, eligibility for funding pursuant to this section shall be terminated.

(h) A county shall not be liable for any federal disallowance or penalty imposed on the state as a result of a county's action in reliance on the state's instruction related to implementation of this section.

(i) (1) For the 2018–19 and 2019–20 fiscal years, the department shall determine, on a county-by-county basis, whether the timeframe for the resource family approval process resulted in net assistance costs or net assistance savings for assistance payments, pursuant to this section.

(2) For the 2018–19 and 2019–20 fiscal years, the department shall also consider, on a county-by-county basis, the impact to the receipt of federal Title IV-E funding that may result from implementation of this section.

(3) The department shall work with the California State Association of Counties to jointly determine the timeframe for subsequent reviews of county costs and savings beyond the 2019–20 fiscal year.

(j) (1) The department shall monitor the implementation of this section, including, but not limited to, tracking the usage and duration of Emergency Assistance Program payments made pursuant to this section and evaluating the duration of time a child or nonminor dependent is in a home pending resource family approval. The department may conduct county reviews or case reviews, or both, to monitor the implementation of this section and to ensure successful implementation of the county plan,

submitted pursuant to subparagraph (B) of paragraph (2) of subdivision (e) of Section 11461.35, to eliminate any resource family approval backlog by September 1, 2018.

(2) The department may request information or data necessary to oversee the implementation of this section until data collection is available through automation. Pending the completion of automation, information or data collected manually shall be determined in consultation with the County Welfare Directors Association of California.

(k) An appropriation shall not be made pursuant to Section 15200 for purposes of implementing this section.

(l) (1) On and after July 1, 2019, each county shall provide a payment equivalent to the resource family basic level rate of the home-based family care rate structure, pursuant to Section 11463, on behalf of an Indian child, as defined in subdivision (a) of Section 224.1, placed in the home of the caregiver who is pending approval as a tribally approved home, as defined in subdivision (r) of Section 224.1, if all of the following criteria are met:

(A) The placement is made pursuant to subdivision (d) of Section 309 or Section 361.45.

(B) The caregiver has been assessed pursuant to Section 361.4.

(C) The child is not otherwise eligible for AFDC-FC or the Approved Relative Caregiver Funding Program, pursuant to Section 11461.3, while placed in the home of the caregiver.

(D) The child resides in California.

(E) The tribe or tribal agency has initiated the process for the home to become tribally approved.

(F) An application for the Emergency Assistance Program has been completed by the placing agency.

(2) The beginning date of aid for payments made pursuant to this subdivision shall be the date of placement.

(3) The funding source for the placement shall be changed to AFDC-FC or the Approved Relative Caregiver Funding Program, as appropriate and consistent with existing eligibility requirements, when the caregiver is approved as a tribally approved home. If the approval is denied, payments made pursuant to this subdivision shall cease.

(4) Subdivision (e) and subdivisions (h) to (k), inclusive, shall apply to payments made pursuant to this subdivision.

(m) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement and administer this section through an all-county letter or similar instructions, which shall include instructions regarding the eligibility standards for emergency assistance until regulations are adopted.

**SEC. 63.** Section 11462.001 of the Welfare and Institutions Code is amended to read:

**11462.001.** (a) (1) Foster care providers licensed as group homes, as defined in departmental regulations, including public child care institutions, as defined in Section 11402.5, shall have rates established by classifying each group home program and applying the standardized schedule of rates. The department shall collect information from group providers in order to classify each group home program.

(2) Notwithstanding paragraph (1), foster care providers licensed as group homes shall have rates established only if the group home is organized and operated on a nonprofit basis as required under subdivision (h) of Section 11400. The department shall terminate the rate of any group home not organized and operated on a nonprofit basis, as required under subdivision (h) of Section 11400.

(3) (A) The department shall determine, consistent with the requirements of this chapter and other relevant requirements under law, the rate classification level (RCL) for each group home program on a biennial basis. Submission of the biennial rate application shall be made according to a schedule determined by the department.

(B) The department shall adopt regulations to implement this paragraph. The adoption, amendment, repeal, or readoption of a regulation authorized by this paragraph is deemed to be necessary for the immediate preservation of the public peace, health and safety, or general welfare, for purposes of Sections 11346.1 and 11349.6 of the Government Code, and the department is hereby exempted from the requirement to describe specific facts showing the need for immediate action.

(b) A group home program shall be initially classified, for purposes of emergency regulations, according to the level of care and services to be provided using a point system developed by the department and described in the report, “The Classification of Group Home Programs under the Standardized Schedule of Rates System,” prepared by the State Department of Social Services, August 30, 1989.

(c) The rate for each RCL has been determined by the department with data from the AFDC-FC Group Home Rate Classification Pilot Study.

(d) As used in this section, “standardized schedule of rates” means a listing of the 14 rate classification levels, and the single rate established for each RCL.

(e) Except as specified in paragraph (1), the department shall determine the RCL for each group home program on a prospective basis, according to the level of care and services that the group home operator projects will be provided during the period of time for which the rate is being established.

(1) (A) (i) For new and existing providers requesting the establishment of an RCL, and for existing group home programs requesting an RCL increase, the department shall determine the RCL no later than 13 months after the effective date of the provisional rate. The determination of the RCL shall be based on a program audit of documentation and other information that verifies the level of care and supervision provided by the group home program during a period of the two full calendar months or 60 consecutive days, whichever is longer, preceding the date of the program audit, unless the group home program requests a lower RCL. The program audit shall not cover the first six months of operation under the provisional rate.

(ii) For audit purposes, if the group home program serves a mixture of AFDC-FC eligible and ineligible children, the weighted hours for child care and social work services provided and the capacity of the group home shall be adjusted by the ratio of AFDC-FC eligible children to all children in placement.

(iii) Pending the department’s issuance of the program audit report that determines the RCL for the group home program, the group home program shall be eligible to receive a provisional rate that shall be based on the level of care and service that the group home program proposes it will provide. The group home program shall be eligible to receive only the RCL determined by the department during the pendency of any appeal of the department’s RCL determination.

(B) A group home program may apply for an increase in its RCL no earlier than two years from the date the department has determined the group home program’s rate, unless the host county, the primary placing county, or a regional consortium of counties submits to the department in writing that the program is needed in that county, that the provider is capable of effectively and efficiently operating the proposed program, and that the provider is willing and able to accept AFDC-FC children for placement who are determined by the placing agency to need the level of care and services that will be provided by the program.

(C) To ensure efficient administration of the department’s audit responsibilities, and to avoid the fraudulent creation of records, group home programs shall make records that are relevant to the RCL determination available to the department in a timely manner. Except as provided in this section, the department may refuse to consider, for purposes of determining the rate, any documents that are relevant to the determination of the RCL that are not made available by the group home provider by the date the group home provider requests a hearing on the department’s RCL determination. The department may refuse to consider, for purposes of determining the rate, the following records, unless the group home provider makes the records available to the department during the fieldwork portion of the department’s program audit:

(i) Records of each employee’s full name, home address, occupation, and social security number.

(ii) Time records showing when the employee begins and ends each work period, meal periods, split shift intervals, and total daily hours worked.

(iii) Total wages paid each payroll period.

(iv) Records required to be maintained by licensed group home providers under Title 22 of the California Code of Regulations that are relevant to the RCL determination.

(D) To minimize financial abuse in the startup of group home programs, when the department’s RCL determination is more than three levels lower than the RCL level proposed by the group home provider, and the group home provider does not appeal the department’s RCL determination, the department shall terminate the rate of a group home program 45 days after issuance of its program audit report. When the group home provider requests a hearing on the department’s RCL determination, and the RCL determined by the director under subparagraph (E) is more than three levels lower than the RCL level proposed by the group home provider, the department shall terminate the rate of a group home program within 30 days of issuance of the director’s decision. Notwithstanding the reapplication provisions in subparagraph (B), the department shall deny any request for a new or increased RCL from a group home provider whose RCL is terminated pursuant to this subparagraph, for a period of no greater than two years from the effective date of the RCL termination.

(E) A group home provider may request a hearing of the department’s RCL determination under subparagraph (A) no later than 30 days after the date the department issues its RCL determination. The department’s RCL determination shall be final

if the group home provider does not request a hearing within the prescribed time. Within 60 days of receipt of the request for hearing, the department shall conduct a hearing on the RCL determination. The standard of proof shall be the preponderance of the evidence and the burden of proof shall be on the department. The hearing officer shall issue the proposed decision within 45 days of the close of the evidentiary record. The director shall adopt, reject, or modify the proposed decision, or refer the matter back to the hearing officer for additional evidence or findings within 100 days of issuance of the proposed decision. If the director takes no action on the proposed decision within the prescribed time, the proposed decision shall take effect by operation of law.

(2) Group home programs that fail to maintain at least the level of care and services associated with the RCL upon which their rate was established shall inform the department. The department shall develop regulations specifying procedures to be applied when a group home fails to maintain the level of services projected, including, but not limited to, rate reduction and recovery of overpayments.

(3) The department shall not reduce the rate, establish an overpayment, or take other actions pursuant to paragraph (2) for any period that a group home program maintains the level of care and services associated with the RCL for children actually residing in the facility. Determinations of levels of care and services shall be made in the same way as modifications of overpayments are made pursuant to paragraph (2) of subdivision (b) of Section 11466.2.

(4) A group home program that substantially changes its staffing pattern from that reported in the group home program statement shall provide notification of this change to all counties that have placed children currently in care. This notification shall be provided whether or not the RCL for the program may change as a result of the change in staffing pattern.

(f) The standardized schedule of rates pursuant to subdivisions (f) and (g) of Section 11462, as that section read on January 1, 2015, shall be implemented as follows:

(1) Any group home program that received an AFDC-FC rate in the prior fiscal year at or above the standard rate for the RCL in the current fiscal year shall continue to receive that rate.

(2) Any group home program that received an AFDC-FC rate in the prior fiscal year below the standard rate for the RCL in the current fiscal year shall receive the RCL rate for the current year.

(g) (1) The department shall not establish a rate for a new program of a new or existing provider, or for an existing program at a new location of an existing provider, unless the provider submits a letter of recommendation from the host county, the primary placing county, or a regional consortium of counties that includes all of the following:

(A) That the program is needed by that county.

(B) That the provider is capable of effectively and efficiently operating the program.

(C) That the provider is willing and able to accept AFDC-FC children for placement who are determined by the placing agency to need the level of care and services that will be provided by the program.

(D) That, if the letter of recommendation is not being issued by the host county, the primary placing county has notified the host county of its intention to issue the letter and the host county was given the opportunity of 30 days to respond to this notification and to discuss options with the primary placing county.

(2) The department shall encourage the establishment of consortia of county placing agencies on a regional basis for the purpose of making decisions and recommendations about the need for, and use of, group home programs and other foster care providers within the regions.

(3) The department shall annually conduct a county-by-county survey to determine the unmet placement needs of children placed pursuant to Section 300 and Section 601 or 602, and shall publish its findings by November 1 of each year.

(h) The department shall develop regulations specifying ratesetting procedures for program expansions, reductions, or modifications, including increases or decreases in licensed capacity, or increases or decreases in level of care or services.

(i) For the purpose of this subdivision, “program change” means any alteration to an existing group home program planned by a provider that will increase the RCL or AFDC-FC rate. An increase in the licensed capacity or other alteration to an existing group home program that does not increase the RCL or AFDC-FC rate shall not constitute a program change.

(j) General unrestricted or undesignated private charitable donations and contributions made to charitable or nonprofit organizations shall not be deducted from the cost of providing services pursuant to this section. The donations and contributions shall not be considered in any determination of maximum expenditures made by the department.

(k) This section shall only apply to a group home that has been granted an extension pursuant to the exception process described in subdivision (d) or (e) of Section 11462.04.

(l) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2021, deletes or extends that date.

**SEC. 64.** Section 11462.015 of the Welfare and Institutions Code is amended to read:

**11462.015.** (a) A group home program shall be classified at RCL 13 or RCL 14 if the program meets all of the following requirements:

(1) The group home program is providing, or has proposed to provide, the level of care and services necessary to generate sufficient points in the ratesetting process to be classified at RCL 13 if the rate application is for RCL 13 or to be classified at RCL 14 if the rate application is for RCL 14.

(2) (A) (i) The group home provider shall agree not to accept for placement into a group home program AFDC-FC funded children, including voluntary placements and children who have been assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, placed out-of-home pursuant to an individualized education program developed under Article 2 (commencing with Section 56320) of Chapter 4 of Part 30 of Division 4 of Title 2 of the Education Code, who have not been approved for placement by an interagency placement committee, as described by Section 4096.1. The approval shall be in writing and shall indicate that the interagency placement committee has determined that the child is seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, and subject to Section 1502.45 of the Health and Safety Code, and that the child needs the level of care provided by the group home.

(ii) For purposes of clause (i), group home providers who accept children who have been assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, who are assessed and placed out-of-home pursuant to an individualized education program developed under Article 2 (commencing with Section 56320) of Chapter 4 of Part 30 of Division 4 of Title 2 of the Education Code shall be deemed to have met the interagency placement committee approval for placement requirements of clause (i) if the individualized education program assessment indicates that the child has been determined to be seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, and subject to Section 1502.45 of the Health and Safety Code, and needs the level of care described in clause (i).

(B) (i) This subdivision shall not prevent the emergency placement of a child into a group home program prior to the determination by the interagency placement committee pursuant to clause (i) of subparagraph (A) if a licensed mental health professional, as defined in the department's AFDC-FC ratesetting regulations, has evaluated, in writing, the child within 72 hours of placement, and has determined the child to be seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, and in need of the care and services provided by the group home program.

(ii) The interagency placement committee shall, within 30 days of placement pursuant to clause (i), make the determination required by clause (i) of subparagraph (A).

(iii) If, pursuant to clause (ii), the placement is determined to be appropriate, the committee shall transmit the approval, in writing, to the county placing agency and the group home provider.

(iv) If, pursuant to clause (ii) the placement is determined not to be appropriate, the child shall be removed from the group home and referred to a more appropriate placement, as specified in subdivision (f).

(C) With respect to AFDC-FC funded children, only those children who are approved for placement by an interagency placement committee may be accepted by a group home under this subdivision.

(3) The group home program is certified by the State Department of Health Care Services pursuant to Section 4096.5.

(b) The department shall not establish a rate for a group home requesting a program change to RCL 13 or RCL 14 unless the group home provider submits a recommendation from the host county or the primary placing county that the program is needed and that the provider is willing and capable of operating the program at the level sought. For purposes of this subdivision, "host county," "primary placing county," and "program change" mean the same as defined in the department's AFDC-FC ratesetting regulations.

(c) The effective date of rates set at RCL 13 or RCL 14 shall be the date that all the requirements are met, but not prior to July 1 of that fiscal year. Nothing in this section shall affect RCL 13 or RCL 14 ratesetting determinations in prior years.

(d) Any group home program that has been classified at RCL 13 or RCL 14 pursuant to the requirements of subdivision (a) shall be reclassified at the appropriate lower RCL with a commensurate reduction in rate if either of the following occurs:

(1) The group home program fails to maintain the level of care and services necessary to generate the necessary number of points for RCL 13 or RCL 14, as required by paragraph (1) of subdivision (a). The determination of points shall be made consistent with the department's AFDC-FC ratesetting regulations for other rate classification levels.

(2) The group home program fails to maintain a certified mental health treatment program as required by paragraph (3) of subdivision (a).

(3) In the event of a determination under paragraph (1), the group home may appeal the finding or submit a corrective action plan. The appeal process specified in Section 11466.6 shall be available to RCL 13 and RCL 14 group home providers. During any appeal, the group home shall maintain the appropriate level of care.

(e) The interagency placement committee shall periodically review, but no less often than that required by current law, the placement of the child. If the committee determines that the child no longer needs, or is not benefiting from, placement in a RCL 13 or RCL 14 group home, the committee shall require the removal of the child and a new disposition.

(f) (1) (A) If, at any time subsequent to placement in an RCL 13 or RCL 14 group home program, the interagency placement committee determines either that the child is not seriously emotionally disturbed or is not in need of the care and services provided by the group home program, it shall notify, in writing, both the county placing agency and the group home provider within 10 days of the determination.

(B) The county placing agency shall notify the group home provider, in writing, within five days from the date of the notice from the committee, of the county's plan for removal of the child.

(C) The county placing agency shall remove the child from the group home program within 30 days from the date of the notice from the interagency placement committee.

(2) (A) If a county placing agency does not remove a child within 30 days from the date of the notice from the interagency placement committee, the group home provider shall notify the interagency placement committee and the department, in writing, of the county's failure to remove the child from the group home program.

(B) The group home provider shall make the notification required by subparagraph (A) within five days of the expiration of the 30-day removal period. If notification is made, a group home provider shall not be subject to an overpayment determination due to failure of the county placing agency to remove the child.

(3) Any county placing agency that fails to remove a child from a group home program under this paragraph within 30 days from the date of the notice from the interagency placement committee shall be assessed a penalty in the amount of the state and federal financial participation in the AFDC-FC rate paid on behalf of the child commencing on the 31st day and continuing until the child is removed.

(g) (1) If any RCL 13 or RCL 14 group home provider discovers that it does not have written approval for placement of any AFDC-FC funded child from the interagency placement committee, it shall notify the county placing agency, in writing, and shall request the county to obtain approval from the interagency placement committee or remove the child from the group home program. A group home provider shall have 30 days from the child's first day of placement to discover the placement error and to notify the county placing agency.

(2) Any county placing agency that receives notification pursuant to paragraph (2) of subdivision (f) shall obtain approval for placement from the interagency placement committee or remove the child from the group home program within 30 days from the date of the notice from the group home provider. The program shall not be reclassified to a lower RCL for a violation of the provisions referred to in this paragraph.

(3) (A) If a county placing agency does not have the placement of a child approved by the interagency placement committee or removed from the group home within 30 days from the date of the notice from the group home provider, the group home provider shall notify the county placing agency and the department, in writing, of the county's failure to have the placement of the child approved or remove the child from the group home program.

(B) The group home provider shall make the notification required by subparagraph (A) within five days after the expiration of the 30-day approval or removal period. If notification is made, a group home provider shall not be subject to an overpayment determination due to failure of the county placing agency to remove the child.

(C) Any group home provider that fails to notify the county placing agency pursuant to subparagraph (A) shall be assessed a penalty in the amount of the AFDC-FC rate paid to the group home provider on behalf of the child commencing on the 31st day of placement and continuing until the county placing agency is notified.

(4) Any county placing agency that fails to have the placement of a child approved or to have the child removed from the group home program within 30 days shall be assessed a penalty in the amount of the state and federal financial participation in the AFDC-FC rate paid on behalf of the child commencing on the 31st day of placement and continuing until the child is removed.

(h) The department shall develop regulations to obtain payment of assessed penalties as provided in this section. For audit purposes and the application of penalties for RCL 13 and RCL 14 programs, the department shall apply statutory provisions that were in effect during the period for which the audit was conducted.

(i) (1) This subdivision does not prohibit a group home classified at RCL 13 or RCL 14 for purposes of the AFDC-FC program, from accepting private placements of children.

(2) When a referral is not from a public agency and no public funding is involved, there shall be no requirement for public agency review or determination of need.

(3) Children subject to paragraphs (1) and (2) shall have been assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, and subject to Section 1502.45 of the Health and Safety Code, by a licensed mental health professional, as defined in subdivision (g) of Section 4096.

(j) A child shall not be placed in a group home program classified at an RCL 13 or RCL 14 if the placement is paid for with county-only funds unless the child is assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, and subject to Section 1502.45 of the Health and Safety Code, by a licensed mental health professional, as defined in subdivision (g) of Section 4096.

(k) This section shall only apply to a group home that has been granted an extension pursuant to the exception process described in subdivision (d) or (e) of Section 11462.04.

(l) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2021, deletes or extends that date.

**SEC. 65.** Section 11462.021 of the Welfare and Institutions Code is amended to read:

**11462.021.** (a) Notwithstanding paragraph (2) of subdivision (a) of Section 11462, a foster care provider licensed as a group home also may have a rate established if the group home is operated by the County of San Mateo, as provided by subdivision (h) of Section 11400.

(b) This section shall only apply to a group home that has been granted an extension pursuant to the exception process described in subdivision (d) or (e) of Section 11462.04.

(c) This section shall remain in effect only until January 1, 2021, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2021, deletes or extends that date.

**SEC. 66.** Section 11462.04 of the Welfare and Institutions Code is amended to read:

**11462.04.** (a) Notwithstanding any other law, commencing January 1, 2017, no new group home rate or change to an existing rate shall be established pursuant to the Rate Classification Level (RCL) system.

(b) Notwithstanding subdivision (a), the department may grant an exception as appropriate, on a case-by-case basis, when a written request and supporting documentation are provided by a county placing agency, including a county welfare or probation director, that absent the granting of that exception, there is a material risk to the welfare of children due to an inadequate supply of appropriate alternative placement options to meet the needs of children.

(c) For group homes being paid under the RCL system, and those granted an exception pursuant to paragraph (b), group home rates shall terminate on December 31, 2016, unless granted an extension under the exception process in subdivision (d) or (e).

(d) A group home may request an exception to extend its rate as follows:

(1) The department may grant an extension for up to two years, through December 31, 2018, except as provided in paragraph (2), on a case-by-case basis, when a written request and supporting documentation are provided by a county placing agency, including a county welfare or probation director, that absent the granting of that exception, there is a material risk to the welfare of children due to an inadequate supply of appropriate alternative placement options to meet the needs of children. The exception may include time to meet the program accreditation requirement or the mental health certification requirement.

(A) The department may grant an additional extension to a group home beyond December 31, 2018, upon a county child welfare agency submitting a written request on behalf of a provider and providing documentation in a format to be determined by the department pursuant to subparagraph (B). If granted, the extension requests shall be provided in

increments up to six months and may be renewed by the department if the documentation is provided. Extensions granted pursuant to this subparagraph shall not exceed a total of 12 months.

(B) In order to be eligible to maintain placement of placed foster youth in a group home receiving an extension pursuant to subparagraph (A), the county child welfare agency, in partnership with the county mental health plan, shall submit a plan to the department by August 15, 2018. This plan shall do all of the following:

(i) Describe the agency's plan to transition all foster youth under the jurisdiction of the county residing in group homes into a home-based placement, or, if determined by the interagency placement committee, to a licensed short-term residential therapeutic program (STRTP) within the extension period.

(ii) Address the need, availability, and capacity of STRTPs and other therapeutic placement options for the youth under the jurisdiction of the county and document prior and ongoing efforts taken to solicit or develop needed STRTP capacity.

(iii) Develop and document child specific transition plans that include a description of all of the following:

(I) Intensive family finding and engagement for every child lacking an identified home-based caregiver, including those youth identified for STRTP transition.

(II) Child and family team-driven case plans that identify and respond to barriers to home-based placement.

(III) Documentation of the trauma-informed and permanency-competent specialty mental health services to be provided, including wraparound, collateral, intensive care coordination and intensive home-based services, and therapeutic behavioral services.

(iv) Document efforts to expand or establish intensive services foster care, therapeutic foster care programs, and other home-based services that provide timely access to trauma-informed care, in conjunction with the county behavioral health department.

(v) Detail any barriers to achieving the goals in clauses (i) to (iv), inclusive, that have led the county to support the extension.

(vi) Identify any additional solutions to the barriers that are not addressed in the efforts identified in clauses (i) to (iv), inclusive, which may include needed action from partner agencies such as county boards of supervisors, county behavioral health directors, the department, the State Department of Health Care Services, STRTPs, foster family agencies, or other local agencies, including, but not limited to, regional centers and special education agencies, that would aid the county child welfare agency in delivering appropriate services to foster youth.

(C) The department shall require a provider on whose behalf an extension is being sought pursuant to subparagraph (A) to document the provider's efforts to convert to a STRTP, foster family agency, or other service provider.

(2) Pursuant to Section 11462.041, after the expiration of the extension afforded in paragraph (1), the department may grant an additional extension to a group home beyond December 31, 2018, upon a provider submitting a written request and the county probation department providing documentation stating that absent the granting of that extension, there is a significant risk to the safety of the youth or the public, due to an inadequate supply of short-term residential therapeutic programs or resource families necessary to meet the needs of probation youth. The extension granted to any provider through this section may be reviewed annually by the department if concerns arise regarding that provider's facility. Pursuant to subdivision (e) of Section 11462.041, the final report submitted to the Legislature shall address whether or not the extensions are still necessary.

(3) The exception shall allow the provider to continue to receive the rate under the prior ratesetting system.

(4) A provider granted an extension pursuant to this section shall continue to operate and be governed by the applicable laws and regulations that were operative on December 31, 2016.

(5) If the exception request granted pursuant to this subdivision is not made by the host county, the placing county shall notify and provide a copy to the host county.

(e) (1) It is the intent of the Legislature to ensure that foster youth with more intensive needs receive timely access to services and supports that will reduce the use of, and the length of stay in, congregate care settings, while acknowledging that the ultimate goal for these youth is placement in a home-based setting that will lead to permanency. It is also the intent of the Legislature to acknowledge that continued development of home-based intensive services capacity is necessary to reduce the use of congregate care, and that state and county agencies and foster care providers must work together during the extension period described in this section to address the barriers to building the needed capacity to serve foster youth in a variety of high-quality settings.

(2) The department may grant an extension to a group home beyond December 31, 2019, and until December 31, 2020, upon a county child welfare agency submitting a written request on behalf of a provider that includes an update to any previously submitted documentation described in subdivision (d). In order to be eligible to maintain placement of placed foster youth in a group home receiving an extension pursuant to this subdivision, the county child welfare agency and the county mental health plan shall submit a collaborative plan to the department and the State Department of Health Care Services by December 15, 2019. The plan shall do all of the following:

(A) Update the child-specific transition plans previously submitted pursuant to clause (iii) of subparagraph (B) of paragraph (1) of subdivision (d), or provide new child-specific transition plans, if not previously submitted, for any foster youth who remains in a group home that is currently transitioning to STRTP licensure and for any foster child who remains in a group home that is not transitioning to STRTP licensure, as evidenced by the department not having received a STRTP program statement or having been denied licensure as an STRTP. The updated or new child-specific transition plans shall include the following:

(i) Verification that family finding activities were previously attempted on behalf of the child and a description of family finding activities currently underway, or other activities to connect the child to caring adults outside of the congregate care setting who can provide emotional support to the child.

(ii) A summary of child and family team meetings and case plan efforts to address the child's strengths and needs, as informed by the Child and Adolescent Needs and Strengths (CANS) assessment, and any planned activities to support the child's transition to another appropriate placement.

(iii) A summary of the specialty mental health services planned or provided to the child to support the case plan goals, as informed by the CANS assessment and the child and family team.

(B) Based on an analysis by the department, in consultation with the county child welfare agencies and behavioral health agencies, update and validate the needed congregate care capacity and capacity of intensive, home-based services as an alternative to congregate care and existing or planned contracts with congregate care or family-based providers.

(C) Identify any existing or planned contracts or efforts to directly provide or contract for intensive family finding and child-specific recruitment for children in congregate care or other family-based settings.

(D) Identify any existing or planned specialty mental health services targeted to address the mental health service needs of a foster child transitioning from congregate care to permanency or other family-based care setting and any gaps that remain. For children residing in group homes who require the level of care provided by an STRTP, as determined by an interagency placement committee, or who are placed into an STRTP without a mental health contract, provide a description of the specialty mental health services arranged for by the county mental health plan to address the mental health service needs of children placed into the facilities.

(3) A county that did not submit a request and plan for extension pursuant to subparagraph (B) of paragraph (1) of subdivision (d), may submit a request for an extension pursuant to this subdivision, but the county shall also submit the information required pursuant to paragraph (2) of subdivision (d).

(4) The department, the State Department of Health Care Services, the County Welfare Directors Association of California, the County Behavioral Health Directors Association of California, the Chief Probation Officers of California, the California Alliance of Child and Family Services, and other stakeholders, shall meet to develop a collaborative plan to address barriers to building high-quality services in residential treatment programs and in family-based settings, including, but not limited to, all of the following:

(A) Developing technical assistance to support youth who have more intensive service needs to prevent placement disruptions and out-of-state placements and support transitions to relative-based care or other family-based care.

(B) Identifying ways to increase intensive family-based home capacity to support foster youth transitioning from congregate care and to prevent congregate care placement.

(C) Identifying systemic improvements and technical assistance options to assist providers in navigating processes, such as STRTP licensure, mental health plan approval, Medi-Cal billing, Medi-Cal certification, implementing trauma-informed programming and services, and transitioning to other facility types and services.

(D) Evaluating the timing of STRTP licensure, accreditation, mental health plan approval, and Medi-Cal certification processes to facilitate the conversion of quality group homes into licensed STRTPs and make recommendations regarding adjustments to those timelines.

(f) (1) The extended rate granted pursuant to either paragraph (1) or (2) of subdivision (d) or subdivision (e) shall be provisional and subject to terms and conditions set by the department during the provisional period.

(2) Consistent with Section 11466.01, for provisional rates, the following shall be established:

(A) Terms and conditions, including the duration of the provisional rate.

(B) An administrative review process for provisional rate determinations, including denials, reductions, and terminations.

(C) An administrative review process that includes a departmental review, corrective action, and a protest with the department. Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), this process shall be disseminated by written directive pending the promulgation of regulations.

(g) Upon termination of an existing group home rate under the RCL system, a new rate shall not be paid until an application is approved and a rate is granted by the department pursuant to Section 11462 as a short-term residential therapeutic program or, effective January 1, 2017, the rate set pursuant to Section 11463 as a foster family agency.

(h) The department shall, in the development of the new rate structures, consider and provide for placement of all children who are displaced as a result of reclassification of treatment facilities.

(i) Notwithstanding the provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement this section through all-county letters.

**SEC. 67.** Section 11463 of the Welfare and Institutions Code is amended to read:

**11463.** (a) The department shall commence development of a new payment structure for the Title IV-E funded foster family agency placement option that maximizes federal funding, in consultation with county placing agencies.

(b) The department shall develop a payment system for foster family agencies that provide treatment, intensive treatment, and therapeutic foster care programs, and shall consider all of the following factors:

(1) Administrative activities that are eligible for federal financial participation provided, at the request of the county, for and to county-licensed or approved family homes and resource families, intensive case management and supervision, and services to achieve legal permanency or successful transition to adulthood.

(2) Social work activities that are eligible for federal financial participation under Title IV-E (42 U.S.C. Sec. 670 et seq.) of the federal Social Security Act.

(3) Social work and mental health services eligible for federal financial participation under Title XIX (42 U.S.C. Sec. 1396 et seq.) of the federal Social Security Act.

(4) Intensive treatment or therapeutic services in the foster family agency.

(5) Core services that are made available to children and nonminor dependents either directly or secured through agreements with other agencies, and which are trauma informed, culturally relevant, and include any of the following:

(A) Specialty mental health services for children who meet medical necessity criteria for specialty mental health services, as provided for in Section 1830.205 or 1830.210 of Title 9 of the California Code of Regulations.

(B) Transition support services for children, youth, and families upon initial entry and placement changes and for families who assume permanency through reunification, adoption, or guardianship.

(C) Educational, physical, behavioral, and mental health supports, including extracurricular activities and social supports.

(D) Activities designed to support transition-age youth and nonminor dependents in achieving a successful adulthood.

(E) Services to achieve permanency, including supporting efforts to reunify or achieve adoption or guardianship and efforts to maintain or establish relationships with parents, siblings, extended family members, tribes, or others important to the child or youth, as appropriate.

(F) When serving Indian children, as defined in subdivisions (a) and (b) of Section 224.1, the core services specified in subparagraphs (A) to (E), inclusive, shall be provided to eligible Indian children consistent with active efforts pursuant to Section 361.7.

(G) The core services specified in subparagraphs (A) to (F), inclusive, are not intended to duplicate services already available to foster children in the community, but to support access to those services and supports to the extent already

available. Those services and supports may include, but are not limited to, foster youth services available through county offices of education, Indian Health Services, and school-based extracurricular activities.

(6) Staff training.

(7) Health and Safety Code requirements.

(8) A process for accreditation that includes all of the following:

(A) Provision for all licensed foster family agencies to maintain in good standing accreditation from a nationally recognized accreditation agency with expertise in programs for youth group care facilities, as determined by the department.

(B) Promulgation by the department of information identifying the agency or agencies from which accreditation shall be required.

(C) Provision for timely reporting to the department of any change in accreditation status.

(9) Mental health certification, including a requirement to timely report to the department any change in mental health certificate status.

(10) Populations served, including, but not limited to, any of the following:

(A) (i) Children and youth assessed as seriously emotionally disturbed, as described in subdivision (a) of Section 5600.3, including those children and youth placed out-of-home pursuant to an individualized education program developed under Article 2 (commencing with Section 56320) of Chapter 4 of Part 30 of Division 4 of Title 2 of the Education Code.

(ii) Children assessed as meeting the medical necessity criteria for specialty mental health services, as provided for in Section 1830.205 or 1830.210 of Title 9 of the California Code of Regulations.

(B) AFDC-FC children and youth receiving intensive and therapeutic treatment services in a foster family agency.

(C) AFDC-FC children and youth receiving mental health treatment services from a foster family agency.

(11) Maximization of federal financial participation for Title IV-E (42 U.S.C. Sec. 670 et seq.) and Title XIX (42 U.S.C. Sec. 1396 et. seq.) of the federal Social Security Act.

(c) Commencing January 1, 2017, the department shall establish rates pursuant to subdivisions (a) and (b). The rate structure shall include an interim rate, a provisional rate for new foster family agency programs, and a probationary rate. The department may issue a one-time reimbursement for accreditation fees incurred after August 1, 2016, in an amount and manner determined by the department in written directives.

(1) (A) Initial interim rates developed pursuant to this section shall be effective January 1, 2017, through December 31, 2019.

(B) The initial interim rates developed pursuant to this paragraph shall not be lower than the rates proposed as part of the Governor’s 2016 May Revision.

(C) The initial interim rates set forth in written directives or regulations pursuant to paragraph (4) shall become inoperative on January 1, 2020, unless a later enacted statute, that becomes operative on or before January 1, 2020, deletes or extends the dates on which they become inoperative.

(D) It is the intent of the Legislature to establish an ongoing payment structure no later than January 1, 2020.

(2) Consistent with Section 11466.01, for provisional and probationary rates, all of the following shall be established:

(A) Terms and conditions, including the duration of the rate.

(B) An administrative review process for the rate determinations, including denials, reductions, and terminations.

(C) An administrative review process that includes a departmental review, corrective action, and an appeal with the department. Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), this process shall be disseminated by written directive pending the promulgation of regulations.

(3) (A) (i) The foster family agency rate shall include a basic rate pursuant to paragraph (4) of subdivision (g) of Section 11461. A child or youth placed in a certified family home or with a resource family of a foster family agency is eligible for the basic rate, which shall be passed on to the certified parent or resource family along with annual increases in accordance with paragraph (2) of subdivision (g) of Section 11461.

(ii) A certified family home of a foster family agency shall be paid the basic rate as set forth in this paragraph only through December 31, 2020.

(B) The basic rate paid to either a certified family home or a resource family of a foster family agency shall be paid by the agency to the home from the rate that is paid to the agency pursuant to this section.

(C) In addition to the basic rate described in this paragraph, the department shall develop foster family agency rates that consider specialized programs to serve children with specific needs, including, but not limited to, all of the following:

(i) Intensive treatment and behavioral needs, including those currently being served under intensive treatment foster care.

(ii) Specialized health care needs.

(4) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the foster family agency rates, and the manner in which they are determined, shall be set forth in written directives until regulations are adopted.

(d) The department shall develop a system of governmental monitoring and oversight that shall be carried out in coordination with the State Department of Health Care Services. Oversight responsibilities shall include, but not be limited to, ensuring conformity with federal and state law, including program, fiscal, and health and safety reviews. The state agencies shall attempt to minimize duplicative audits and reviews to reduce the administrative burden on providers.

(e) The department shall consider the impact on children and youth being transitioned to alternate programs as a result of the new ratesetting system.

(f) (1) Commencing July 1, 2019, the rates paid to foster family agencies shall, except for the rate paid to a certified family home or resource family agency pursuant to clause (i) of subparagraph (A) of paragraph (3) of subdivision (c), be 4.15 percent higher than the rates paid to foster family agencies in the 2018–19 fiscal year.

(2) (A) The rate increase described in paragraph (1) shall be suspended on December 31, 2021, unless subparagraph (B) applies.

(B) If, in the determination of the Department of Finance, the estimates of General Fund revenues and expenditures determined pursuant to Section 12.5 of Article IV of the California Constitution that accompany the May Revision required to be released by May 14, 2021, pursuant to Section 13308 of the Government Code, contain projected annual General Fund revenues that exceed projected annual General Fund expenditures in the 2021–22 and 2022–23 fiscal years by the sum total of General Fund moneys appropriated for all programs subject to suspension on December 31, 2021, pursuant to the Budget Act of 2019 and the bills providing for appropriations related to the Budget Act of 2019 within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, then the implementation of the rate increase described in this subdivision shall not be suspended pursuant to subparagraph (A).

(C) If subparagraph (A) applies, it is the intent of the Legislature to consider alternative solutions to facilitate the continued implementation of the rate increase described in paragraph (1).

**SEC. 68.** Section 11465.5 of the Welfare and Institutions Code is repealed.

**SEC. 69.** Section 11466 of the Welfare and Institutions Code is amended to read:

**11466.** For purposes of this section to Section 11469.3, inclusive, the following definitions apply:

(a) “Provider” shall mean a group home, short-term residential therapeutic program, a foster family agency, and similar foster care business entities.

(b) “Audit determination” has the same meaning as “audit finding.”

(c) “Financial audit” means an audit conducted by a qualified, independent certified public accountant with an audit designation engaged by the provider and submitted to the department for review.

(d) “Fiscal audit” means an audit conducted by the department pursuant to Part 200 (commencing with Section 200.0) of Chapter II of Subtitle A of Title 2 of the Code of Federal Regulations, as implemented by the United States Department of Health and Human Services in Part 75 (commencing with Section 75.1) of Subchapter A of Subtitle A of Title 45 of the Code of Federal Regulations, including uniform administrative requirements, cost principles, and audit requirements, as specifically implemented in Section 75.106 of Title 45 of the Code of Federal Regulations.

(e) “Performance audit” means an audit conducted by the department to assess provider compliance with performance standards and outcome measures as set forth in Sections 11469, 11469.1, 11469.2, and 11469.3.

(f) (1) “Program audit” means an audit conducted by the department of ongoing provider programs to determine whether the program is providing the level of services and maintaining the documentation to support the paid rate.

(2) For group home providers that have been granted an extension of their rate classification level pursuant to subdivision (d) or (e) of Section 11462.04, “program audit” means an audit to determine whether the group home is providing the level of services to support the paid rate classification level.

**SEC. 70.** Section 11466.01 of the Welfare and Institutions Code is amended to read:

**11466.01.** (a) Commencing January 1, 2017, a provisional rate shall be set for all of the following:

(1) A provider that is granted an extension pursuant to paragraph (1) of subdivision (d) of Section 11462.04.

(2) A provider that is granted an extension pursuant to paragraph (2) of subdivision (d) of Section 11462.04.

(3) A foster family agency licensed on or before January 1, 2017, upon submission of a program statement pursuant to Section 1506.1 of the Health and Safety Code.

(4) A new short-term residential therapeutic program provider.

(5) A new foster family agency provider.

(6) A provider that is granted an extension pursuant to subdivision (e) of Section 11462.04.

(b) The provisional rate shall be subject to terms and conditions, including the duration of the provisional period, set by the department.

(1) For a provider described in paragraph (1) or (3) of subdivision (a), a provisional rate may be granted for a period that is not extended beyond December 31, 2019.

(2) For a provider described in paragraph (2) of subdivision (a), a provisional rate may be granted and may be reviewed on an annual basis, pursuant to paragraph (2) of subdivision (d) of Section 11462.04.

(3) For a provider described in paragraph (4) or (5) of subdivision (a), a provisional rate may be granted for a period of up to 24 months from the date the provider’s license was issued.

(4) For a provider described in paragraph (3) or (6) of subdivision (a), a provisional rate may be granted for a period that is not extended beyond December 31, 2020.

(c) In determining whether to grant, and upon what conditions to grant, a provisional rate, the department shall consider factors including all of the following:

(1) Any prior extension granted pursuant to Section 11462.04 or 11462.041.

(2) Any licensing history for any license with which the program, or its directors or officers, have been associated.

(3) Any financial, fiscal, or compliance audit history with which the program, or its directors or officers, have been associated.

(4) Outstanding civil penalties or overpayments with which the program, or its directors or officers, have been associated.

(5) Any violations of state or federal law.

(d) In determining whether to continue, and upon what conditions to continue, a provisional rate, the department shall consider those factors specified in subdivision (c), as well as compliance with the terms, conditions, and requirements during the provisional period.

(e) In determining whether, at the end of the provisional rate period or thereafter, to grant a rate and whether to impose or continue, and upon what conditions to impose or continue, a probationary rate the department shall consider the factors specified in subdivision (c).

(f) The department shall establish an administrative review process for determinations, including denial, rate reduction, probation, and termination of the provisional and probationary rates. This process shall include a departmental review, corrective action, and a protest with the department. Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5

(commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), this process shall be disseminated by written directive pending the promulgation of regulations.

(g) (1) (A) For the purposes of this section, a “provisional rate” is a prospective rate given to a provider described in subdivision (a) based on an assurance to perform in accordance with terms and conditions attached to the granting of the provisional rate.

(B) For the purposes of this section, a “probationary rate” is a rate upon which limitations and conditions are imposed as a result of violations of terms, conditions, or state or federal law, including those set forth in subdivisions (c) and (d).

(2) (A) At the conclusion of a provisional rate, a probationary rate may be imposed, at the discretion of the department, if additional oversight is deemed necessary based on the provider’s performance during the provisional rate period.

(B) At any time, a rate may become a probationary rate if additional oversight is deemed necessary based on the provider’s performance in accordance with terms and conditions attached to the granting or maintenance of its rate.

(C) A probationary rate may be accompanied by a rate reduction.

**SEC. 71.** Section 11467 of the Welfare and Institutions Code is amended to read:

**11467.** (a) The State Department of Social Services, with the advice and assistance of the County Welfare Directors Association of California, the Chief Probation Officers of California, the County Behavioral Health Directors Association of California, research entities, foster youth and advocates for foster youth, foster care provider business entities organized and operated on a nonprofit basis, tribes, and other stakeholders, shall establish a working group to develop performance standards and outcome measures for providers of out-of-home care placements made under the AFDC-FC program, including, but not limited to, foster family agency, group home, short-term residential therapeutic program, and THP-Plus providers, and for the effective and efficient administration of the AFDC-FC program.

(b) (1) The performance standards and outcome measures shall employ the applicable performance standards and outcome measures as set forth in Sections 11469 to 11469.3, inclusive, designed to identify the degree to which foster care providers, including business entities organized and operated on a nonprofit basis, are providing out-of-home placement services that meet the needs of foster children, and the degree to which these services are supporting improved outcomes, including those identified by the California Child and Family Service Review System.

(2) Providers shall maintain, for licensing, ratesetting, and placement purposes, program statements, as required pursuant to Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code, and all applicable written directives and regulations adopted by the department.

(c) In addition to the process described in subdivision (a), the working group may also develop the following:

(1) A means of identifying the child’s strengths and needs, and determining which out-of-home placement is the most appropriate for a child.

(2) A procedure for identifying children who have been in congregate care for one year or longer, determining the reasons each child remains in congregate care, and developing a plan for each child to transition to a less restrictive, more family-like setting.

(d) The department shall provide updates regarding its progress toward meeting the requirements of this section during the 2013 and 2014 budget hearings.

(e) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), until the enactment of applicable state law, or October 1, 2015, whichever is earlier, the department may implement the changes made pursuant to this section through all-county letters, or similar instructions from the director.

(f) The department, in collaboration with the County Welfare Directors Association of California, shall track the utilization, workload, and costs associated with implementing any specific tool developed pursuant to paragraph (1) of subdivision (c).

**SEC. 72.** Section 11469 of the Welfare and Institutions Code is amended to read:

**11469.** (a) The department shall develop, following consultation with group home providers, the County Welfare Directors Association of California, the Chief Probation Officers of California, the County Behavioral Health Directors Association of California, the State Department of Health Care Services, and stakeholders, performance standards and outcome measures for determining the effectiveness of the care and supervision, as defined in subdivision (b) of Section 11460, provided by group homes under the AFDC-FC program pursuant to Sections 11460 and 11462. These standards shall be designed to measure group home program performance for the client group that the group home program is designed to serve.

(1) The performance standards and outcome measures shall be designed to measure the performance of group home programs in areas over which the programs have some degree of influence, and in other areas of measurable program performance that the department can demonstrate are areas over which group home programs have meaningful managerial or administrative influence.

(2) These standards and outcome measures shall include, but are not limited to, the effectiveness of services provided by each group home program, and the extent to which the services provided by the group home assist in obtaining the child welfare case plan objectives for achieving the desired outcomes in safety, permanency, and well-being for the child.

(3) In addition, when the group home provider has identified as part of its program for licensing, ratesetting, or county placement purposes, or has included as a part of a child's case plan by mutual agreement between the group home and the placing agency, specific mental health, education, medical, and other child-related services, the performance standards and outcome measures may also measure the effectiveness of those services.

(b) Regulations regarding the implementation of the group home performance standards system required by this section shall be adopted no later than one year prior to implementation. The regulations shall specify both the performance standards system and the manner by which the AFDC-FC rate of a group home program shall be adjusted if performance standards are not met.

(c) Except as provided in subdivision (d), effective July 1, 1995, group home performance standards shall be implemented. Any group home program not meeting the performance standards shall have its AFDC-FC rate, set pursuant to Section 11462, adjusted according to the regulations required by this section.

(d) A group home program shall be classified at rate classification level 13 or 14 only if it has been granted an extension pursuant to subdivision (d) or (e) of Section 11462.04 and all of the following are met:

(1) The program generates the requisite number of points for rate classification level 13 or 14.

(2) The program only accepts children with special treatment needs as determined through the assessment process pursuant to paragraph (2) of subdivision (a) of Section 11462.01.

(3) The program meets the performance standards designed pursuant to this section.

(e) Notwithstanding subdivision (c), the group home program performance standards system shall not be implemented prior to the implementation of the AFDC-FC performance standards system.

(f) On or before January 1, 2016, the department shall develop, following consultation with the County Welfare Directors Association of California, the Chief Probation Officers of California, the County Behavioral Health Directors Association of California, research entities, foster children, advocates for foster children, foster care provider business entities organized and operated on a nonprofit basis, Indian tribes, and other stakeholders, additional performance standards and outcome measures that require group homes to implement programs and services to minimize law enforcement contacts and delinquency petition filings arising from incidents of allegedly unlawful behavior by minors occurring in group homes or under the supervision of group home staff, including individualized behavior management programs, emergency intervention plans, and conflict resolution processes.

(g) On or before January 1, 2017, the department shall develop, following consultation with the County Welfare Directors Association of California, the Chief Probation Officers of California, the County Behavioral Health Directors Association of California, the Medical Board of California, research entities, foster children advocates for foster children, foster care provider business entities organized and operated on a nonprofit basis, Indian tribes, and other stakeholders, additional performance standards and outcome measures that require group homes and short-term residential therapeutic programs to implement alternative programs and services, including individualized behavior management programs, emergency intervention plans, and conflict resolution processes.

(h) Performance standards and outcome measures developed pursuant to this section shall apply to short-term residential therapeutic programs.

(i) The department shall develop and implement a technical assistance and support plan, in consultation with the stakeholders identified in subdivision (a), that utilizes the performance standards and outcome measures to identify and assist low performing providers.

(j) The department shall coordinate with other state agencies, and may execute agreements as necessary, to obtain data necessary to fulfill the requirements of this section.

**SEC. 73.** Section 11523.1 is added to the Welfare and Institutions Code, to read:

**11523.1.** The Legislature finds and declares all of the following:

(a) It is the intent of the Legislature to make the CalWORKs program the most effective family antipoverty program in the country. California continues to be a national leader in total caseload, provision of cash assistance, welfare-to-work services, and assistance for children. California is a national leader in improving the quality of life for CalWORKs families, including the elimination of the "maximum family grant rule," as described in subparagraph (A) of paragraph (4) of subdivision (a) of Section 11450.025, and the commitment to ending deep poverty among all CalWORKs families.

(b) Beginning in the 2019–20 fiscal year and continuing through the 2021–22 fiscal year, California embarks on the first cycle of a new CalWORKs innovation, the CalWORKs Outcome and Accountability Review (Cal-OAR) system. Cal-OAR establishes a local, data-driven program management system that facilitates continuous improvement of county CalWORKs programs by collecting, analyzing, and disseminating outcomes and best practices. This system will help achieve the state's goals of ensuring that CalWORKs families receive the best possible services and supports to improve their lives and will also help the state meet federal work participation rates by emphasizing quality and engagement.

(c) At the same time, county human services agencies are transforming the welfare-to-work process away from a compliance-oriented and work-first model into a modern, science-based, and goal-oriented welfare-to-work model known locally as CalWORKs 2.0. The success of this approach depends on a culture shift away from compliance-oriented, directive case management and toward supportive and responsive interactions between the case manager and the customer. Case management emphasizes coaching that allows clients to naturally develop accountability by setting and achieving their goals. Case managers in CalWORKs 2.0 have a framework to provide customers a trajectory from stability, to upskilling, to employment.

(d) Cal-OAR and the county CalWORKs 2.0 initiative are bold steps toward a better CalWORKs program, yet state law has not been updated to be consistent with the new approaches.

**SEC. 74.** Section 11523.2 is added to the Welfare and Institutions Code, to read:

**11523.2.** (a) The department shall facilitate a workgroup that includes counties, advocates for the poor, organizations that represent workers, CalWORKs recipients, legislative staff of the appropriate fiscal and policy committees of the Legislature, and other stakeholders in a review of the CalWORKs welfare-to-work laws and regulations. The workgroup shall develop a set of immediate, near-term, and long-term recommendations focused on eliminating policy barriers that would prohibit the successful implementation of Cal-OAR, as influenced by CalWORKs 2.0. These recommendations shall not be duplicative of the efforts required of the department set forth in paragraph (4) of subdivision (e) of Section 11523 relating to recommendations for ongoing CalWORKs system improvements. The department shall update the Joint Legislative Budget Committee on the recommendations of the workgroup by February 1, 2020.

(b) This section shall remain in effect only until January 1, 2021, and as of that date is repealed.

**SEC. 75.** Section 12301.61 of the Welfare and Institutions Code is amended to read:

**12301.61.** (a) On or after October 1, 2019, if a public authority or nonprofit consortium established pursuant to Section 12301.6, acting as the employer of record, and the employee organization have not reached an agreement on a bargaining contract with in-home supportive services workers, either party may request mediation, pursuant to Section 3505.2 of the Government Code, which shall be mandatory. If the parties fail to agree on a mediator, the Public Employment Relations Board shall appoint one from the pool described in subdivision (c). The mediation shall be held no more than 15 business days from the date requested by either party.

(b) If the parties are unable to effect settlement through mediation, as described in subdivision (a), the parties shall submit their differences to factfinding, pursuant to Section 3505 and 3505.4 of the Government Code. Alternatively, if both parties agree, the parties may bypass the mediation process in subdivision (a) and move directly to factfinding.

(1) The factfinding panel shall make findings of fact and recommend terms of settlement, which shall be advisory only, within 30 days after the panel is appointed by the Public Employment Relations Board.

(2) Within 15 days after the factfinding panel has released its findings of fact and recommended settlement terms, either party may request post-factfinding mediation consistent with Section 3505.2 of the Government Code, which shall be mandatory. If the parties fail to agree on a mediator, the Public Employment Relations Board shall appoint one from the pool described in subdivision (c).

(3) If either party elects post-factfinding mediation, the findings of fact and recommended settlement terms shall not be made public until the mediation has concluded.

(4) Mediation shall be held no more than 15 days from the date requested, and may include, at the mediator's discretion, the factfinding panel and representatives of both parties. The director, or the director's designee, shall be available to provide information and expertise, as necessary.

(5) The county board of supervisors shall hold a public hearing within 30 days of the factfinding panel's public release of its findings of fact and recommended settlement terms.

(c) The Public Employment Relations Board shall designate a pool of no more than five qualified individuals to serve as mediators or on a factfinding panel. The pool shall consist of individuals with relevant subject matter expertise. The board shall select individuals for the pool in consultation with the department and the affected employers and employee organizations. Priority shall be given to individuals with knowledge of the In-Home Supportive Services program. The board may designate the mediator to serve as the neutral member of the factfinding panel.

(d) The costs for the services of the factfinding panel and the mediator shall be equally divided between the parties, and shall include per diem fees, if any, and actual and necessary travel and subsistence expenses.

(e) If no individual is available to serve as a mediator or factfinder within the timelines specified in this section, the timelines shall be extended until the next mediator or factfinder is available.

(f) A county shall be subject to a withholding of 1991 Realignment funds if all of the following conditions are met:

(1) The parties have completed the process described in subdivisions (a) through (c), inclusive.

(2) The factfinding panel has issued findings of fact and recommended settlement terms that are more favorable to the employee organization than those proposed by the public authority or nonprofit consortium.

(3) The parties do not reach a collective bargaining agreement within 90 days after the release of the factfinding panel's recommended settlement terms described in paragraph (2). The parties shall make every good faith effort to reach an alternative mutually accepted agreement within this timeframe.

(4) The collective bargaining agreement for IHSS providers in the county has expired.

(g) Beginning July 1, 2019, any county that has not reached an agreement after the release of the factfinding panel's recommended settlement terms released prior to June 30, 2019, shall have 90 days to reach an agreement with the employee organization. If no agreement is reached within 90 days, the withholding described in subdivision (f) shall occur on October 1, 2019.

(h) The Public Employment Relations Board shall provide written notification to the county and the employee organization within 15 days of determining that the county is subject to a withholding pursuant to subdivision (f) or (g). The board shall also notify the Department of Finance and the State Controller of the withholding assessment.

(i) The amount of the 1991 Realignment funding withholding pursuant to subdivisions (f) and (g) shall be equivalent to 1 percent of the county's 2018–19 fiscal year IHSS Maintenance of Effort requirement, as reported by the department, prior to applying any offsets pursuant to Section 12306.17.

(j) By January 10, 2020, the department shall report to the fiscal committees of the Legislature on the status of all in-home supportive services bargaining contracts in each county. The department shall also provide an update to the report on the status of the bargaining contracts no later than May 14, 2020. The department shall consult with the appropriate employee organizations and the California State Association of Counties to determine the status of bargaining contracts in each county for purposes of producing the reports required pursuant to this subdivision.

(k) This section shall remain in effect only until January 1, 2021, and as of that date is repealed.

**SEC. 76.** Section 12304.4 of the Welfare and Institutions Code is amended to read:

**12304.4.** (a) The department shall establish a program of direct deposit by electronic transfer for payments to in-home supportive services providers. A provider may choose to receive payments via direct deposit at the provider's option. The department, the Controller, and the California Health and Human Services Agency shall make all necessary automation changes to allow for payment by direct deposit.

(b) On or before March 31, 2008, the department shall complete those items pertaining to the implementation of direct deposit over which they have independent control, or those items that do not depend on ongoing coordination with the office of the Controller in order to be completed. Examples of these items include, but are not limited to, rulemaking Case Management Information and Payroll Systems (CMIPS) modifications, provider notifications, and all-county letters. The department and the office of the Controller shall cooperate fully on coordination, implementation, and testing, on a timeframe that shall not delay implementation of the project. Notwithstanding any other law, direct deposit for in-home supportive services providers shall be implemented on or before June 30, 2008.

(c) Notwithstanding any other law, a person entitled to the receipt of direct payment as an individual provider pursuant to Section 12302.2 for providing in-home supportive services may authorize payment to be directly deposited by electronic fund transfer into the person's account at the financial institution of the person's choice under a program for direct deposit by electronic transfer established by the department.

(d) (1) (A) Notwithstanding Sections 212 and 213 of the Labor Code, providers entitled to the receipt of direct wage payment as an individual provider pursuant to Section 12302.2 for providing in-home supportive services, or providers who provide waiver personal care services pursuant to Section 14132.97, shall receive payment of wages only by direct deposit or provider card, with the either method chosen at the preference of each provider.

(B) Subparagraph (A) shall be effective by the later of the following dates:

(i) July 1, 2021.

(ii) An alternative date identified by the department, with notification provided to the Legislature, relative to the completion of statewide implementation of the federal electronic visit verification requirement.

(2) (A) The department shall encourage providers to enroll in either direct deposit or a provider card in preparation for, and in advance of, the effective date of the requirement in subparagraph (A) of paragraph (1).

(B) Each provider shall identify a bank account into which wages can be direct deposited, select a prepaid account available in the private market that complies with applicable federal and state laws through which the provider can receive wages, or a provider card made available through the process described in subdivision (e) through which the provide can receive wages.

(e) (1) The State Department of Social Services shall issue a request for proposal for one or more provider card issuers to offer to providers so the provider may enroll in a provider card service in order to access the provider's wages.

(2) A provider card issuer selected by the department pursuant to this subdivision shall comply with all of the following:

(A) Comply with all of the requirements, and provide a provider with all of the consumer protections, that apply to a provider card under the rules implementing the federal Electronic Fund Transfer Act (EFTA) (15 U.S.C. Sec. 1693 et. seq.), or other rules subsequently adopted under the EFTA that apply to payroll cards, except that the disclosures required under federal law to provide notice of the ban on compulsory use under Section 1693k(2) of Title 15 of the United States Code may be modified, as appropriate, to reflect the relationship of the provider to the department.

(B) Satisfy the requirements for pass through deposit or share insurance so that the funds available on the provider card are eligible for insurance for the benefit of the provider provided by the Federal Deposit Insurance Corporation in accordance with Part 330 (commencing with Section 330.1) of Title 12 of the Code of Federal Regulations or by the National Credit Union Share Insurance Fund in accordance with Part 745 (commencing with Section 745.0) of Title 12 of the Code of Federal Regulations.

(C) Minimize charges and fees for providers using the card and not impose any of the following fees, or any other fee that may be specified by the department in the request for proposals:

(i) An application, initiation, loading, participation, or other fee to receive wages or to obtain the provider card.

(ii) A fee for a point-of-sale transaction, unless the fee is charged by a person that accepts credit or debit cards for the transaction and the provider initiated the transaction.

(iii) A fee to withdraw funds from a teller or an automated teller machine at any financial institution that is in the provider card issuer's network.

(iv) An overdraft, shortage, or low-balance fee or charge, or any fee or finance charge for any form of credit or overdraft that is automatically repaid from the provider card after delivery of the payment, including, but not limited to, a loan against future payments or a cash advance on future payments.

(v) A fee for a declined transaction.

(vi) A fee for inactivity.

(vii) A fee for the first three telephone calls to a live customer service representative per pay period.

(viii) A fee to the access balance or other provider card information online, by an interactive voice response system, or by any other automated system offered in conjunction with the provider card, or at an automated teller machine at any

financial institutions that is in the provider card issuer's network.

(ix) A fee to close the provider card or disburse the remaining provider card balance.

(x) A fee to provide one replacement card each year.

(3) The provider card issuer selected by the department pursuant to this subdivision shall, at no cost to the provider, do all the following:

(A) Disclose in writing, or electronically via email, to each provider choosing to use one, the entire terms and conditions of the provider card. The provider shall select the method of disclosure at the time the provider enrolls for payment of wages by provider card.

(B) Provide the ability to withdraw the entire amount of wages for each pay period at an automated teller machine at any financial institution or at any financial institution that is in the provider card issuer's network. This does not preclude additional methods by which a provider can access wages deposited on the provider card.

(C) An annual notice, sent either by mail or electronically, at the choice of the provider, informing the provider of the right to request periodic statements, 12-month transaction histories, and the balance of available funds.

(f) This section does not inhibit the ability of a recognized labor organization representing providers from offering a particular provider card to the providers represented by that organization.

(g) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the State Department of Social Services and the State Department of Health Care Services may implement, interpret, or make specific this section by means of all-county letters or similar instructions, without taking any regulatory action.

(h) For the purposes of this section, the following terms have the following meanings:

(1) "Issuer" means a provider card issuer, and includes a person acting as an agent of an issuer, directly or indirectly.

(2) "Provider card" means an access mechanism, including a prepaid account or prepaid card, as those terms are defined under the EFTA or other rules subsequently adopted under the EFTA, a code, or another device, through which the provider can access the provider's wages.

**SEC. 77.** Section 12306.1 of the Welfare and Institutions Code is amended to read:

**12306.1.** (a) When any increase in provider wages or benefits is locally negotiated, mediated, or imposed by a county, public authority, or nonprofit consortium, or any increase in provider wages or benefits is adopted by ordinance pursuant to Article 1 (commencing with Section 9100) of Chapter 2 of Division 9 of the Elections Code, then the county shall use county-only funds to fund both the county share and the state share, including employment taxes, of any increase in the cost of the program, unless otherwise provided for in the annual Budget Act or appropriated by statute. No increase in wages or benefits locally negotiated, mediated, imposed, or adopted by ordinance pursuant to this section, and no increase in the public authority administrative rate, shall take effect unless and until, prior to its implementation, the increase is reviewed and determined to be in compliance with state law and the department has obtained the approval of the State Department of Health Care Services for the increase pursuant to a determination that it is consistent with federal law and to ensure federal financial participation for the services under Title XIX of the federal Social Security Act, and unless and until all of the following conditions have been met:

(1) Each county has provided the department with documentation of the approval of the county board of supervisors of the proposed public authority or nonprofit consortium rate, including wages and related expenditures. The documentation shall be received by the department before the department and the State Department of Health Care Services may approve the rate increase.

(2) Each county has met department guidelines and regulatory requirements as a condition of receiving state participation in the rate.

(b) Any rate approved pursuant to subdivision (a) shall take effect commencing on the first day of the month subsequent to the month in which final approval is received from the department. The department may grant approval on a conditional basis, subject to the availability of funding.

(c) The state shall pay 65 percent, and each county shall pay 35 percent, of the nonfederal share of wage and benefit increases pursuant to subdivision (a) and associated employment taxes, only in accordance with subdivision (d).

(d) (1) The state shall participate in a total of wages and individual health benefits up to twelve dollars and ten cents ($12.10) per hour until the amount specified in paragraph (1) of subdivision (b) of Section 1182.12 of the Labor Code reaches twelve dollars ($12.00) per hour at which point the state shall participate as provided in paragraph (2).

(2) For any increase in wages or individual health benefits locally negotiated, mediated, or imposed by a county, public authority, or nonprofit consortium, and the rate increase is approved by the department, or any increase in provider wages or benefits adopted by ordinance pursuant to Article 1 (commencing with Section 9100) of Chapter 2 of Division 9 of the Elections Code, the state shall participate as provided in subdivision (c) in a total of wages and individual health benefits up to one dollar and ten cents ($1.10) per hour above the amount per hour specified for the corresponding year in paragraph (1) of subdivision (b) of, subdivision (c) of, and subdivision (d) of, Section 1182.12 of the Labor Code.

(3) (A) For a county that is at or above twelve dollars and ten cents ($12.10) per hour in combined wages and individual health benefits, the state shall participate as provided in subdivision (c) in a cumulative total of up to 10 percent within a three-year period in the sum of the combined total of changes in wages or individual health benefits, or both.

(B) The state shall participate as provided in subparagraph (A) for no more than two three-year periods, after which point the county shall pay the entire nonfederal share of any future increases in wages and individual health benefits that exceed the amount specified in paragraphs (1) and (2).

(C) A three-year period is defined as three consecutive years. A new three-year period can only begin after the last year of the previous three-year period.

(D) To be eligible for state participation, a 10-percent increase described in this paragraph is required to be commenced prior to the date that the minimum wage reaches the amount specified in subparagraph (F) of paragraph (1) of subdivision (b) of Section 1182.12 of the Labor Code.

(4) Paragraphs (2) and (3) do not apply to contracts executed, or to increases in wages or individual health benefits, locally negotiated, mediated, imposed, or adopted by ordinance, prior to July 1, 2017.

**SEC. 78.** Section 12306.16 of the Welfare and Institutions Code is amended to read:

**12306.16.** (a) Commencing July 1, 2017, all counties shall have a County IHSS Maintenance of Effort (MOE).

(b) (1) (A) The statewide total County IHSS MOE base for the 2017–18 fiscal year shall be established at one billion seven hundred sixty-nine million four hundred forty-three thousand dollars ($1,769,443,000). This amount reflects the estimated county share of IHSS program base costs calculated pursuant to Sections 10101.1 and 12306, as those sections read on June 1, 2017, and reflected in the department's 2017 May Revision local assistance subvention table for the 2017–18 fiscal year.

(B) If actual IHSS program base costs, as determined by the Department of Finance on or before May 14, 2018, attributable to the 2017–18 fiscal year are lower than the costs assumed in the 2017 May Revision local assistance subvention table, the statewide total County IHSS MOE base for the 2017–18 fiscal year shall be adjusted accordingly pursuant to Sections 10101.1 and 12306, as those sections read on June 1, 2017.

(2) The Department of Finance shall consult with the California State Association of Counties to determine each county's share of the statewide total County IHSS MOE base amount. The County IHSS MOE base shall be unique to each individual county.

(3) (A) Administration expenditures are included in the County IHSS MOE and shall include both county administration, including costs associated with the IHSS case management, information, and payrolling system, and public authority administration.

(B) The amount of General Fund moneys available for county administration and public authority administration is limited to the amount of General Fund moneys appropriated for those specific purposes in the annual Budget Act, and increases to this amount do not impact the County IHSS MOE.

(C) To be eligible to receive its share of General Fund moneys appropriated in a fiscal year for county administration and public authority administration costs, the county is only required to expend the full amount of its County IHSS MOE that is attributable to county and public authority administration for that fiscal year and no additional county share of cost shall be required. The department shall consult with the California State Association of Counties to determine the county-by-county distribution of the amount of General Fund moneys appropriated in the annual Budget Act for county administration and public authority administration.

(D) Amounts expended by a county or public authority on administration in excess of the amount described in subparagraphs (A) and (B) shall not be attributed towards the county meeting its County IHSS MOE requirement.

(E) As part of the preparation of the 2018–19 Governor's Budget, the department shall work with the California State Association of Counties, County Welfare Directors Association of California, and the Department of Finance to examine the workload and budget assumptions related to administration of the IHSS program for the 2017–18 and 2018–19 fiscal years.

(c) (1) On July 1, 2018, the County IHSS MOE base as specified in subdivision (b) shall be adjusted by an inflation factor of 5 percent.

(2) Beginning on July 1, 2019, and annually thereafter, the County IHSS MOE from the previous year shall be adjusted by an inflation factor of 7 percent.

(3) (A) Notwithstanding paragraphs (1) and (2), in fiscal years in which the total of 1991 realignment revenues received pursuant to Sections 6051.2 and 6201.2 of the Revenue and Taxation Code for the prior fiscal year is less than the total received for the next prior fiscal year, the inflation factor shall be zero.

(B) Notwithstanding paragraphs (1) and (2), in fiscal years in which the total of 1991 realignment revenues received pursuant to Sections 6051.2 and 6201.2 of the Revenue and Taxation Code for the prior fiscal year is equal to or up to 2 percent greater than the total received for the next prior fiscal year, the inflation factor shall be one-half of the amount specified in either paragraph (1) or (2).

(C) The Department of Finance shall provide notification to the appropriate fiscal committees of the Legislature and the California State Association of Counties by May 14 of each year of the inflation factor that will apply for the following fiscal year, based on the calculation in subparagraph (A) and (B).

(d) In addition to the adjustment in subdivision (c), the County IHSS MOE shall be adjusted for the annualized cost of increases in provider wages or health benefits that are locally negotiated, mediated, or imposed, on or after July 1, 2017, including any increases in provider wages or health benefits adopted by ordinance pursuant to Article 1 (commencing with Section 9100) of Chapter 2 of Division 9 of the Elections Code.

(1) (A) If the department approves an increase in provider wages or health benefits that are locally negotiated, mediated, imposed, or adopted by ordinance pursuant to Section 12306.1, the state shall pay 65 percent, and the affected county shall pay 35 percent, of the nonfederal share of the cost increase in accordance with subparagraph (B).

(B) With respect to any increase in provider wages or health benefits approved on or after July 1, 2017, pursuant to subparagraph (A), the state shall participate in that increase as provided in subparagraph (A) up to the amount specified in paragraphs (1), (2), and (3) of subdivision (d) of Section 12306.1. The county shall pay the entire nonfederal share of any cost increase exceeding the amount specified in paragraphs (1), (2), and (3) of subdivision (d) of Section 12306.1.

(C) With respect to an increase in benefits, other than individual health benefits, locally negotiated, mediated, or imposed by a county, public authority, or nonprofit consortium, or adopted by ordinance, the county's County IHSS MOE shall include a one-time adjustment equal to 35 percent of the nonfederal share of the increased benefit costs.

(D) The county share of increased expenditures pursuant to subparagraphs (A) to (C), inclusive, shall be included in the County IHSS MOE, in addition to the amount established under subdivisions (b) and (c). For any increase in provider wages or health benefits, or increase in other benefits pursuant to subparagraph (C), that becomes effective on a date other than July 1, the Department of Finance shall adjust the county's County IHSS MOE to reflect the annualized cost of the county's share of the nonfederal cost of the wage or health benefit increase. This adjustment shall be calculated based on the county's 2017–18 paid IHSS hours and the appropriate cost-sharing ratio as grown by the applicable number of inflation factors pursuant to subdivision (c) that have occurred up to and including the fiscal year in which the increase becomes effective.

(2) (A) If the department does not approve the increase in provider wages or health benefits, or increase in other benefits pursuant to subparagraph (C) of paragraph (1), that are locally negotiated, mediated, imposed, or adopted by ordinance pursuant to Section 12306.1 or paragraph (3), the county shall pay the entire nonfederal share of the cost increases.

(B) The county share of increased expenditures pursuant to subparagraph (A) shall be included in the County IHSS MOE, in addition to the amount established under subdivisions (b) and (c). For any increase in provider wages or health benefits that becomes effective on a date other than July 1, the Department of Finance shall adjust the county's County IHSS MOE to reflect the annualized cost of the county's share of the nonfederal cost of the wage or health benefit increase. This adjustment shall be calculated based on the county's 2017–18 paid IHSS hours and the appropriate county sharing ratio as grown by the appropriate number of applicable inflation factors pursuant to subdivision (c) that have occurred up to and including the fiscal year in which the increase becomes effective.

(3) In addition to the rate approval requirements specified in subdivisions (a) to (c), inclusive, of Section 12306.1, it shall be presumed by the department that rates and other economic terms that are locally negotiated, mediated, imposed, or adopted by ordinance are approved.

(4) (A) With respect to any rate increases to existing contracts that a county has already entered into pursuant to Section 12302, the state shall pay 65 percent, and the affected county shall pay 35 percent, of the nonfederal share of the amount of the rate increase up to the maximum amounts established pursuant to Sections 12302.1 and 12303. The county shall pay the entire nonfederal share of any portion of the rate increase exceeding the maximum amount established pursuant to Sections 12302.1 and 12303. This adjustment shall be calculated based on the county's 2017–18 paid IHSS contract hours, or the paid contract hours in the fiscal year in which the contract becomes effective if the contract becomes effective on or after July 1, 2017, using the appropriate cost-sharing ratio as grown by the applicable number of inflation factors pursuant to subdivision (c) that have occurred up to and including the fiscal year in which the increase becomes effective.

(B) With respect to rates for new contracts entered into by a county pursuant to Section 12302 on or after July 1, 2017, the state shall pay 65 percent, and the affected county shall pay 35 percent, of the nonfederal share of the difference between the locally negotiated, mediated, imposed, or adopted by ordinance, provider wage and the contract rate for all of the hours of service to IHSS recipients to be provided under the contract up to the maximum amounts established pursuant to Sections 12302.1 and 12303. The county shall pay the entire nonfederal share of any portion of the contract rate exceeding the maximum amount established pursuant to Sections 12302.1 and 12303. This adjustment shall be calculated based on the county's paid contract hours in the fiscal year in which the contract becomes effective using the appropriate cost-sharing ratio.

(C) The county share of these expenditures shall be included in the County IHSS MOE, in addition to the amounts established under subdivisions (b) and (c). For any rate increases for existing contracts or rates for new contracts, entered into by a county pursuant to Section 12302 on or after July 1, 2017, that become effective on a date other than July 1, the Department of Finance shall adjust the county's County IHSS MOE to reflect the annualized cost of the county's share of the nonfederal cost of the increase or rate for new contracts. This adjustment shall be calculated as follows:

(i) For a contract described in subparagraph (A), the first-year cost of the amount of the rate increase calculated using the pro rata share of the number of hours of service provided in the contract for the fiscal year in which the increase became effective.

(ii) For a contract described in subparagraph (B), the first-year cost of the difference between the locally negotiated, mediated, imposed, or adopted by ordinance, provider wage and the contract rate for all of the hours of service to IHSS recipients calculated using the pro rata share of the number of hours of service provided in the contract for the fiscal year in which the contract became effective.

(5) In the event the state ceases to receive enhanced federal financial participation for the provision of services pursuant to Section 1915(k) of the federal Social Security Act (42 U.S.C. Sec. 1396n(k)), the County IHSS MOE shall be adjusted one time to reflect a 35-percent share of the enhanced federal financial participation that would have been received pursuant to Section 1915(k) of the federal Social Security Act (42 U.S.C. Sec. 1396n(k)) for the fiscal year in which the state ceases to receive the enhanced federal financial participation.

(6) The County IHSS MOE shall not be adjusted for increases in individual provider wages that are locally negotiated pursuant to subdivision (a) of, and paragraphs (1) and (2) of subdivision (d) of, Section 12306.1 when the increase has been specifically negotiated to take effect at the same time as, and to be the same amount as, state minimum wage increases.

(7) (A) A county may negotiate a wage supplement.

(i) The wage supplement shall be in addition to the highest wage rate paid in the county since June 30, 2017.

(ii) The first time the wage supplement is applied, the county's County IHSS MOE shall include a one-time adjustment by the amount of the increased cost resulting from the supplement, as specified in paragraph (1).

(B) A wage supplement negotiated pursuant to subparagraph (A) shall subsequently be applied to the minimum wage when the minimum wage increase is equal to or exceeds the county wage paid without inclusion of the wage supplement and the increase to the county wage paid takes effect at the same time as the minimum wage increase.

(C) For any changes to provider wages or health benefits locally negotiated, mediated, or imposed by a county, public authority, or nonprofit consortium, for which a rate change request was submitted to the department prior to January 1, 2018, for review, clause (i) of subparagraph (A) and subparagraph (B) shall not apply. A wage supplement subject to this subparagraph shall subsequently be applied to the minimum wage when the minimum wage is equal to or exceeds the county individual provider wage including the wage supplement.

(8) The Department of Finance shall consult with the California State Association of Counties to develop the computations for the annualized amounts pursuant to this subdivision.

(e) The County IHSS MOE shall only be adjusted pursuant to subdivisions (c) and (d).

(f) A county's County IHSS MOE costs paid to the state shall be reduced by the amount of any General Fund offset provided to the county pursuant to Section 12306.17.

(g) This section shall become inoperative on July 1, 2019.

**SEC. 79.** Section 12306.16 is added to the Welfare and Institutions Code, to read:

**12306.16.** (a) Commencing July 1, 2019, all counties shall have a rebased County IHSS Maintenance of Effort (MOE).

(b) (1) The statewide total rebased County IHSS MOE base for the 2019–20 fiscal year shall be established at one billion five hundred sixty-three million two hundred eighty-two thousand dollars ($1,563,282,000).

(2) The Department of Finance shall consult with the department and the California State Association of Counties to determine each county's share of the statewide total rebased County IHSS MOE base amount. The rebased County IHSS MOE base shall be unique to each individual county.

(3) (A) The amount of General Fund moneys available for county administration and public authority administration is limited to the amount of General Fund moneys appropriated for those specific purposes in the annual Budget Act, and increases to this amount do not impact the rebased County IHSS MOE.

(B) The state shall pay 100 percent of the allowable nonfederal share of county administration and public authority administration costs for each county. Once the county's share of the appropriated General Fund moneys is exhausted, the county shall pay 100 percent of the remaining nonfederal share of county administration and public authority administration costs. Each county shall pay 100 percent of any costs for public authority administration that are in excess of the county's approved rate approved pursuant to subdivision (a) of Section 12306.1. At the end of the fiscal year, any remaining unspent General Fund moneys allocated for IHSS county administration or public authority administration shall be redistributed through a methodology determined in conjunction with the County Welfare Directors Association of California or the California Association of Public Authorities.

(C) Amounts expended by a county or public authority on administration in excess of the amount described in subparagraphs (A) and (B) shall not be attributed towards the county meeting its rebased County IHSS MOE requirement.

(D) The department shall consult with the California State Association of Counties, the County Welfare Directors Association of California, and the California Association of Public Authorities to determine the county-by-county distribution of the amount of General Fund moneys appropriated in the annual Budget Act for county administration and public authority administration.

(c) Beginning on July 1, 2020, and annually thereafter, the rebased County IHSS MOE from the previous year shall be adjusted by an inflation factor of 4 percent.

(d) In addition to the adjustment in subdivision (c), the rebased County IHSS MOE shall be adjusted for the annualized cost of increases in provider wages, health benefits, or other benefits that are locally negotiated, mediated, or imposed, on or after July 1, 2019, including any increases in provider wages, health benefits, or other benefits adopted by ordinance pursuant to Article 1 (commencing with Section 9100) of Chapter 2 of Division 9 of the Elections Code or any future increases resulting from the same, including increases to health benefit premiums. For health benefit premium increases only, for any memorandum of understanding or collective bargaining agreement between the recognized employee organization and the county, public authority, or nonprofit consortium, executed or extended and submitted to the department for approval prior to July 1, 2019, through the end date, as specified in the memorandum of understanding or collective bargaining agreement described in this subdivision, the state shall cover 100 percent of the nonfederal share of health benefit premium increases, and there shall not be an adjustment to the rebased County IHSS MOE.

(1) (A) If the department approves the rate for an increase in provider wages or health benefits that are locally negotiated, mediated, imposed, or adopted by ordinance pursuant to Section 12306.1, the state shall pay 65 percent, and the affected county shall pay 35 percent, of the nonfederal share of the cost increase, in accordance with subparagraph (B).

(B) With respect to any increase in provider wages or health benefits approved on or after July 1, 2019, pursuant to subparagraph (A), the state shall participate in that increase as provided in subparagraph (A) up to the amount specified in paragraphs (1), (2), and (3) of subdivision (d) of Section 12306.1. The county shall pay the entire nonfederal share of any cost increase exceeding the amount specified in paragraphs (1), (2), and (3) of subdivision (d) of Section 12306.1.

(C) With respect to an increase in benefits, other than individual health benefits, locally negotiated, mediated, or imposed by a county, public authority, or nonprofit consortium, or adopted by ordinance, the county's County IHSS MOE shall include a one-time adjustment equal to 35 percent of the nonfederal share of the increased benefit costs. If the department, in consultation with the California State Association of Counties, determines that the increase is one in which the state does not participate, the county's County IHSS MOE shall include a one-time adjustment for the entire nonfederal share.

(2) (A) Beginning on the date that the minimum wage reaches the amount specified in subparagraph (F) of paragraph (1) of subdivision (b) of Section 1182.12 of the Labor Code, if the department approves an increase in provider wages or health benefits that are locally negotiated, mediated, imposed, or adopted by ordinance pursuant to Section 12306.1, or future cost increases resulting from the same including increases to health benefit premiums, the state shall pay 35 percent, and the affected county shall pay 65 percent, of the nonfederal share of the cost increase in accordance with subparagraph (B). For health benefit premium increases only, for any memorandum of understanding or collective bargaining agreement between the recognized employee organization and the county, public authority, or nonprofit consortium, executed or extended and submitted to the department for approval prior to July 1, 2019, through the end date, as specified in the memorandum of understanding or collective bargaining agreement described in this subparagraph, the state shall cover 100 percent of the nonfederal share of health benefit premium increases, and there shall not be an adjustment to the rebased County IHSS MOE.

(B) With respect to any increase in provider wages or health benefits approved on or after the date that the minimum wage reaches the amount specified in subparagraph (F) of paragraph (1) of subdivision (b) of Section 1182.12 of the Labor Code, pursuant to subparagraph (A), paragraphs (1), (2), and (3) of subdivision (d) of Section 12306.1 shall not apply.

(C) Beginning on the date that the minimum wage reaches the amount specified in subparagraph (F) of paragraph (1) of subdivision (b) of Section 1182.12 of the Labor Code, with respect to an increase in benefits, other than individual health benefits, locally negotiated, mediated, or imposed by a county, public authority, or nonprofit consortium, or adopted by ordinance, in which the state participates, the county's rebased County IHSS MOE shall include a one-time adjustment equal to 65 percent of the nonfederal share of the increased benefit costs. If the department, in consultation with the California State Association of Counties, determines that the increase is one in which the state does not participate, the county's rebased County IHSS MOE shall include a one-time adjustment for the entire nonfederal share.

(3) If the department does not approve the rate for an increase in provider wages or health benefits, or increase in other benefits pursuant to subparagraph (C) of paragraph (1) or subparagraph (C) of paragraph (2), that are locally negotiated, mediated, imposed, or adopted by ordinance pursuant to Section 12306.1, or increase to the public authority administrative rate, the county shall pay the entire cost of the increase.

(4) The county share of increased expenditures pursuant to subparagraphs (A) through (C) of paragraph (1) and subparagraphs (A) through (C) of paragraph (2), shall be included in the rebased County IHSS MOE, in addition to the amount established under subdivision (c). For any increase in provider wages or health benefits, or increase in other benefits pursuant to subparagraph (C) of paragraph (1) or subparagraph (C) of paragraph (2), that becomes effective on a date other than July 1, the department shall adjust the county's rebased County IHSS MOE to reflect the annualized cost of the county's share of the nonfederal cost of the wage or health benefit increase. This adjustment shall be calculated based on the county's 2019–20 paid IHSS hours and the appropriate cost-sharing ratio as grown by the applicable number of inflation factors pursuant to subdivision (c) that have occurred up to and including the fiscal year in which the increase becomes effective.

(5) (A) With respect to any rate increases to existing contracts that a county has already entered into pursuant to Section 12302, the state shall pay 65 percent, and the affected county shall pay 35 percent, of the nonfederal share of the amount of the rate increase up to the maximum amounts established pursuant to Sections 12302.1 and 12303. The county shall pay the entire nonfederal share of any portion of the rate increase exceeding the maximum amount established pursuant to Sections 12302.1 and 12303. This adjustment shall be calculated based on the county's 2019–20 paid IHSS contract hours, or the paid contract hours in the fiscal year in which the contract becomes effective if the contract becomes effective on or after July 1, 2019, using the appropriate cost-sharing ratio as grown by the applicable number of inflation factors pursuant to subdivision (c) that have occurred up to and including the fiscal year in which the increase becomes effective.

(B) With respect to rates for new contracts entered into by a county pursuant to Section 12302 on or after July 1, 2019, the state shall pay 65 percent, and the affected county shall pay 35 percent, of the nonfederal share of the difference between the locally negotiated, mediated, imposed, or adopted by ordinance, provider wage and the contract rate for all of the hours of service to IHSS recipients to be provided under the contract up to the maximum amounts established pursuant to Sections 12302.1 and 12303. The county shall pay the entire nonfederal share of any portion of the contract rate exceeding the maximum amount established pursuant to Sections 12302.1 and 12303. This adjustment shall be calculated based on the county's paid contract hours in the fiscal year in which the contract becomes effective using the appropriate cost-sharing ratio.

(6) (A) Beginning on the date that the minimum wage reaches the amount specified in subparagraph (F) of paragraph (1) of subdivision (b) of Section 1182.12 of the Labor Code, with respect to any rate increases to existing contracts that a county has already entered into pursuant to Section 12302, the state shall pay 35 percent, and the affected county shall pay 65 percent, of the nonfederal share of the amount of the rate increase up to the maximum amounts established pursuant to Sections 12302.1 and 12303. The county shall pay the entire nonfederal share of any portion of the rate increase exceeding the maximum amount established pursuant to Sections 12302.1 and 12303. This adjustment shall be calculated based on the county's 2019–20 paid IHSS contract hours, or the paid contract hours in the fiscal year in which the contract becomes effective if the contract becomes effective on or after July 1, 2019, using the appropriate cost-sharing ratio as grown by the applicable number of inflation factors pursuant to subdivision (c) that have occurred up to and including the fiscal year in which the increase becomes effective.

(B) Beginning on the date that the minimum wage reaches the amount specified in subparagraph (F) of paragraph (1) of subdivision (b) of Section 1182.12 of the Labor Code, with respect to rates for new contracts entered into by a county pursuant to Section 12302 on or after July 1, 2019, the state shall pay 35 percent, and the affected county shall pay 65 percent, of the nonfederal share of the difference between the locally negotiated, mediated, imposed, or adopted by ordinance, provider wage and the contract rate for all of the hours of service to IHSS recipients to be provided under the contract up to the maximum amounts established pursuant to Sections 12302.1 and 12303. The county shall pay the entire nonfederal share of any portion of the contract rate exceeding the maximum amount established pursuant to Sections 12302.1 and 12303. This adjustment shall be calculated based on the county's paid contract hours in the fiscal year in which the contract becomes effective using the appropriate cost-sharing ratio.

(7) The county share of the expenditures described in paragraphs (5) and (6) shall be included in the rebased County IHSS MOE, in addition to the amounts established under subdivision (c). For any rate increases for existing contracts or rates for new contracts, entered into by a county pursuant to Section 12302 on or after July 1, 2019, that become effective on a date other than July 1, the department shall adjust the county's rebased County IHSS MOE to reflect the annualized cost of the county's share of the nonfederal cost of the increase or rate for new contracts. This adjustment shall be calculated as follows:

(A) For a contract described in subparagraph (A) of either paragraph (5) or (6), the first-year cost of the amount of the rate increase calculated using the pro rata share of the number of hours of service provided in the contract for the fiscal year in which the increase became effective.

(B) For a contract described in subparagraph (B) of either paragraph (5) or (6), the first-year cost of the difference between the locally negotiated, mediated, imposed, or adopted by ordinance, provider wage and the contract rate for all of the hours of service to IHSS recipients calculated using the pro rata share of the number of hours of service provided in the contract for the fiscal year in which the contract became effective.

(8) If the state ceases to receive enhanced federal financial participation for the provision of services pursuant to Section 1915(k) of the federal Social Security Act (42 U.S.C. Sec. 1396n(k)), the rebased County IHSS MOE shall be adjusted one time to reflect a 35-percent share of the enhanced federal financial participation that would have been received pursuant to Section 1915(k) of the federal Social Security Act (42 U.S.C. Sec. 1396n(k)) for the fiscal year in which the state ceases to receive the enhanced federal financial participation.

(9) The rebased County IHSS MOE shall not be adjusted for increases in individual provider wages that are locally negotiated pursuant to subdivision (a) of, and paragraphs (1) and (2) of subdivision (d) of, Section 12306.1 when the increase has been specifically negotiated to take effect at the same time as, and to be the same amount as, state minimum wage increases.

(10) (A) A county may negotiate a wage supplement.

(i) The wage supplement shall be in addition to the highest wage rate paid in the county since June 30, 2017.

(ii) The first time the wage supplement is applied, the county's rebased County IHSS MOE shall include a one-time adjustment by the amount of the increased cost resulting from the supplement, as specified in paragraphs (1) and (2).

(B) A wage supplement negotiated pursuant to subparagraph (A) shall subsequently be applied to the minimum wage when the minimum wage increase is equal to or exceeds the county wage paid without inclusion of the wage supplement and the increase to the county wage paid takes effect at the same time as the minimum wage increase.

(C) For any changes to provider wages or health benefits locally negotiated, mediated, or imposed by a county, public authority, or nonprofit consortium, for which a rate change request was submitted to the department prior to January 1, 2018, for review, clause (i) of subparagraph (A) and subparagraph (B) shall not apply. A wage supplement subject to this subparagraph shall subsequently be applied to the minimum wage when the minimum wage is equal to or exceeds the county individual provider wage including the wage supplement.

(11) The Department of Finance shall consult with the California State Association of Counties to develop the computations for the annualized amounts pursuant to this subdivision.

(e) The rebased County IHSS MOE shall only be adjusted pursuant to subdivisions (c) and (d).

(f) This section shall become operative on July 1, 2019.

**SEC. 80.** Section 12306.17 of the Welfare and Institutions Code is amended to read:

**12306.17.** (a) A portion of IHSS costs that are the counties' responsibility shall be offset using a combination of General Fund moneys appropriated in the annual Budget Act and redirected 1991 Realignment Vehicle License Fee growth revenues pursuant to subdivision (c) of Section 17606.20, as follows:

(1) (A) There is hereby appropriated three hundred sixty-three million nine hundred ninety-eight thousand dollars ($363,998,000) from the General Fund for the 2017–18 fiscal year to offset a portion of IHSS costs incurred by counties. This amount reflects the difference between the combined estimated amounts of 2016–17 and 2017–18 Vehicle License Fee growth revenues that would have been deposited into the Family Support Subaccount of the Vehicle License Fee Account of the Local Revenue Fund pursuant to Section 17600.50 and four hundred million dollars ($400,000,000).

(B) The amount of General Fund moneys appropriated in the 2017–18 fiscal year pursuant to subparagraph (A) shall be increased or decreased by the Department of Finance based on revised 2016–17 and 2017–18 Vehicle License Fee growth revenue estimates included in the 2018–19 Governor's Budget and subsequent May Revision, such that the total offset equals four hundred million dollars ($400,000,000).

(C) The amount of General Fund moneys appropriated in the 2017–18 fiscal year for the In-Home Supportive Services program pursuant to subparagraphs (A) and (B) shall be available for encumbrance or expenditure until June 30, 2018.

(2) For the 2018–19 fiscal year, the amount of the General Fund offset provided shall be the difference between the amount of 2018–19 Vehicle License Fee growth revenues that would have been deposited into the Family Support Subaccount of the Vehicle License Fee Account of the Local Revenue Fund pursuant to Section 17600.50 and three hundred thirty million dollars ($330,000,000).

(b) The Department of Finance shall consult with the California State Association of Counties to determine the distribution of General Fund moneys available for offset of each county's IHSS costs in each fiscal year as specified in subdivision (a).

**SEC. 81.** The heading of Chapter 5.5 (commencing with Section 13275) of Part 3 of Division 9 of the Welfare and Institutions Code is amended to read:

**CHAPTER 5.5. Administration of Refugee Social Services and Refugee Cash Assistance**

**SEC. 82.** Section 13275 of the Welfare and Institutions Code is repealed.

**SEC. 83.** Section 13275 is added to the Welfare and Institutions Code, to read:

**13275.** For the purposes of this chapter, the following terms have the following meanings:

(a) "Eligible county" means a county or city and county designated as impacted using a formula developed by the department based upon the refugee arrivals in the county during the preceding 60-month period for which the department has data.

(b) "Qualified nonprofit organization" means a nonprofit organization that is exempt from federal income taxation pursuant to Section 501(c)(3) of the Internal Revenue Code and that satisfies any additional eligibility criteria established by the department.

(c) "Refugee social services" include, but are not limited to, English language and employment training, as funded through federal appropriations.

**SEC. 84.** Section 13276 of the Welfare and Institutions Code is repealed.

**SEC. 85.** Section 13276 is added to the Welfare and Institutions Code, to read:

**13276.** (a) After setting aside the necessary state administrative funds, the department shall allocate appropriated federal funds for refugee social services programs to each eligible county and, if the department exercises its discretion pursuant to subdivision (b), to a qualified nonprofit organization, based on the number of refugees receiving aid in the eligible county or the number of refugees that reside in the eligible county. The department may, at its discretion, utilize funding adjustments based on the length of time that the refugees have resided in the United States.

(b) (1) Notwithstanding any other law, and to the extent permitted by federal law, the department may, at its discretion, contract with, or award grants to, qualified nonprofit organizations for the purpose of administering refugee social services programs within a county. An eligible county providing refugee social services pursuant to this chapter may continue to administer those services while a contractor or grantee is also providing refugee social services pursuant to this chapter within the county.

(2) If an eligible county and a qualified nonprofit organization are administering refugee social services simultaneously within the same county, the department shall, at its discretion, determine the amount of the funds to be distributed to the eligible county and qualified nonprofit organization.

(3) Contracts or grants awarded pursuant to this subdivision shall require reporting, monitoring, or audits of services provided, as determined by the department.

**SEC. 86.** Section 13277 of the Welfare and Institutions Code is amended to read:

**13277.** (a) The department shall notify each eligible county's board of supervisors of the availability of funds described in subdivision (a) of Section 13276.

(b) (1) A county administering refugee social services shall designate an agency that is responsible for developing and implementing a plan for the provision of services funded by refugee social services funds.

(2) Until October 1, 1990, paragraph (1) does not apply to any county on whose behalf the department is administering the refugee employment social services funds.

(c) (1) The plan developed pursuant to subdivision (b) shall be in accordance with Sections 13278 and 13279.

(2) The plan developed pursuant to subdivision (b) shall reflect the full intent of this chapter that the funding for, and provision of, refugee social services shall lead to successful self-sufficiency and social integration for all refugee recipients of refugee social services, in accordance with guidelines issued by the department.

(3) Any plan developed pursuant to subdivision (b) shall, at a minimum, meet all of the following requirements:

(A) Each eligible county's board of supervisors shall ensure that the county planning process is designed in such a way as to facilitate refugee participation and public input in that process.

(B) The plan shall include a description of how available funds will be used to provide services to refugees.

(C) The plan shall specifically address how services will be delivered to refugees receiving aid in each county.

(D) The plan shall provide for the priority consideration for funding refugee community-based organizations if they demonstrate the capacity to implement the proposed programs, which capacity shall be comparable to that of other competitors who qualify for funding.

(d) Any plan described in Section 11321.6 that is developed by any county that elects to utilize these funds to pay for any service provided to, or any activity performed on behalf of, any refugee participating in the program authorized by Article 3.2 (commencing with Section 11320) of Chapter 2 shall meet the requirements of Section 13280.

(e) (1) Prior to October 1, 1990, the department shall discontinue administering refugee employment social services funds for a county pursuant to the request of the county.

(2) Commencing October 1, 1990, the department shall discontinue administering refugee employment social services funds on behalf of the county.

**SEC. 87.** Section 13278 of the Welfare and Institutions Code is amended to read:

**13278.** Commencing October 1, 1990, a county shall, to the extent permitted by federal law, utilize funds as described in Section 13276 to pay for the costs of any services provided to, or activity performed on behalf of, any refugee participating in the program authorized under Article 3.2 (commencing with Section 11320) of Chapter 2 if that cost is allowed under a plan described in Section 11321.6 and federal requirements for refugee social services programs. The plan shall be developed with significant participation by, and input from, refugee community organizations, voluntary agencies, and other local public and private entities involved in the refugee resettlement process.

**SEC. 88.** Section 13279 of the Welfare and Institutions Code is amended to read:

**13279.** Refugee social services programs shall be available to recipients of Refugee Cash Assistance and refugees receiving county general assistance in eligible counties. If the county does not provide these services under the program authorized under

Article 3.2 (commencing with Section 11320) of Chapter 2, a portion of the funds allocated to the county in accordance with Section 13276 may be used to provide services to recipients of refugee cash assistance and refugee recipients of general assistance based on federal requirements and service needs, as outlined in the county plan developed pursuant to subdivision (b) of Section 13277.

**SEC. 89.** Section 13280 of the Welfare and Institutions Code is amended to read:

**13280.** (a) (1) In counties receiving federal refugee social services funding, the county welfare department shall include in its CalWORKs plan a section that specifically addresses the provision of services for refugee applicants for, and recipients of, aid pursuant to Chapter 2 (commencing with Section 11200) and the orderly transition of those applicants and recipients into the CalWORKs program.

(2) County staff responsible for the administration of CalWORKs shall work in conjunction with county staff responsible for the administration of refugee programs, as well as with representatives of local mutual assistance associations, voluntary agencies and other organizations involved in refugee resettlement to ensure that the section of the CalWORKs plan specified in paragraph (1) reflects the needs of the refugee applicants for, and recipients of, aid under the Temporary Assistance for Needy Families (TANF) program, the services are delivered in accordance with the section of the county's CalWORKs plan specified in paragraph (1), and that this transition occurs as quickly as possible within resources available to the CalWORKs program.

(b) The department shall annually reevaluate that section of the county's CalWORKs plan which is developed pursuant to paragraph (1) of subdivision (a). This reevaluation shall be made in conjunction with the county's development of its annual overall CalWORKs plan update and will be subject to approval of the department.

(c) (1) A county may maintain within the CalWORKs program a supplemental services component for refugees who would otherwise be temporarily excepted from the full range of CalWORKs services. These services shall complement regular services provided through Article 3.2 (commencing with Section 11320) of Chapter 2, to prepare the refugee for self-sufficiency or eventual transition into the CalWORKs program and shall be funded through federal refugee social services funds. County boards of supervisors may determine how the services are administered, subject to federal funding requirements.

(2) Any county that elects to implement the supplemental services component authorized by this subdivision shall fully describe the component in the section of its CalWORKs plan required by paragraph (1) of subdivision (a). The description shall specify the types of services planned to meet the special needs of refugees. Those services shall be in accordance with the department's guidelines.

(3) The CalWORKs refugee supplemental services authorized by this subdivision for refugee TANF applicants and recipients, to the extent permitted by federal law, shall meet the requirements of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) and shall be subject to the approval of the department.

(4) Refugee TANF applicants and recipients who are referred for participation in the supplemental services component authorized by this subdivision shall participate in the component services as a condition of eligibility under Chapter 2 (commencing with Section 11200) and shall be subject to the sanctions specified by Section 11327.5 if the services meet the requirements of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193), and are determined by the county to prepare a refugee for self-sufficiency.

(5) Refugee TANF recipients already participating in a CalWORKs component provided through Article 3.2 (commencing with Section 11320) of Chapter 2 shall not be removed from that component for the purpose of participating in the supplemental services component authorized by paragraph (1).

(d) Any county that elects to implement the supplemental services component authorized by paragraph (1) of subdivision (c) shall provide the supportive services described in subdivision (e) of Section 11323.2. These supportive services shall be funded with refugee social services funds. CalWORKs supportive services funds shall not be used to fund those supportive services.

(e) This section shall be implemented only in counties where federal refugee social services funds are available to the county.

**SEC. 90.** Section 13281 of the Welfare and Institutions Code is repealed.

**SEC. 91.** Section 13282 of the Welfare and Institutions Code is amended to read:

**13282.** The requirements established by this chapter shall be applicable only so long as federal funds are available for its purposes.

**SEC. 92.** Section 13283 of the Welfare and Institutions Code is amended to read:

**13283.** Notwithstanding any other law, the department shall ensure that noncitizen victims of trafficking, domestic violence, and other serious crimes, as defined in subdivision (b) of Section 18945, have access to refugee cash assistance, and refugee social services set forth in this chapter, to the same extent as individuals who are admitted to the United States as refugees under Section 1157 of Title 8 of the United States Code. These individuals shall be subject to the same work requirements and exemptions as other participants, provided that compliance with these requirements is authorized by law. An exemption from these requirements shall be available if physical or psychological trauma related to or arising from the victimization impedes their ability to comply. Assistance and services under this section shall be paid from state funds to the extent federal funding is unavailable.

**SEC. 93.** Section 13284 is added to the Welfare and Institutions Code, to read:

**13284.** (a) Notwithstanding any other law, and to the extent permitted by federal law, the department may, in its discretion, contract with, or issue grants to, qualified nonprofit organizations for the purpose of administering federally funded refugee cash assistance within a county. An eligible county providing refugee cash assistance pursuant to this section may continue to administer the refugee cash assistance while a contractor or grantee is also providing refugee cash assistance pursuant to this section within the county.

(b) The department shall require that qualified nonprofit organizations awarded contracts or grants pursuant to this section report, monitor, or audit the services provided, as determined by the department.

**SEC. 94.** Section 13285 is added to the Welfare and Institutions Code, to read:

**13285.** (a) Notwithstanding any other law, contracts or grants awarded by the department to a qualified nonprofit organization pursuant to this chapter shall be exempt from both of the following:

(1) The personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

(2) The Public Contract Code and the State Contracting Manual.

(b) Notwithstanding any other law, contracts or grants awarded by the department to a qualified nonprofit organization pursuant to this chapter shall not be subject to the approval of the Department of General Services.

**SEC. 95.** The Legislature finds and declares that critical humanitarian assistance, including shelter, food, and emergency medical care, is often unavailable for some immigrants and immigrant families in California during times of need, creating a need to provide temporary assistance through qualified and culturally competent entities that provide support to these immigrants.

**SEC. 96.** Chapter 5.7 (commencing with Section 13400) is added to Part 3 of Division 9 of the Welfare and Institutions Code, to read:

**CHAPTER 5.7. Rapid Response Program**

**13400.** The State Department of Social Services shall administer a rapid response program to award grants or contracts to entities that provide critical assistance to immigrants during times of need.

**13401.** (a) Grants or contracts awarded by the State Department of Social Services pursuant to this chapter shall comply with all of the following:

(1) May be executed with entities, including, but not limited to, nonprofit entities that meet the requirements set forth in either Section 501(c)(3) or 501(c)(5) of the Internal Revenue Code. An entity may partner with another entity to meet the requirements of this paragraph.

(2) Shall require reporting, monitoring, or audits of assistance provided, as determined by the department.

(3) Shall be used to deliver the following critical assistance to immigrants, as determined necessary by the department:

(A) Medical screening and treatment needs identified by that screening.

(B) (i) Temporary shelter that meets minimum habitability standards, including access to a bathroom, shower, and safe sleeping space. The entity may provide this assistance through temporary direct housing support, rental of physical space or hotel rooms, or by operating a shelter.

(ii) For purposes of this paragraph, shelter operations include, but are not limited to, any of the following:

(I) Securing physical space and making any necessary modifications to that space as required by a fire marshal or other legal authority.

(II) Personnel to oversee the shelter, including security officers.

(III) Janitorial services.

(IV) Laundry services.

(V) Insurance.

(VI) Any other associated and necessary costs of operating a shelter.

(C) Food.

(D) Clothing and other essential supplies.

(E) Transportation.

(F) Communications, including telephone and internet access, and translation services.

(G) Outreach and case management to support the delivery of the services listed in this paragraph.

(4) An entity that is awarded a grant or contract to provide medical screening shall have at least three years of experience providing medical screenings or other equivalent health care related services.

(5) An entity that is awarded a grant or contract to provide assistance other than medical services shall have at least three years of experience providing the assistance for which the entity seeks funding or shall subcontract with another entity that has at least three years of experience providing those services.

(6) An entity that is awarded a grant or contract pursuant to paragraph (5) to provide medical screenings may subcontract with another entity that has at least three years of experience providing medical screenings or other equivalent health care related services.

(b) Not more than 40 percent of each grant or contract awarded to an entity shall be advanced to that entity.

(c) Funding pursuant to this chapter shall be coordinated with any other funds available to support immigrants with critical assistance, and shall supplement and not supplant those funds.

**13402.** The State Department of Social Services shall provide an update to the Legislature in the course of the annual budget process regarding any entity receiving funds pursuant to this chapter. The update shall reflect the following information:

(a) The name of the entity or entities that will be awarded a grant or contract.

(b) The timeline for implementation of the services.

(c) The approximate number of persons that will be served per month by the grant or contract funds.

(d) The type of assistance that will be provided to immigrants.

(e) Identification of any additional barriers and challenges to assist immigrants.

**13403.** The Legislature finds and declares that this chapter is a state law that provides assistance and services for undocumented persons within the meaning of Section 1621(d) of Title 8 of the United States Code.

**13404.** (a) Notwithstanding any other law, funding awarded pursuant to this chapter shall be exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

(b) Notwithstanding any other law, funding awarded pursuant to this chapter shall be exempt from the Public Contract Code and the State Contracting Manual, and shall not be subject to the approval of the Department of General Services.

**13405.** Notwithstanding any other law, any personally identifiable information, including name, birth date, and destination address, as well as shelter location, shall be subject to the requirements of Section 10850 and shall be exempt from inspection under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code).

**13406.** The state shall be immune from any liability resulting from the implementation of this chapter.

**13407.** Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the State Department of Social Services may implement, interpret, or make specific this chapter without taking any regulatory action.

**13408.** The provisions of this chapter are severable. If any provision of this chapter or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

**13409.** This chapter shall become inoperative on July 1, 2022, and, as of January 1, 2023, is repealed.

**SEC. 97.** Section 14182.17 of the Welfare and Institutions Code is amended to read:

**14182.17.** (a) For the purposes of this section, the definitions in subdivision (b) of Section 14182.16 shall apply.

(b) The department shall ensure and improve the care coordination and integration of health care services for Medi-Cal beneficiaries residing in Coordinated Care Initiative counties who are either of the following:

(1) Dual eligible beneficiaries, as defined in subdivision (b) of Section 14182.16, who receive Medi-Cal benefits and services through the demonstration project established pursuant to Section 14132.275 or through mandatory enrollment in managed care health plans pursuant to Section 14182.16.

(2) Medi-Cal beneficiaries who receive long-term services and supports pursuant to Article 5.7 (commencing with Section 14186).

(c) The department shall develop an enrollment process to be used in Coordinated Care Initiative counties to do the following:

(1) Except in a county that provides Medi-Cal services under a county organized health system pursuant to Article 2.8 (commencing with Section 14087.5), provide a choice of Medi-Cal managed care plans to a dual eligible beneficiary who has opted for Medicare fee-for-service, and establish an algorithm to assign beneficiaries who do not make a choice.

(2) Ensure that only beneficiaries required to make a choice or affirmatively opt out are sent enrollment materials.

(3) Establish enrollment timelines, developed in consultation with health plans and stakeholders, and approved by CMS, for each demonstration site. The timeline may provide for combining or phasing in enrollment for Medicare and Medi-Cal benefits.

(d) Before the department contracts with managed care health plans or Medi-Cal providers to furnish Medi-Cal benefits and services pursuant to subdivision (b), the department shall do all of the following:

(1) Ensure timely and appropriate communications with beneficiaries as follows:

(A) At least 90 days prior to enrollment, inform dual eligible beneficiaries through a notice written at not more than a sixth-grade reading level that includes, at a minimum, how the Medi-Cal system of care will change, when the changes will occur, and who they can contact for assistance with choosing a managed care health plan or with problems they encounter.

(B) Develop and implement an outreach and education program for beneficiaries to inform them of their enrollment options and rights, including specific steps to work with consumer and beneficiary community groups.

(C) Develop, in consultation with consumers, beneficiaries, and other stakeholders, an overall communications plan that includes all aspects of developing beneficiary notices.

(D) Ensure that managed care health plans and their provider networks are able to provide communication and services to dual eligible beneficiaries in alternative formats that are culturally, linguistically, and physically appropriate through means, including, but not limited to, assistive listening systems, sign language interpreters, captioning, written communication, plain language, and written translations.

(E) Ensure that managed care health plans have prepared materials to inform beneficiaries of procedures for obtaining Medi-Cal benefits, including grievance and appeals procedures, that are offered by the plan or are available through the Medi-Cal program.

(F) Ensure that managed care health plans have policies and procedures in effect to address the effective transition of beneficiaries from Medicare Part D plans not participating in the demonstration project. These policies shall include, but not be limited to, the transition of care requirements for Medicare Part D benefits as described in Chapters 6 and 14 of the Medicare Managed Care Manual, published by CMS, including a determination of which beneficiaries require information

about their transition supply, and, within the first 90 days of coverage under a new plan, provide for a temporary fill when the beneficiary requests a refill of a nonformulary drug.

(G) Contingent upon available private or public funds other than moneys from the General Fund, contract with community-based, nonprofit consumer, or health insurance assistance organizations with expertise and experience in assisting dual eligible beneficiaries in understanding their health care coverage options.

(H) Develop, with stakeholder input, informing and enrollment materials and an enrollment process in the demonstration site counties. The department shall ensure all of the following prior to implementing enrollment:

(i) Enrollment materials shall be made public at least 60 days prior to the first mailing of notices to dual eligible beneficiaries, and the department shall work with stakeholders to incorporate public comment into the materials.

(ii) The materials shall be in a not more than sixth grade reading level and shall be available in all the Medi-Cal threshold languages, as well as in alternative formats that are culturally, linguistically, and physically appropriate. For in-person enrollment assistance, disability accommodation shall be provided, when appropriate, through means including, but not limited to, assistive listening systems, sign language interpreters, captioning, and written communication.

(iii) The materials shall plainly state that the beneficiary may choose fee-for-service Medicare or Medicare Advantage, but must return the form to indicate this choice, and that if the beneficiary does not return the form, the state shall assign the beneficiary to a plan and all Medicare and Medi-Cal benefits shall only be available through that plan.

(iv) The materials shall plainly state that the beneficiary shall be enrolled in a Medi-Cal managed care health plan even if the beneficiary chooses to stay in fee-for-service Medicare.

(v) The materials shall plainly explain all of the following:

(I) The plan choices.

(II) Continuity of care provisions.

(III) How to determine which providers are enrolled in each plan.

(IV) How to obtain assistance with the choice forms.

(vi) The enrollment contractor recognizes, in compliance with existing statutes and regulations, authorized representatives, including, but not limited to, a caregiver, family member, conservator, or a legal services advocate, who is recognized by any of the services or programs that the person is already receiving or participating in.

(I) Make available to the public and to all Medi-Cal providers copies of all beneficiary notices in advance of the date the notices are sent to beneficiaries. These copies shall be available on the department's internet website.

(2) Require that managed care health plans perform an assessment process that, at a minimum, does all of the following:

(A) Assesses each new enrollee's risk level and needs by performing a risk assessment process using means, including telephonic, web-based, or in-person communication, or review of utilization and claims processing data, or by other means as determined by the department, with a particular focus on identifying those enrollees who may need long-term services and supports. The risk assessment process shall be performed in accordance with all applicable federal and state laws.

(B) Assesses the care needs of dual eligible beneficiaries and coordinates their Medi-Cal benefits across all settings, including coordination of necessary services within, and, when necessary, outside of the managed care health plan's provider network.

(C) Uses a mechanism or algorithm developed by the managed care health plan pursuant to paragraph (7) of subdivision (b) of Section 14182 for risk stratification of members.

(D) At the time of enrollment, applies the risk stratification mechanism or algorithm approved by the department to determine the health risk level of members.

(E) Reviews historical Medi-Cal fee-for-service utilization data and Medicare data, to the extent either is accessible to and provided by the department, for dual eligible beneficiaries upon enrollment in a managed care health plan so that the managed care health plans are better able to assist dual eligible beneficiaries and prioritize assessment and care planning.

(F) Analyzes Medicare claims data for dual eligible beneficiaries upon enrollment in a demonstration site pursuant to Section 14132.275 to provide an appropriate transition process for newly enrolled beneficiaries who are prescribed Medicare Part D drugs that are not on the demonstration site's formulary, as required under the transition of care

requirements for Medicare Part D benefits as described in Chapters 6 and 14 of the Medicare Managed Care Manual, published by CMS.

(G) Assesses each new enrollee's behavioral health needs and historical utilization, including mental health and substance use disorder treatment services.

(H) Follows timeframes for reassessment and, if necessary, circumstances or conditions that require redetermination of risk level, which shall be set by the department.

(3) Ensure that the managed care health plans arrange for primary care by doing all of the following:

(A) Except for beneficiaries enrolled in the demonstration project pursuant to Section 14132.275, forgo interference with a beneficiary's choice of primary care physician under Medicare, and not assign a full-benefit dual eligible beneficiary to a primary care physician unless it is determined through the risk stratification and assessment process that assignment is necessary, in order to properly coordinate the care of the beneficiary or upon the beneficiary's request.

(B) Assign a primary care physician to a partial-benefit dual eligible beneficiary receiving primary or specialty care through the Medi-Cal managed care plan.

(C) Provide a mechanism for partial-benefit dual eligible enrollees to request a specialist or clinic as a primary care provider if these services are being provided through the Medi-Cal managed care health plan. A specialist or clinic may serve as a primary care provider if the specialist or clinic agrees to serve in a primary care provider role and is qualified to treat the required range of conditions of the enrollees.

(4) Ensure that the managed care health plans perform, at a minimum, and in addition to, other statutory and contractual requirements, care coordination, and care management activities as follows:

(A) Reflect a member-centered, outcome-based approach to care planning, consistent with the CMS model of care approach and with federal Medicare requirements and guidance.

(B) Adhere to a beneficiary's determination about the appropriate involvement of the beneficiary's medical providers and caregivers, according to the federal Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191).

(C) Develop care management and care coordination for the beneficiary across the medical and long-term services and supports care system, including transitions among levels of care and between service locations.

(D) Develop individual care plans for higher risk beneficiaries based on the results of the risk assessment process with a particular focus on long-term services and supports.

(E) Use nurses, social workers, the beneficiary's primary care physician, if appropriate, and other medical professionals to provide care management and enhanced care management, as applicable, particularly for beneficiaries in need of or receiving long-term services and supports.

(F) Consider behavioral health needs of beneficiaries and coordinate those services with the county mental health department as part of the beneficiary's care management plan when appropriate.

(G) Facilitate a beneficiary's ability to access appropriate community resources and other agencies, including referrals as necessary and appropriate for behavioral services, such as mental health and substance use disorders treatment services.

(H) Monitor skilled nursing facility utilization and develop care transition plans and programs that move beneficiaries back into the community to the extent possible. Plans shall monitor and support beneficiaries in the community to avoid further institutionalization.

(5) Ensure that the managed care health plans comply with, at a minimum, and in addition to other statutory and contractual requirements, network adequacy requirements as follows:

(A) Provide access to providers that comply with applicable state and federal law, including, but not limited to, physical accessibility and the provision of health plan information in alternative formats.

(B) Meet provider network adequacy standards for long-term services and supports that the department shall develop.

(C) Maintain an updated, accurate, and accessible listing of a provider's ability to accept new patients, which shall be made available to beneficiaries, at a minimum, by phone, written material, and the internet, and in accessible formats, upon request.

(D) Monitor an appropriate provider network that includes an adequate number of accessible facilities within each service area.

(E) Contract with and assign patients to safety net and traditional providers as defined in subdivisions (hh) and (jj), respectively, of Section 53810 of Title 22 of the California Code of Regulations, including small and private practice providers who have traditionally treated dual eligible patients, based on available medical history to ensure access to care and services. A managed care health plan shall establish participation standards to ensure participation and broad representation of traditional and safety net providers within a service area.

(F) Maintain a liaison to coordinate with each regional center operating within the plan's service area to assist dual eligible beneficiaries with developmental disabilities in understanding and accessing services and act as a central point of contact for questions, access and care concerns, and problem resolution.

(G) Maintain a liaison and provide access to out-of-network providers, for up to 12 months, for new members enrolled under Sections 14132.275 and 14182.16 who have an ongoing relationship with a provider, if the provider will accept the health plan's rate for the service offered, or for nursing facilities and Community-Based Adult Services, or the applicable Medi-Cal fee-for-service rate, whichever is higher, and the managed care health plan determines that the provider meets applicable professional standards and has no disqualifying quality of care issues in accordance with guidance from the department, including all-plan letters. A partial-benefit dual eligible beneficiary enrolled in Medicare Part A who only receives primary and specialty care services through a Medi-Cal managed care health plan shall be able to receive these Medi-Cal services from an out-of-network Medi-Cal provider for 12 months after enrollment. This subparagraph shall not apply to out-of-network providers that furnish ancillary services.

(H) Assign a primary care physician who is the primary clinician for the beneficiary and who provides core clinical management functions for partial-benefit dual eligible beneficiaries who are receiving primary and specialty care through the Medi-Cal managed care health plan.

(I) Employ care managers directly or contract with nonprofit or proprietary organizations in sufficient numbers to provide coordinated care services for long-term services and supports as needed for all members.

(6) Ensure that the managed care health plans address medical and social needs as follows:

(A) Offer services beyond those required by Medicare and Medi-Cal at the managed care health plan's discretion.

(B) Refer beneficiaries to community resources or other agencies for needed medical or social services or items outside the managed care health plan's responsibilities.

(C) Facilitate communication among a beneficiary's health care and personal care providers, including long-term services and supports and behavioral health providers when appropriate.

(D) Engage in other activities or services needed to assist beneficiaries in optimizing their health status, including assisting with self-management skills or techniques, health education, and other modalities to improve health status.

(E) Facilitate timely access to primary care, specialty care, medications, and other health services needed by the beneficiary, including referrals to address any physical or cognitive barriers to access.

(F) Utilize the most recent common procedure terminology (CPT) codes, modifiers, and correct coding initiative edits.

(7) (A) Ensure that the managed care health plans provide, at a minimum, and in addition to other statutory and contractual requirements, a grievance and appeal process that does both of the following:

(i) Provides a clear, timely, and fair process for accepting and acting upon complaints, grievances, and disenrollment requests, including procedures for appealing decisions regarding coverage or benefits, as specified by the department. Each managed care health plan shall have a grievance process that complies with Section 14450, and Sections 1368 and 1368.01 of the Health and Safety Code.

(ii) Complies with a Medicare and Medi-Cal grievance and appeal process, as applicable. The appeals process shall not diminish the grievance and appeals rights of IHSS recipients pursuant to Section 10950.

(B) In no circumstance shall the process for appeals be more restrictive than what is required under the Medi-Cal program.

(e) The department shall do all of the following:

(1) Monitor the managed care health plans' performance and accountability for provision of services, in addition to all other statutory and contractual monitoring and oversight requirements, by doing all of the following:

(A) Develop performance measures that are required as part of the contract to provide quality indicators for the Medi-Cal population enrolled in a managed care health plan and for the dual eligible subset of enrollees. These performance measures may include measures from the Healthcare Effectiveness Data and Information Set or measures indicative of performance in serving special needs populations, such as the National Committee for Quality Assurance structure and process measures, or other performance measures identified or developed by the department.

(B) Implement performance measures that are required as part of the contract to provide quality assurance indicators for long-term services and supports in quality assurance plans required under the plans' contracts. These indicators shall include factors such as affirmative member choice, increased independence, avoidance of institutional care, and positive health outcomes. The department shall develop these quality assurance indicators in consultation with stakeholder groups.

(C) Effective January 10, 2014, and for each subsequent year of the demonstration project authorized under Section 14132.275, provide a report to the Legislature describing the degree to which Medi-Cal managed care health plans in counties participating in the demonstration project have fulfilled the quality requirements, as set forth in the health plan contracts.

(D) Effective June 1, 2014, and for each subsequent year of the demonstration project authorized by Section 14132.275, provide a report from the department to the Legislature summarizing information from both of the following:

(i) The independent audit report required to be submitted annually to the department by managed care health plans participating in the demonstration project authorized by Section 14132.275.

(ii) Any routine financial examinations of managed care health plans operating in the demonstration project authorized by Section 14132.275 that have been conducted and completed for the previous calendar year by the department.

(2) Monitor on a quarterly basis the utilization of covered services of beneficiaries enrolled in the demonstration project pursuant to Section 14132.275 or receiving long-term services and supports pursuant to Article 5.7 (commencing with Section 14186).

(3) Develop requirements for managed care health plans to solicit stakeholder and member participation in advisory groups for the planning and development activities relating to the provision of services for dual eligible beneficiaries.

(4) Submit to the Legislature the following information:

(A) Provide, to the fiscal and appropriate policy committees of the Legislature, a copy of any report submitted to CMS pursuant to the approved federal waiver described in Section 14180.

(B) The department, together with the State Department of Social Services, the California Department of Aging, and the Department of Managed Health Care, convene and consult with stakeholders at least twice during the period following production of a draft of the implementation plan and before submission of the plan to the Legislature. Continued consultation with stakeholders shall occur on an ongoing basis for the implementation of the provisions of this section.

(C) No later than 90 days prior to the initial plan enrollment date of the demonstration project pursuant to the provisions of Sections 14132.275, 14182.16, and of Article 5.7 (commencing with Section 14186), assess and report to the fiscal and appropriate policy committees of the Legislature on the readiness of the managed care health plans to address the unique needs of dual eligible beneficiaries and Medi-Cal only seniors and persons with disabilities pursuant to the applicable readiness evaluation criteria and requirements set forth in paragraphs (1) to (8), inclusive, of subdivision (b) of Section 14087.48. The report shall also include an assessment of the readiness of the managed care health plans in each county participating in the demonstration project to have met the requirements set forth in paragraphs (1) to (9), inclusive.

(D) The department shall submit two reports to the Legislature, with the first report submitted five months prior to the commencement date of enrollment and the second report submitted three months prior to the commencement date of enrollment, that describe the status of all of the following readiness criteria and activities that the department shall complete:

(i) Enter into contracts, either directly or by funding other agencies or community-based, nonprofit, consumer, or health insurance assistance organizations with expertise and experience in providing health plan counseling or other direct health consumer assistance to dual eligible beneficiaries, in order to assist these beneficiaries in understanding their options to participate in the demonstration project specified in Section 14132.275 and to exercise their rights and address barriers regarding access to benefits and services.

(ii) Develop a plan to ensure timely and appropriate communications with beneficiaries as follows:

(I) Develop a plan to inform beneficiaries of their enrollment options and rights, including specific steps to work with consumer and beneficiary community groups described in clause (i), consistent with the provisions of paragraph (1).

(II) Design, in consultation with consumers, beneficiaries, and stakeholders, all enrollment-related notices, including, but not limited to, summary of benefits, evidence of coverage, prescription formulary, and provider directory notices, as well as all appeals and grievance-related procedures and notices produced in coordination with existing federal Centers for Medicare and Medicaid Services (CMS) guidelines.

(III) Design a comprehensive plan for beneficiary and provider outreach, including specific materials for persons in nursing and group homes, family members, conservators, and authorized representatives of beneficiaries, as appropriate, and providers of services and supports.

(IV) Develop a description of the benefits package available to beneficiaries in order to assist them in plan selection and how they may select and access services in the demonstration project's assessment and care planning process.

(V) Design uniform and plain language materials and a process to inform seniors and persons with disabilities of copays and covered services so that beneficiaries can make informed choices.

(VI) Develop a description of the process, except in those demonstration counties that have a county operated health system, of automatically assigning beneficiaries into managed care health plans that shall include a requirement to consider Medicare service utilization, provider data, and consideration of plan quality.

(iii) Finalize rates and comprehensive contracts between the department and participating health plans to facilitate effective outreach, enroll network providers, and establish benefit packages. To the extent permitted by CMS, the plan rates and contract structure shall be provided to the appropriate fiscal and policy committees of the Legislature and posted on the department's internet website so that they are readily available to the public.

(iv) Ensure that contracts have been entered into between plans and providers including, but not limited to, agreements with county agencies as necessary.

(v) Develop network adequacy standards for medical care and long-term supports and services that reflect the provisions of paragraph (5).

(vi) Identify dedicated department or contractor staff with adequate training and availability during business hours to address and resolve issues between health plans and beneficiaries, and establish a requirement that health plans have similar points of contact and are required to respond to state inquiries when continuity of care issues arise.

(vii) Develop a tracking mechanism for inquiries and complaints for quality assessment purposes, and post publicly on the department's internet website information on the types of issues that arise and data on the resolution of complaints.

(viii) Prepare scripts and training for the department and plan customer service representatives on all aspects of the program, including training for enrollment brokers and community-based organizations on rules of enrollment and counseling of beneficiaries.

(ix) Develop continuity of care procedures.

(x) Adopt quality measures to be used to evaluate the demonstration projects. Quality measures shall be detailed enough to enable measurement of the impact of automatic plan assignment on quality of care.

(xi) Develop reporting requirements for the plans to report to the department, including data on enrollments and disenrollments, appeals and grievances, and information necessary to evaluate quality measures and care coordination models. The department shall report this information to the appropriate fiscal and policy committees of the Legislature, and this information shall be posted on the department's internet website.

(f) This section shall be implemented only to the extent that all federal approvals and waivers are obtained and only if and to the extent that federal financial participation is available.

(g) To implement this section, the department may contract with public or private entities. Contracts or amendments entered into under this section may be on an exclusive or nonexclusive basis and a noncompetitive bid basis and shall be exempt from the following:

(1) Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code and any policies, procedures, or regulations authorized by that part.

(2) Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

(3) Review or approval of contracts by the Department of General Services.

(h) Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, the department may implement, interpret, or make specific this section and any applicable federal waivers and state plan amendments by means of all-county letters, plan letters, plan or provider bulletins, or similar instructions, without taking regulatory action. Prior to issuing any letter or similar instrument authorized pursuant to this section, the department shall notify and consult with stakeholders, including advocates, providers, and beneficiaries. The department shall notify the appropriate policy and fiscal committees of the Legislature of its intent to issue instructions under this section at least five days in advance of the issuance.

(i) Notwithstanding subdivisions (c) and (d) of Section 34 of Chapter 37 of the Statutes of 2013, this section shall not be made inoperative as a result of any determination made by the Director of Finance pursuant to Section 34 of Chapter 37 of the Statutes of 2013.

**SEC. 98.** Section 15204.2 of the Welfare and Institutions Code is amended to read:

**15204.2.** (a) It is the intent of the Legislature that the annual Budget Act appropriate state and federal funds in a single allocation to counties for the support of administrative activities undertaken by the counties to provide benefit payments to recipients of aid under Chapter 2 (commencing with Section 11200) of Part 3 and to provide required work activities and supportive services in order to efficiently and effectively carry out the purposes of that chapter.

(b) (1) No later than 30 days after the enactment of the Budget Act of 2004, the State Department of Social Services, in consultation with the County Welfare Directors Association of California, shall estimate the amount of unspent funds appropriated in the 2003–04 fiscal year single allocation described in this section.

(2) Unspent funds appropriated in the 2003–04 fiscal year single allocation, not to exceed forty million dollars ($40,000,000), shall be reappropriated to, and in augmentation of, Item 5180-101-0890 of Section 2.00 of the Budget Act of 2004. The State Department of Social Services, in consultation with the County Welfare Directors Association of California, shall develop an allocation methodology for these funds. A planning allocation, based on the estimated amount of unspent funds and the agreed upon allocation methodology, shall be provided to the counties no later than 30 days after the enactment of the Budget Act of 2004.

(c) (1) No later than 30 days after the enactment of the Budget Act of 2005, the State Department of Social Services, in consultation with the County Welfare Directors Association of California, shall estimate the amount of unspent funds appropriated in the 2004-05 fiscal year single allocation described in this section.

(2) Unspent funds appropriated in the 2004–05 fiscal year single allocation, not to exceed fifty million dollars ($50,000,000), shall be reappropriated to, and in augmentation of, Item 5180-101-0890 of Section 2.00 of the Budget Act of 2005. The State Department of Social Services, in consultation with the County Welfare Directors Association of California, shall develop an allocation methodology for these funds in order to partially offset the estimated savings due to the implementation of the quarterly reporting/prospective budgeting. A planning allocation, based on the estimated amount of unspent funds and the agreed upon allocation methodology, shall be provided to the counties no later than 30 days after the enactment of the Budget Act of 2005.

(d) The State Department of Social Services shall work with the County Welfare Directors Association of California, to determine the effect of implementation of the quarterly reporting/prospective budgeting system on eligibility activities and evaluate the impact on administrative costs.

(e) Notwithstanding subdivision (a), commencing with the 2020–21 fiscal year, the funding provided for stage one childcare, as described in Article 15.5 (commencing with Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the Education Code, shall be allocated to counties separately from the single allocation described in subdivision (a) for purposes of providing direct stage one childcare services and stage one childcare-related administration pursuant to Article 15.5 of the Education Code.

**SEC. 99.** Section 15204.35 of the Welfare and Institutions Code is amended to read:

**15204.35.** (a) The State Department of Social Services shall work with representatives of county human services agencies and the County Welfare Directors Association to develop recommendations for revising the methodology used for development of the CalWORKs single allocation annual budget. As part of the process of developing these recommendations, the department shall consult with legislative staff, advocates, and organizations that represent county workers.

(b) (1) Recommendations for initial changes to the methodology for development of the CalWORKs single allocation for the 2018–19 fiscal year shall be made to the Legislature by January 10, 2018.

(2) Recommendations for additional changes to the methodology for the 2019–20 and subsequent fiscal years shall be made to the Legislature by October 1, 2018.

(c) The State Department of Social Services shall work with representatives of county human services agencies and the County Welfare Directors Association of California for purposes of continuing to develop the casework metrics used for the budgeting of funding for employment services in the CalWORKs single allocation and to develop the budgeting methodology for welfare-to-work direct services during the 2019–20 fiscal year. As part of the process of developing this budgeting methodology, the department shall consult with legislative staff, advocates, and organizations that represent county workers.

**SEC. 100.** Section 15525 of the Welfare and Institutions Code is amended to read:

**15525.** (a) The State Department of Social Services shall establish a Work Incentive Nutritional Supplement (WINS) program pursuant to this section.

(b) Under the WINS program established pursuant to subdivision (a), each county shall provide a ten-dollar ($10) per month additional food assistance benefit for each eligible CalFresh household, as defined in subdivision (d).

(c) The state shall pay to the counties 100 percent of the cost of WINS benefits.

(d) For purposes of this section, an “eligible CalFresh household” is a household that meets all of the following criteria:

(1) Receives benefits pursuant to Chapter 10 (commencing with Section 18900) of Part 6.

(2) Has no household member receiving CalWORKs benefits pursuant to Chapter 2 (commencing with Section 11200).

(3) Contains at least one child under 18 years of age, unless the household contains a child who meets the requirements of Section 11253.

(4) Has at least one parent or caretaker relative determined to be “work eligible,” as defined in Section 261.2(n) of Title 45 of the Code of Federal Regulations and Section 607 of Title 42 of the United States Code.

(5) Meets the federal work participation hours requirement set forth in Section 607 of Title 42 of the United States Code for subsidized or unsubsidized employment, and provides documentation that the household has met the federal work requirements.

(e) (1) In accordance with federal law, federal Supplemental Nutrition Assistance Program benefits administered in California as CalFresh (Chapter 10 (commencing with Section 18900) of Part 6), federal supplemental security income benefits, state supplemental security program benefits, public social services, as defined in Section 10051, and county aid benefits (Part 5 (commencing with Section 17000)), shall not be reduced as a consequence of the receipt of the WINS benefit paid under this chapter.

(2) Benefits paid under this chapter shall not count toward the federal 60-month time limit on aid, as set forth in Section 608(a)(7)(A) of Title 42 of the United States Code. Payment of WINS benefits shall not commence before January 1, 2014, and full implementation of the program shall be achieved on or before July 1, 2014.

(f) (1) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code and Section 10554), until emergency regulations are filed with the Secretary of State pursuant to paragraph (2), the State Department of Social Services may implement this section through all-county letters or similar instructions. The department may provide for individual county phase-in of this section to allow for the orderly implementation based upon standards established by the department, including the operational needs and requirements of the counties. Implementation of the automation process changes shall include issuance of an all-county letter or similar instructions to counties by June 1, 2013.

(2) The department may adopt regulations to implement this chapter. The initial adoption, amendment, or repeal of a regulation authorized by this section is deemed to address an emergency, for purposes of Sections 11346.1 and 11349.6 of the Government Code, and the department is hereby exempted for that purpose from the requirements of subdivision (b) of Section 11346.1 of the Government Code. After the initial adoption, amendment, or repeal of an emergency regulation pursuant to this paragraph, the department may request approval from the Office of Administrative Law to readopt the regulation as an emergency regulation pursuant to Section 11346.1 of the Government Code.

(g) (1) The department shall not fully implement this section until the department convenes a workgroup of advocates, legislative staff, county representatives, and other stakeholders to consider the progress of the WINS automation effort in tandem with a pre-assistance employment readiness system (PAERS) program and any other program options that may provide offsetting benefits to the caseload reduction credit in the CalWORKs program. The department shall convene this workgroup on or before December 1, 2013.

(2) A PAERS program shall be considered in light of current and potential federal Temporary Assistance for Needy Families (TANF) statutes and regulations and how other states with pre-assistance or other caseload offset options are responding to

federal changes.

(3) The consideration of program options shall include, but not necessarily be limited to, the potential impacts on helping clients to obtain self-sufficiency, increasing the federal work participation rate, increasing the caseload reduction credit, requirements and efficiency of county administration, and the well-being of CalWORKs recipients.

(4) If the workgroup concludes that adopting a PAERS program or other program option pursuant to this section would, on balance, be favorable for California and its CalWORKs recipients, the department, in consultation with the workgroup, shall prepare a proposal by March 31, 2014, for consideration during the regular legislative budget subcommittee process in 2014.

(5) To meet the requirements of this subdivision, the department may use its TANF reauthorization workgroups.

**SEC. 101.** Section 16519.5 of the Welfare and Institutions Code is amended to read:

**16519.5.** (a) The State Department of Social Services, in consultation with county child welfare agencies, foster parent associations, and other interested community parties, shall implement a unified, family friendly, and child-centered resource family approval process to replace the existing multiple processes for licensing foster family homes, certifying foster homes by licensed foster family agencies, approving relatives and nonrelative extended family members as foster care providers, and approving guardians and adoptive families.

(b) (1) Counties shall be selected to participate on a voluntary basis as early implementation counties for the purpose of participating in the initial development of the approval process. Early implementation counties shall be selected according to criteria developed by the department in consultation with the County Welfare Directors Association of California. In selecting the five early implementation counties, the department shall promote diversity among the participating counties in terms of size and geographic location.

(2) Additional counties may participate in the early implementation of the program upon authorization by the department.

(3) The State Department of Social Services shall be responsible for all of the following:

(A) Selecting early implementation counties, based on criteria established by the department in consultation with the County Welfare Directors Association of California.

(B) Establishing timeframes for participating counties to submit an implementation plan, enter into terms and conditions for early implementation participation in the program, train appropriate staff, and accept applications from resource families.

(C) Entering into terms and conditions for early implementation participation in the program by counties.

(4) Counties participating in the early implementation of the program shall be responsible for all of the following:

(A) Submitting an implementation plan.

(B) Entering into terms and conditions for early implementation participation in the program.

(C) Consulting with the county probation department in the development of the implementation plan.

(D) Training appropriate staff.

(E) Accepting applications from resource families within the timeframes established by the department.

(5) (A) Approved relatives and nonrelative extended family members, licensed foster family homes, or approved adoptive homes that have completed the license or approval process prior to statewide implementation of the program shall not be considered part of the program. The otherwise applicable assessment and oversight processes shall continue to be administered for families and facilities not included in the program.

(B) Upon implementation of the program in a county, that county shall not accept new applications for the licensure of foster family homes, the approval of relative and nonrelative extended family members, or the approval of prospective guardians and adoptive homes.

(6) The department may waive regulations that pose a barrier to the early implementation and operation of this program. The waiver of any regulations by the department pursuant to this section shall apply to only those counties or foster family agencies participating in the early implementation of the program and only for the duration of the program.

(7) This subdivision shall become inoperative on January 1, 2017.

(c) (1) For purposes of this article, “resource family” means an individual or family that has successfully met both the home environment assessment standards and the permanency assessment criteria adopted pursuant to subdivision (d) necessary for

providing care for a child placed by a public or private child placement agency by court order, or voluntarily placed by a parent or legal guardian. A resource family shall demonstrate all of the following:

(A) An understanding of the safety, permanence, and well-being needs of children who have been victims of child abuse and neglect, and the capacity and willingness to meet those needs, including the need for protection, and the willingness to make use of support resources offered by the agency, or a support structure in place, or both.

(B) An understanding of children's needs and development, effective parenting skills or knowledge about parenting, and the capacity to act as a reasonable, prudent parent in day-to-day decisionmaking.

(C) An understanding of the role of the individual or family as a resource family and the capacity to work cooperatively with the agency and other service providers in implementing the child's case plan.

(D) The financial ability within the household to ensure the stability and financial security of the family. An applicant who will rely on the funding described in subdivision (l) to meet additional household expenses incurred due to the placement of a child shall not, for this reason, be denied approval as a resource family.

(E) An ability and willingness to provide a family setting that promotes normal childhood experiences that serves the needs of the child.

(2) For purposes of this article, and unless otherwise specified, references to a "child" shall include a "nonminor dependent" and "nonminor former dependent or ward," as defined in subdivision (v) and paragraph (1) of subdivision (aa) of Section 11400.

(3) There is no fundamental right to approval as a resource family. Emergency placement of a child pursuant to Section 309 or 361.45, or placement with a resource family applicant pursuant to subdivision (e), does not entitle an applicant approval as a resource family.

(4) (A) A resource family shall be considered eligible to provide foster care for children in out-of-home placement and shall be considered approved for adoption and guardianship.

(B) Notwithstanding subparagraph (A), a county may approve a resource family to care for a specific child, as specified in the written directives or regulations adopted pursuant to this section.

(5) For purposes of this article, "resource family approval" means that the applicant or resource family successfully meets the home environment assessment and permanency assessment standards. This approval is in lieu of a foster family home license issued pursuant to Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code, a certificate of approval issued by a licensed foster family agency, as described in subdivision (b) of Section 1506 of the Health and Safety Code, relative or nonrelative extended family member approval, guardianship approval, and the adoption home study approval.

(6) Approval of a resource family does not guarantee an initial, continued, or adoptive placement of a child with a resource family or with a relative or nonrelative extended family member. Approval of a resource family does not guarantee the establishment of a legal guardianship of a child with a resource family.

(7) (A) Notwithstanding paragraphs (1) to (6), inclusive, the county shall, consistent with Sections 1520.3 and 1558.1 of the Health and Safety Code, cease any further review of an application if the applicant has had a previous application denial by the department or a county within the preceding year, or if the applicant has had a previous rescission, revocation, or exemption denial or exemption rescission by the department or a county within the preceding two years.

(B) Notwithstanding subparagraph (A), the county may continue to review an application if it has determined that the reasons for the previous denial, rescission, or revocation were due to circumstances and conditions that either have been corrected or are no longer in existence. If an individual was excluded from a resource family home or facility licensed by the department, the county shall cease review of the individual's application unless the excluded individual has been reinstated pursuant to subdivision (g) of Section 16519.6 of this code or pursuant to Section 1569.53, subdivision (h) of Section 1558, subdivision (h) of Section 1569.58, or subdivision (h) of Section 1596.8897, of the Health and Safety Code.

(C) (i) The county may cease any further review of an application if, after written notice to the applicant, the applicant fails to complete an application without good faith effort and within 30 days of the date of the notice, as specified in the written directives or regulations adopted pursuant to this section.

(ii) Clause (i) does not apply if a child is placed with the applicant pursuant to Section 309 or 361.45, or paragraph (1) of subdivision (e) of Section 16519.5.

(D) The cessation of an application review pursuant to this paragraph shall not constitute a denial of the application for purposes of this section or any other law.

(E) For purposes of this section, the date of a previous denial, rescission, revocation, exemption denial or exemption rescission, or exclusion shall be either of the following:

(i) The effective date of a final decision or order upholding a notice of action or exclusion order.

(ii) The date on the notice of the decision to deny, rescind, revoke, or exclude if the notice was not appealed or otherwise constitutes a final decision.

(8) A resource family shall meet the approval standards set forth in this section, comply with the written directives or regulations adopted pursuant to this section, and comply with other applicable laws in order to maintain approval.

(9) A resource family may be approved by a county child welfare department or a probation department pursuant to this section or by a foster family agency pursuant to Section 1517 of the Health and Safety Code.

(10) A resource family shall not be licensed to operate a residential facility, as defined in Section 1502 of the Health and Safety Code, a residential care facility for the elderly, as defined in Section 1569.2 of the Health and Safety Code, or a residential care facility for persons with chronic life-threatening illnesses, as defined in Section 1568.01 of the Health and Safety Code, on the same premises used as the residence of the resource family.

(11) (A) An applicant who withdraws an application prior to its approval or denial may resubmit the application within 12 months of the withdrawal.

(B) Nothing in this paragraph shall preclude a county from requiring an applicant to complete an application activity, even if that activity was previously completed.

(d) (1) The department shall adopt standards pertaining to the home environment and permanency assessments of a resource family.

(2) Resource family home environment assessment standards shall include, but not be limited to, all of the following:

(A) (i) (I) A criminal record clearance of each applicant and all adults residing in, or regularly present in, the home, and not exempted from fingerprinting, as set forth in subdivision (b) of Section 1522 of the Health and Safety Code, pursuant to Section 8712 of the Family Code, utilizing a check of the Child Abuse Central Index pursuant to Section 1522.1 of the Health and Safety Code, and receipt of a fingerprint-based state and federal criminal offender record information search response. The criminal history information shall include subsequent notifications pursuant to Section 11105.2 of the Penal Code.

(II) Consideration of any substantiated allegations of child abuse or neglect against the applicant and any other adult residing in, or regularly present in, the home pursuant to Section 1522.1 of the Health and Safety Code.

(III) If the criminal records check indicates that the person has been convicted of an offense described in subparagraph (A) of paragraph (2) of subdivision (g) of Section 1522 of the Health and Safety Code, home approval shall be denied. If the criminal records check indicates that the person has been convicted of an offense described in subparagraph (B) or (C) of paragraph (2) of subdivision (g) of Section 1522 of the Health and Safety Code, the home shall not be approved unless a criminal records exemption has been granted pursuant to subclause (IV).

(IV) If the resource family parent, applicant, or any other person specified in subclause (I) has been convicted of a crime other than a minor traffic violation or arrested for an offense specified in subdivision (e) of Section 1522 of the Health and Safety Code, except for the civil penalty language, the criminal background check provisions specified in subdivisions (d) through (f) of Section 1522 of the Health and Safety Code shall apply. Exemptions from the criminal records clearance requirements set forth in this section may be granted by the department or the county, if that county has been granted permission by the department to issue criminal records exemptions pursuant to Section 361.4, using the exemption criteria currently used for foster care licensing, as specified in subdivision (g) of Section 1522 of the Health and Safety Code.

(V) If it is determined, on the basis of the fingerprint images and related information submitted to the Department of Justice, that subsequent to obtaining a criminal record clearance or exemption from disqualification, the person has been convicted of, or is awaiting trial for, a sex offense against a minor, or has been convicted for an offense specified in Section 243.4, 273a, 273ab, 273d, 273g, or 368 of the Penal Code, or a felony, the department or county shall notify the resource family to act immediately to remove or bar the person from entering the resource family's home. The department or county, as applicable, may subsequently grant an exemption from disqualification pursuant to subdivision (g) of Section 1522 of the Health and Safety Code. If the conviction or arrest was for another crime, the resource family shall, upon notification by the department or county, act immediately to either remove or bar the person from entering the resource family's home, or require the person to seek an exemption from disqualification

pursuant to subdivision (g) of Section 1522 of the Health and Safety Code. The department or county, as applicable, shall determine if the person shall be allowed to remain in the home until a decision on the exemption from disqualification is rendered.

(ii) For public foster family agencies approving resource families, the criminal records clearance process set forth in clause (i) shall be utilized.

(iii) For private foster family agencies approving resource families, the criminal records clearance process set forth in clause (i) shall be utilized, but the Department of Justice shall disseminate a fitness determination resulting from the federal criminal offender record information search.

(B) A home and grounds evaluation to ensure the health and safety of children.

(C) In addition to the foregoing requirements, the resource family home environment assessment standards shall also require the following:

(i) That the applicant demonstrates an understanding of the rights of children in care and the applicant's responsibility to safeguard those rights.

(ii) That the total number of children residing in the home of a resource family shall be no more than the total number of children the resource family can properly care for, regardless of status, and shall not exceed six children, unless exceptional circumstances that are documented in the foster child's case file exist to permit a resource family to care for more children, including, but not limited to, the need to place siblings together.

(iii) That the applicant understands the applicant's responsibilities with respect to acting as a reasonable and prudent parent, and maintaining the least restrictive environment that serves the needs of the child.

(3) The resource family permanency assessment standards shall include, but not be limited to, all of the following:

(A) Caregiver training, as described in subdivisions (g) and (h).

(B) A family evaluation, which shall include, but not be limited to, interviews of an applicant to assess the applicant's personal history, family dynamic, and need for support or resources, and a risk assessment.

(i) When the applicant is a relative or nonrelative extended family member to an identified child, the family evaluation shall consider the nature of the relationship between the relative or nonrelative extended family member and the child. The relative or nonrelative extended family member's expressed desire to only care for a specific child or children shall not be a reason to deny the approval.

(ii) A caregiver risk assessment shall include, but not be limited to, physical and mental health, alcohol and other substance use and abuse, family and domestic violence, and the factors listed in paragraph (1) of subdivision (c).

(iii) A county may review and discuss data contained in the statewide child welfare database with an applicant for purposes of conducting a family evaluation, as specified in the written directives or regulations adopted pursuant to this section.

(C) Completion of any other activities that relate to the ability of an applicant or a resource family to achieve permanency with a child.

(4) (A) For a child placed on an emergency basis with a family that has successfully completed the home environmental assessment, the permanency assessment shall be completed within 90 days of the application to become a resource family, unless good cause exists based upon the needs of the child.

(B) If additional time is needed to complete the permanency assessment, the county shall document the extenuating circumstances for the delay and generate a timeframe for the completion of the permanency assessment.

(C) The county shall report to the department, on a quarterly basis, the number of families with emergency placements whose permanency assessment goes beyond 90 days and summarize the reasons for these delays.

(e) (1) A county may place a child with a resource family applicant who has successfully completed the home environment assessment prior to completion of a permanency assessment only if a compelling reason for the placement exists based on the needs of the child.

(A) The permanency assessment and the written report described in paragraph (5) of subdivision (g) shall be completed within 90 days of the child's placement in the home, unless good cause exists.

(B) If additional time is needed to comply with subparagraph (A), the county shall document the extenuating circumstances for the delay and generate a timeframe for the completion of the permanency assessment.

(C) The county shall report to the department, on a quarterly basis, the number of applicants for whom the requirements of subparagraph (A) exceed 90 days and summarize the reasons for these delays.

(2) The home environment, permanency assessments, and the written report described in paragraph (5) of subdivision (g) shall be completed within 90 days of a child's placement with a relative or nonrelative extended family member pursuant to Section 309 or 361.45, unless good cause exists.

(3) For any placement made pursuant to this subdivision, AFDC-FC funding shall not be available until approval of the resource family has been completed.

(4) Any child placed pursuant to this subdivision shall be afforded all the rights set forth in Section 16001.9.

(5) This section shall not limit the county's authority to inspect the home of a resource family applicant as often as necessary to ensure the quality of care provided.

(6) This subdivision does not limit the county's obligation under law to assess and give placement consideration to relatives and nonrelative extended family members and to place a child pursuant to Section 309, 361.3, or 361.45.

(f) The State Department of Social Services shall be responsible for all of the following:

(1) (A) Until regulations are adopted, administering the program through the issuance of written directives that shall have the same force and effect as regulations. Any directive affecting Article 1 (commencing with Section 700) of Chapter 7 of Division 1 of Title 11 of the California Code of Regulations shall be approved by the Department of Justice. The directives shall be exempt from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340)) of Part 1 of Division 3 of Title 2 of the Government Code.

(B) Adopting, amending, or repealing, in accordance with Chapter 4.5 (commencing with Section 11400) of Part 1 of Division 3 of Title 2 of the Government Code, any reasonable rules, regulations, and standards that may be necessary or proper to carry out the purposes and intent of this article and to enable the department to exercise the powers and perform the duties conferred upon it by this section, consistent with the laws of this state.

(2) Approving and requiring the use of a single standard for resource family approval.

(3) Adopting and requiring the use of standardized documentation for the home environment and permanency assessments of resource families.

(4) Adopting core competencies for county staff to participate in the assessment and evaluation of an applicant or resource family.

(5) Requiring counties to monitor county-approved resource families, including, but not limited to, both of the following:

(A) Investigating complaints regarding resource families.

(B) Developing and monitoring resource family corrective action plans to correct identified deficiencies and to rescind resource family approval if compliance with corrective action plans is not achieved.

(6) Ongoing oversight and monitoring of county systems and operations including all of the following:

(A) Reviewing the county's implementation plan and implementation of the program.

(B) Reviewing an adequate number of county-approved resource families in each county to ensure that approval standards are being properly applied. The review shall include case file documentation and may include onsite inspection of individual resource families. The review shall occur on an annual basis and more frequently if the department becomes aware that a county is experiencing a disproportionate number of complaints against individual resource family homes.

(C) Reviewing county reports of serious complaints and incidents involving resource families, as determined necessary by the department. The department may conduct an independent review of the complaint or incident and change the findings depending on the results of its investigation.

(D) Investigating unresolved complaints against counties.

(E) Requiring corrective action of counties that are not in full compliance with this section.

(7) Excluding a resource family parent, applicant, or other individual from presence in any resource family home, consistent with the established standard for any of the reasons specified in Section 16519.61.

(8) Implementing due process procedures, including, but not limited to, all of the following:

(A) Providing a statewide fair hearing process for application denials, rescissions of approval, exclusion actions, or criminal record exemption denials or rescissions by a county or the department.

(B) Providing an excluded individual with due process pursuant to Section 16519.6.

(C) Amending the department's applicable state hearing procedures and regulations or using the Administrative Procedure Act, when applicable, as necessary for the administration of the program.

(g) Counties shall be responsible for all of the following:

(1) Submitting an implementation plan and consulting with the county probation department in the development of the implementation plan.

(2) Complying with the written directives or regulations adopted pursuant to this section.

(3) Implementing the requirements for resource family approval and utilizing standardized documentation established by the department.

(4) Training appropriate staff, including ensuring staff have the education and experience or core competencies necessary to participate in the assessment and evaluation of an applicant or resource family.

(5) (A) Taking the following actions, as applicable, for any of the reasons specified in Section 16519.61:

(i) (I) Approving or denying resource family applications, including preparing a written report that evaluates an applicant's capacity to foster, adopt, and provide legal guardianship of a child based on all of the information gathered through the resource family application and assessment processes.

(II) The applicant's preference to provide a specific level of permanency, including adoption, guardianship, or, in the case of a relative, placement with a fit and willing relative, shall not be a basis to deny an application.

(ii) Rescinding approvals of resource families.

(iii) When applicable, referring a case to the department for an action to exclude a resource family parent, applicant, or other individual from presence in any resource family home, consistent with the established standard.

(iv) Issuing a temporary suspension order that suspends the resource family approval prior to a hearing when, in the opinion of the county, urgent action is needed to protect a child from physical or mental abuse, abandonment, or any other substantial threat to health or safety. The county shall serve the resource family with the temporary suspension order and a copy of available discovery in the possession of the county, including, but not limited to, affidavits, declarations, names of witnesses, and other evidence upon which the county relied in issuing the temporary suspension order. The temporary suspension order shall be served upon the resource family with a notice of action, and if the matter is to be heard before the Office of Administrative Hearings, an accusation. The temporary suspension order shall list the effective date on the order.

(v) Granting, denying, or rescinding criminal record exemptions.

(B) Providing a resource family parent, applicant, or individual who is the subject of a criminal record exemption denial or rescission with due process pursuant to Section 16519.6.

(C) Notifying the department of any decisions denying an application for resource family approval, rescinding the approval of a resource family, or denying or rescinding a criminal record exemption and, if applicable, notifying the department of the results of an administrative action.

(6) (A) Updating resource family approval annually and as necessary to address any changes that have occurred in the resource family's circumstances, including, but not limited to, moving to a new home location or commencing operation of a family day care home, as defined in Section 1596.78 of the Health and Safety Code.

(B) A county shall conduct an announced inspection of a resource family home during the annual update, and as necessary to address any changes specified in subparagraph (A), in order to ensure that the resource family is conforming to all applicable laws and the written directives or regulations adopted pursuant to this section.

(7) Monitoring resource families through all of the following:

(A) Ensuring that social workers who identify a condition in the home that may not meet the approval standards set forth in subdivision (d) while in the course of a routine visit to children placed with a resource family take appropriate action as needed.

(B) Requiring resource families to meet the approval standards set forth in this section and to comply with the written directives or regulations adopted pursuant to this section, other applicable laws, and corrective action plans as necessary to correct identified deficiencies. If corrective action is not completed, as specified in the plan, the county may rescind the resource family approval.

(C) Requiring resource families to report to the county child welfare agency any incidents consistent with the reporting requirements for licensed foster family homes.

(D) Inspecting resource family homes as often as necessary to ensure the quality of care provided.

(8) (A) Investigating all complaints against a resource family and taking action as necessary, including, but not limited to, investigating any incidents reported about a resource family indicating that the approval standard is not being maintained and inspecting the resource family home.

(B) The child's social worker shall not conduct the investigation into the complaint received concerning a family providing services pursuant to the standards required by subdivision (d). To the extent that adequate resources are available, complaints shall be investigated by a worker who did not conduct the home environment assessment or family evaluation or prepare the written report determining approval of the resource family.

(C) Upon conclusion of the complaint investigation, the final disposition shall be reviewed and approved by a supervising staff member.

(D) The department shall be notified of any serious incidents or serious complaints or any incident that falls within the definition of Section 11165.5 of the Penal Code. If those incidents or complaints result in an investigation, the department shall also be notified as to the status and disposition of that investigation.

(9) Performing corrective action as required by the department.

(10) Assessing county performance in related areas of the California Child and Family Services Review System, and remedying problems identified.

(11) Submitting information and data that the department determines is necessary to study, monitor, and prepare the update specified in paragraph (7) of subdivision (f).

(12) Ensuring resource family applicants and resource families have the necessary knowledge, skills, and abilities to support children in foster care by completing caregiver training. The training should include a curriculum that supports the role of a resource family in parenting vulnerable children and should be ongoing in order to provide resource families with information on trauma-informed practices and requirements and other topics within the foster care system.

(13) Ensuring that a resource family applicant completes a minimum of 12 hours of preapproval caregiver training. The training shall include, but not be limited to, all of the following courses:

(A) An overview of the child protective and probation systems.

(B) The effects of trauma, including grief and loss, and child abuse and neglect, on child development and behavior, and methods to behaviorally support children impacted by that trauma or child abuse and neglect.

(C) Positive discipline and the importance of self-esteem.

(D) Health issues in foster care.

(E) Accessing services and supports to address education needs, physical, mental, and behavioral health, and substance use disorders, including culturally relevant services.

(F) The rights of a child in foster care and the resource family's responsibility to safeguard those rights, including the right to have fair and equal access to all available services, placement, care, treatment, and benefits, and to not be subjected to discrimination or harassment on the basis of actual or perceived race, ethnic group identification, ancestry, national origin, color, religion, sex, sexual orientation, gender identity, mental or physical disability, or HIV status.

(G) Cultural needs of children, including instruction on cultural competency and sensitivity, and related best practices for providing adequate care for children or youth across diverse ethnic and racial backgrounds, as well as children or youth identifying as lesbian, gay, bisexual, or transgender.

(H) Basic instruction on existing laws and procedures regarding the safety of foster youth at school.

(I) Permanence, well-being, and education needs of children.

(J) Child and adolescent development, including sexual orientation, gender identity, and expression.

(K) The role of resource families, including working cooperatively with the child welfare or probation agency, the child's family, and other service providers implementing the case plan.

(L) The role of a resource family on the child and family team as defined in paragraph (4) of subdivision (a) of Section 16501.

(M) A resource family's responsibility to act as a reasonable and prudent parent, as described in subdivision (c) of Section 1522.44 of the Health and Safety Code, and to provide a family setting that promotes normal childhood experiences and that serves the needs of the child.

(N) An overview of the specialized training identified in subdivision (h).

(O) The information described in subdivision (i) of Section 16521.5. The program may use the curriculum created pursuant to subdivision (h), and described in subdivision (i), of Section 16521.5.

(14) Ensuring resource families complete a minimum of eight hours of caregiver training annually, a portion of which shall be from subparagraph (M) of paragraph (13) and from one or more of the other topics listed in paragraph (13).

(h) In addition to any training required by this section, a county may require a resource family or applicant to receive relevant specialized training for the purpose of preparing the resource family to meet the needs of a particular child in care. This training may include, but is not limited to, the following:

(1) Understanding how to use best practices for providing care and supervision to commercially sexually exploited children.

(2) Understanding how to use best practices for providing care and supervision to lesbian, gay, bisexual, and transgender children.

(3) Understanding the requirements and best practices regarding psychotropic medications, including, but not limited to, court authorization, benefits, uses, side effects, interactions, assistance with self-administration, misuse, documentation, storage, and metabolic monitoring of children prescribed psychotropic medications.

(4) Understanding the federal Indian Child Welfare Act (25 U.S.C. Sec. 1901 et seq.), its historical significance, the rights of children covered by the act, and the best interests of Indian children, including the role of the caregiver in supporting culturally appropriate, child-centered practices that respect Native American history, culture, retention of tribal membership, and connection to the tribal community and traditions.

(5) Understanding how to use best practices for providing care and supervision to nonminor dependents.

(6) Understanding how to use best practices for providing care and supervision to children with special health care needs.

(7) Understanding the different permanency options and the services and benefits associated with the options.

(i) This section shall not preclude a county from requiring training in excess of the requirements in this section.

(j) (1) Resource families who move home locations shall retain their resource family status pending the outcome of the update conducted pursuant to paragraph (6) of subdivision (g).

(2) (A) If a resource family moves from one county to another county, the department, or the county to which a resource family has moved, shall submit a written request to the Department of Justice to transfer the individual's subsequent arrest notification, as specified in subdivision (h) of Section 1522 of the Health and Safety Code.

(B) A request to transfer a subsequent arrest notification shall contain all prescribed data elements and format protocols pursuant to a written agreement between the department and the Department of Justice.

(3) Subject to the requirements in paragraph (1), the resource family shall continue to be approved for guardianship and adoption. This subdivision shall not limit a county, foster family agency, or adoption agency from determining that the family is

not approved for guardianship or adoption based on changes in the family's circumstances or family evaluation.

(k) Implementation of the program shall be contingent upon the continued availability of federal Social Security Act Title IV-E (42 U.S.C. Sec. 670) funds for costs associated with placement of children with resource families assessed and approved pursuant to the program.

(l) A child placed with a resource family is eligible for the resource family basic rate, pursuant to Sections 11253.45, 11460, 11461, and 11463, and subdivision (l) of Section 11461.3, at the child's assessed level of care.

(m) Sharing ratios for nonfederal expenditures for all costs associated with activities related to the approval of relatives and nonrelative extended family members shall be in accordance with Section 10101.

(n) The Department of Justice shall charge fees sufficient to cover the cost of initial or subsequent criminal offender record information and Child Abuse Central Index searches, processing, or responses, as specified in this section.

(o) Except as provided, resource families shall be exempt from both of the following:

(1) Licensure requirements established pursuant to the California Community Care Facilities Act (Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code) and all regulations promulgated to implement the act.

(2) Relative and nonrelative extended family member approval requirements as those approval requirements existed prior to January 1, 2017.

(p) (1) Early implementation counties shall be authorized to continue through December 31, 2016. The program shall be implemented by each county on or before January 1, 2017.

(2) (A) (i) On and after January 1, 2017, a county to which the department has delegated its licensing authority pursuant to Section 1511 of the Health and Safety Code shall approve resource families in lieu of licensing foster family homes.

(ii) Notwithstanding clause (i), the existing licensure and oversight processes shall continue to be administered for foster family homes licensed prior to January 1, 2017, or as specified in subparagraph (C), until the license is revoked or forfeited by operation of law pursuant to Section 1517.1 of the Health and Safety Code.

(B) (i) On and after January 1, 2017, a county shall approve resource families in lieu of approving relative and nonrelative extended family members.

(ii) Notwithstanding clause (i), the existing approval and oversight processes shall continue to be administered for relatives and nonrelative extended family members approved prior to January 1, 2017, or as specified in subparagraph (C), until the approval is revoked or forfeited by operation of law pursuant to this section.

(C) Notwithstanding subparagraph (D), a county shall approve or deny all applications for foster family home licenses and requests for relative or nonrelative extended family member approvals received on or before December 31, 2016, in accordance with Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code or provisions providing for the approval of relatives or nonrelative extended family members, as applicable.

(D) On and after January 1, 2017, a county shall not accept applications for foster family home licenses or requests to approve relatives or nonrelative extended family members.

(3) No later than July 1, 2019, each county shall provide the following information to all licensed foster family homes and approved relatives and nonrelative extended family members licensed or approved by the county:

(A) A detailed description of the resource family approval program.

(B) Notification that, in order to care for a foster child, resource family approval is required by December 31, 2020.

(C) Notification that a foster family home license and an approval of a relative or nonrelative extended family member shall be forfeited by operation of law, as specified in paragraph (8).

(4) The following shall apply to all licensed foster family homes and approved relative and nonrelative extended family members:

(A) A licensed foster family home or an approved relative or nonrelative extended family member with an approved adoptive home study completed prior to January 1, 2018, shall be deemed to be a resource family.

(B) A licensed foster family home or an approved relative or nonrelative extended family member who had a child in placement at any time between January 1, 2017, and December 31, 2017, inclusive, may be approved as a resource family

on the date of successful completion of a family evaluation.

(C) A licensed foster family home that provided county-authorized respite services at any time between January 1, 2017, and December 31, 2017, inclusive, may be approved as a resource family on the date of successful completion of a family evaluation.

(5) A county may provide supportive services to all licensed foster family homes, relatives, and nonrelative extended family members with a child in placement to assist with the resource family transition and to minimize placement disruptions.

(6) (A) In order to approve a licensed foster family home or approved relative or nonrelative extended family member as a resource family pursuant to paragraph (4), a county shall submit a written request to the Department of Justice to transfer any subsequent arrest and Child Abuse Central Index notifications, as specified in subdivision (h) of Section 1522 of the Health and Safety Code.

(B) A request to transfer a subsequent arrest notification shall contain all prescribed data elements and format protocols pursuant to a written agreement between the department and the Department of Justice.

(7) An individual who is a member of a resource family approved pursuant to subparagraph (B) or (C) of paragraph (4) shall be fingerprinted pursuant to Section 8712 of the Family Code upon filing an application for adoption.

(8) All foster family licenses and approvals of relatives and nonrelative extended family members shall be forfeited by operation of law on December 31, 2020, except as provided in this paragraph or Section 1524 of the Health and Safety Code:

(A) All licensed foster family homes that did not have a child in placement or did not provide county-authorized respite services at any time between January 1, 2017, and December 31, 2017, inclusive, shall forfeit the license by operation of law on January 1, 2018.

(B) For foster family home licensees and approved relatives or nonrelative extended family members who have a pending resource family application on December 31, 2020, the foster family home license or relative and nonrelative extended family member approval shall be forfeited by operation of law upon approval as a resource family. If approval is denied, forfeiture by operation of law shall occur on the date of completion of any proceedings required by law to ensure due process.

(C) A foster family home license shall be forfeited by operation of law, pursuant to Section 1517.1 of the Health and Safety Code, upon approval as a resource family.

(D) Approval as a relative or nonrelative extended family member shall be forfeited by operation of law upon approval as a resource family.

(q) On and after January 1, 2017, all licensed foster family agencies shall approve resource families in lieu of certifying foster homes, as set forth in Section 1517 of the Health and Safety Code.

(r) The department may establish participation conditions, and select and authorize foster family agencies that voluntarily submit implementation plans and revised plans of operation in accordance with requirements established by the department, to approve resource families in lieu of certifying foster homes.

(1) Notwithstanding any other law, a participating foster family agency shall require resource families to meet and maintain the resource family approval standards and requirements set forth in this chapter and in the written directives adopted consistent with the chapter prior to approval and in order to maintain approval.

(2) A participating foster family agency shall implement the resource family approval program pursuant to Section 1517 of the Health and Safety Code.

(3) This section shall not be construed to limit the authority of the department to inspect, evaluate, or investigate a complaint or incident, or initiate a disciplinary action against a foster family agency pursuant to Article 5 (commencing with Section 1550) of Chapter 3 of Division 2 of the Health and Safety Code, or to take any action it may deem necessary for the health and safety of children placed with the foster family agency.

(4) The department may adjust the foster family agency AFDC-FC rate pursuant to Section 11463 for implementation of this subdivision.

(5) This subdivision is inoperative on January 1, 2017.

(s) The department or a county is authorized to obtain any arrest or conviction records or reports from any court or law enforcement agency as necessary to the performance of its duties, as provided in this section or subdivision (e) of Section 1522

of the Health and Safety Code.

(t) A resource family approved pursuant to this section shall forfeit its approval concurrent with resource family approval by a foster family agency.

**SEC. 102.** Section 16521.8 is added to the Welfare and Institutions Code, to read:

**16521.8.** (a) (1) A child welfare public health nursing early intervention program shall be conducted in the County of Los Angeles as provided in this section, with the county's consent. The purpose of the program is to improve outcomes for the expanded population of youth at risk of entering the foster care system, by maximizing access to health care, health education, and connection to safety net services. It is the intent of the Legislature for the program to maximize the use of county public health nurses in the field, in order to provide families with children who are at risk of being placed in the child welfare system with preventative services to meet their medical, mental, and behavioral health needs.

(2) The program shall be administered by the Los Angeles County Department of Public Health (DPH), in cooperation with the county's Department of Children and Family Services (DCFS).

(3) Funding appropriated for purposes of the program shall be used for, but not limited to, the following:

(A) Hiring a sufficient number of new public health nurses, with the goal of achieving an average caseload ratio of 200:1.

(B) Hiring additional public health nursing supervisors to provide necessary guidance and support.

(C) Hiring senior and intermediate typist clerks to assist with data entry.

(D) Establishing an accountability mechanism and a shared information and data exchange system.

(b) A county public health nurse providing services under the program may do all of the following:

(1) Respond to emergency response referrals with social workers.

(2) Conduct emergency and routine home visits with social workers.

(3) Educate social workers on behavioral, mental and physical health conditions.

(4) Identify behavioral and health conditions that social workers are not trained to identify.

(5) Provide followup with families of youth who remain in the home to monitor compliance with the medical, dental, and mental health care plans to promote wellbeing and minimize repeat referrals.

(6) Conduct routine followups and monitoring of medically fragile and medically at-risk children and youth in the Family Maintenance and Reunification programs.

(7) Provide parents and guardians with educational tools and resources to ensure the child's physical, mental, and behavioral health needs are being met.

(8) Interpret medical records and reports for social workers.

(c) (1) DPH, in cooperation with DCFS, shall develop appropriate outcome measures to determine the effectiveness of the program, including established triaging tools and visitation protocols, in achieving the objectives described in paragraph (1) of subdivision (a). Commencing January 1, 2021, and each January 1 thereafter, the DPH shall report to the Legislature on the effectiveness of the program using those outcome measures, including any recommendations for continuation or expansion of the program.

(2) A report submitted under this subdivision shall be submitted in compliance with Section 9795 of the Government Code.

(d) The State Department of Health Care Services, in consultation with the County of Los Angeles, shall seek any federal approvals necessary to implement the program described in subdivision (a) and shall seek to maximize federal financial participation available for this purpose.

(e) Contingent upon an appropriation in the annual Budget Act, the State Department of Social Services shall provide funds to DPH for the purposes described in this section.

(f) Notwithstanding any other law, including the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code, Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and the State Contracting Manual, any nonfederal share funds annually appropriated to

the State Department of Social Services for the purposes described this section shall be passed through in a single lump-sum to DPH.

(g) (1) The implementation of this section shall be suspended on December 31, 2021, unless paragraph (2) applies.

(2) If, in the determination of the Department of Finance, the estimates of General Fund revenues and expenditures determined pursuant to Section 12.5 of Article IV of the California Constitution that accompany the May Revision required to be released by May 14, 2021, pursuant to Section 13308 of the Government Code contain projected annual General Fund revenues that exceed projected annual General Fund expenditures in the 2021–22 and 2022–23 fiscal years by the sum total of General Fund moneys appropriated for all programs subject to suspension on December 31, 2021, pursuant to the Budget Act of 2019 and the bills providing for appropriations related to the Budget Act of 2019 within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, then the implementation of this section shall not be suspended pursuant to paragraph (1).

(3) If paragraph (1) applies, it is the intent of the Legislature to consider alternative solutions to facilitate the continued implementation of the program created pursuant to this section.

**SEC. 103.** Section 16523 of the Welfare and Institutions Code is amended to read:

**16523.** For purposes of this article, the following definitions shall apply:

(a) “Child welfare services” has the same meaning as defined in Section 16501.

(b) “Department” means the State Department of Social Services.

(c) “Eligible family” means any individual or family that, at a minimum, meets all of the following conditions:

(1) Receives child welfare services at the time eligibility is determined.

(2) Is homeless.

(3) Voluntarily agrees to participate in the program.

(4) Either of the following:

(A) Has been determined appropriate for reunification of a child to a biological parent or guardian by the county human services agency or tribe handling the case, the court with jurisdiction over the child, or both.

(B) A child or children in the family is or are at risk of foster care placement, and the county human services agency or tribe determines that safe and stable housing for the family will prevent the need for the child’s or children’s removal from the parent or guardian.

(d) “Homeless” means any of the following:

(1) An individual or family who lacks a fixed, regular, and adequate nighttime residence.

(2) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including, but not limited to, a car, park, abandoned building, bus station, train station, airport, or camping ground.

(3) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements, including hotels or motels paid for by federal, state, or local government programs for low-income individuals or by charitable organizations, congregate shelters, or transitional housing.

(4) An individual who resided in a shelter or place not meant for human habitation and who is exiting an institution where the individual temporarily resided.

(5) An individual or family who will imminently lose their housing, including, but not limited to, housing they own, rent, or live in without paying rent, are sharing with others, or rooms in hotels or motels not paid for by federal, state, or local government programs for low-income individuals or by charitable organizations, as evidenced by any of the following:

(A) A court order resulting from an eviction action that notifies the individual or family that they must leave within 14 days.

(B) The individual or family having a primary nighttime residence that is a room in a hotel or motel and where they lack the resources necessary to reside there for more than 14 days.

(C) Credible evidence indicating that the owner or renter of the housing will not allow the individual or family to stay for more than 14 days, and any oral statement from an individual or family seeking homeless assistance that is found to be credible shall be considered credible evidence for purposes of this clause.

(6) An individual or family who has no subsequent residence identified.

(7) An individual or family who lacks the resources or support networks needed to obtain other permanent housing.

(8) Unaccompanied youth and homeless families with children and youth defined as homeless under any other federal statute, as of the effective date of this program, who meet all of the following:

(A) Have experienced a long-term period without living independently in permanent housing.

(B) Have experienced persistent instability as measured by frequent moves over that long-term period.

(C) Can be expected to continue in that status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse, the presence of a child or youth with a disability, or multiple barriers to employment.

(e) “Homelessness” means the status of being homeless, as defined in subdivision (d).

(f) “Permanent housing” means a place to live without a limit on the length of stay in the housing that exceeds the duration of funding for the program, subject to landlord-tenant laws pursuant to Chapter 2 (commencing with Section 1940) of Title 5 of Part 4 of Division 3 of the Civil Code.

(g) “Program” means the Bringing Families Home Program established pursuant to this article.

(h) “Supportive housing” has the same meaning as defined in paragraph (2) of subdivision (b) of Section 50675.14 of the Health and Safety Code, except that the program is not restricted to serving only projects with five or more units.

**SEC. 104.** Section 16523.1 of the Welfare and Institutions Code is amended to read:

**16523.1.** (a) To the extent funds are appropriated in the annual Budget Act, the department shall award program funds to counties and tribal governments for the purpose of providing housing-related supports to eligible families experiencing homelessness if that homelessness prevents reunification between an eligible family and a child receiving child welfare services, or where lack of housing prevents a parent or guardian from addressing issues that could lead to foster care placement.

(b) Notwithstanding subdivision (a), this section does not create an entitlement to housing-related assistance, which is intended to be provided at the discretion of the county or tribe as a service to eligible families.

(c) (1) It is the intent of the Legislature that housing-related assistance provided pursuant to this article utilize evidence-based models, including evidence-based practices in rapid rehousing and supportive housing.

(2) Housing-related supports available to participating families shall include, but not be limited to, the following:

(A) An assessment of each family’s housing and service needs, including a plan to assist them in meeting those needs, using an assessment tool developed in the local community or an assessment tool used in other jurisdictions.

(B) Housing navigation or search assistance to recruit landlords, and assist families in locating housing affordable to the family.

(C) The use of evidence-based models, such as motivational interviewing and trauma-informed care, to build relationships with a parent or guardian.

(D) Housing-related financial assistance, including rental assistance, security deposit assistance, utility payments, moving cost assistance, and interim housing assistance while housing navigators are actively seeking permanent housing options for the family.

(E) (i) Housing stabilization services, including ongoing tenant engagement, case management, public systems assistance, legal services, credit repair assistance, life skills training, and conflict mediation with landlords and neighbors.

(ii) Services provided pursuant to clause (i) shall be provided with input from the family, based on the needs of the family, and in coordination with other services being provided by child welfare services or tribes, family resource centers, family courts, and other services.

(F) If the family requires supportive housing, long-term housing through tenant or project-based rental assistance or operating subsidies and services promoting housing stability, subject to available funding pursuant to subdivision (a).

(d) The department shall award program funds to county child welfare agencies and tribes according to criteria developed by the department, in consultation with the County Welfare Directors Association of California, the Corporation for Supportive Housing, and Housing California, subject to all of the following requirements:

(1) A county or tribe that receives state funds under this program shall match that funding on a dollar-by-dollar basis. The county or tribal funds used for this purpose shall supplement, not supplant, county or tribal funding already intended for these purposes.

(2) A county or tribe that receives state funds under this program shall partner with a local homeless continuum of care that participates in a homeless services coordinated entry and assessment system, as required by the United States Department of Housing and Urban Development.

(3) A county or tribe that receives state funds under the program shall utilize a cross-agency liaison to coordinate activities under the program with the homeless continuum of care and the county child welfare or tribal agency, including housing-related and child welfare services for families.

(e) The department, in consultation with Housing California, the Corporation for Supportive Housing, and the County Welfare Directors Association of California, shall develop all of the following:

(1) The criteria by which counties and tribal governments may be awarded funds to provide housing-related assistance to eligible families pursuant to this article.

(2) The proportion of program funding to be expended on reasonable and appropriate administrative activities to minimize overhead and maximize services.

(3) Eligible sources of funds for a county's or tribe's matching contribution.

(4) Tracking and reporting procedures for the program.

(5) A process for evaluating program data.

**SEC. 105.** Article 7 (commencing with Section 16523.5) is added to Chapter 5 of Part 4 of Division 9 of the Welfare and Institutions Code, to read:

**Article 7. Continuum of Care Reform Oversight**

**16523.5.** (a) The State Department of Social Services, the State Department of Health Care Services, the California State Association of Counties representing the counties, the County Welfare Directors Association of California, the County Behavioral Health Directors Association of California, and the Chief Probation Officers of California shall provide quarterly in-person updates to the Legislature on progress toward the implementation of Continuum of Care Reform (CCR).

(b) Specific components of the updates described in subdivision (a) shall cease when notification by the applicable party of the completion of a specific activity occurs or when it is agreed by all parties that a component is no longer necessary for other reasons.

(c) The updates described in subdivision (a) shall include the updates specified in Sections 16523.51 to 16523.56, inclusive.

(d) For purposes of this article, the following definitions apply:

(1) "CANS" means the Child and Adolescent Needs and Strengths assessment tool.

(2) "Child and family team" or "CFT" has the same meaning as provided in Section 16501.

(3) "Continuum of Care Reform" or "CCR" means the Continuum of Care Reform enacted by Chapter 773 of the Statutes of 2015, Chapter 612 of the Statutes of 2016, Chapter 732 of the Statutes of 2017, and Chapter 910 of the Statutes of 2018.

(4) "Department" means the State Department of Social Services, unless otherwise specified.

(5) "Foster family agency" or "FFA" has the same meaning as provided in Section 1502 of the Health and Safety Code.

(6) "Group home" has the same meaning as provided in Section 1502 of the Health and Safety Code.

(7) "Intensive services foster care" has the same meaning as provided in Section 18360.

(8) "LOCP" means level of care protocol.

(9) "Resource family approval" or "RFA" has the same meaning as provided in Section 16519.5.

(10) “Short-term residential therapeutic program” or “STRTP” has the same meaning as provided in Section 1502 of the Health and Safety Code.

(11) “Temporary shelter care facility” has the same meaning as provided in Section 1530.8 of the Health and Safety Code.

**16523.51.** Update on the Transition of Providers to the CCR Program Models. With a focus on changes over time, the updates described in Section 16523.5 shall include status updates on the transition of providers to the short-term residential therapeutic program (STRTP), resource family approval (RFA), therapeutic foster care, intensive services foster care, and temporary shelter care facilities program models. Data reporting under this section shall include all of the following:

(a) The number of applications for STRTP and foster family agency (FFA) licensure, placement capacity of STRTPs, and updates on the outcomes of licensure requests.

(b) (1) The average number of days from initial application for a provisional STRTP license to issuance of the license.

(2) The number of provisional and permanent STRTP and FFA licenses issued, the number of permanent STRTP and FFA licenses under compliance review, and the number of provisional STRTP licenses that will expire prior to achieving full licensure.

(c) The number of active licenses for STRTPs and FFAs, the placement capacities of each, and the percentage of each that have achieved accreditation.

(d) (1) By county, the number of group homes for which extensions have been requested by probation or child welfare agencies, and the number approved by the department.

(2) The primary reasons group home license extensions are necessary.

(e) The number and geographic distribution of children remaining in group homes and the status of their transition plans.

(f) The number of FFAs and group homes not pursuing a license under CCR standards, the placement capacity of those providers, and the number of children placed with those providers.

(g) (1) The number and capacity, as data becomes available, of in-home, intensive service homes available as an alternative to congregate care placement, including, but not limited to, therapeutic foster care and intensive services foster care.

(2) To the extent that information described in this subdivision is not available to be shared, the counties and entities listed in subdivision (a) of Section 16523.5 shall describe the limitations and explore and present options for remedying the lack of available information. As part of this process, meetings may be held with stakeholders, county representatives, legislative staff, and the Department of Finance to identify acceptable solutions, alternatives, or proxies.

(h) The number and identification of counties with licensed temporary shelter care facilities.

(i) The number of reports received by the department from county placing agencies regarding youth requiring an STRTP-level of care in which the county either is unable to secure a placement into an STRTP or has received notice of a requested placement change from the STRTP before treatment is complete, and data that include the ages, gender identity, and service needs of the youth, including final disposition of those cases.

**16523.52.** Update on Capacity to Provide Mental Health Services. With a focus on changes over time, the updates described in Section 16523.5 shall include status updates on the capacity of STRTPs and FFAs to provide mental health services. Data reporting under this section shall include all of the following:

(a) (1) By county, the number of STRTPs requesting mental health program approval and the outcomes of approval requests.

(2) By county, the average number of days from application for mental health program approval to issuance of mental health program approval.

(3) By county, the average number of days from application of Medi-Cal site visit to completion of site visit and certification.

(b) (1) The number of STRTPs with a mental health program approval, Medi-Cal certification, and specialty mental health contracts to provide specialty mental health services, and the licensed capacity of those providers.

(2) The number of FFAs with Medi-Cal certification and mental health contracts that allow for the provision of services beyond the types required by regulation.

(c) The number of denied mental health program approvals for STRTPS, the number of denied Medi-Cal certification for STRTPs and FFAs, and the number of STRTPs and FFAs not awarded a mental health contract.

(d) The number of FFAs approved to deliver therapeutic foster care, the capacity of the homes, the number of foster parents who have been trained and approved to provide therapeutic foster care, and the geographic service areas served.

**16523.53.** Tracking Child Outcomes over Time.

(a) With a focus on changes over time, and to the extent data are available, the updates described in Section 16523.5 shall include status updates on all of the following child outcome measures:

(1) The number and percent of children in out-of-home care, stratified by placement type, LOCP, and whether the supervising department is the county child welfare or probation agency.

(2) The average number of placements per child, and the average length of stay per placement episode by placement type.

(3) The proportion of placements that constitute a move to a less restrictive setting, and the proportion of placements that constitute a move to a permanent home.

(4) The number and percent of children in residential placement without an identified home-based caregiver for transition, stratified by county.

(5) Information on the evaluation of the LOCP tool and changes that may result from evaluation findings.

(6) Ongoing information on state and county efforts to ensure consistent and valid statewide outcomes of the new LOCP tool for children across counties.

(7) (A) By county, the number and percent of children entering intensive services foster care placements and therapeutic foster care specialty mental health services.

(B) As they become available, data on which other services, including the broader array of behavioral health services, that children in these placements are determined to require, and the status of their service access and utilization rates.

(8) As information becomes available, summarized results from the youth satisfaction survey.

(9) (A) By county, the number and percentage of children in foster care receiving specialty mental health services on a quarterly or monthly basis, stratified by service type, county, placement type, and LOCP.

(B) As data become available, services shall be further delineated by subcomponents, including assessment plan development, collateral contacts, rehabilitation, and therapy.

(10) (A) By county, the number and percentage of children in foster care receiving mental health services on a quarterly or monthly basis under the Medi-Cal managed care and fee-for-service systems, stratified by service type, county, placement type, and LOCP.

(B) As data become available, services shall be further delineated by subcomponents, including assessment plan development, collateral contacts, rehabilitation, and therapy.

(11) For all children in foster care who screened positive for referral for mental health services assessment, the number of days from the date of placement and from the date of screening to the receipt of a specialty mental health service assessment and ongoing services pursuant to a medical necessity determination, stratified by county mental health plan and provider.

(12) By county, the number and disposition of service complaints regarding specialty and nonspecialty mental health service delivery for foster youth.

(13) The number and percentage of children with an open child welfare case and foster care placement who receive a required mental health screen and, when screened as positive, who receive a referral and mental health services.

(14) By county, the number of youth who obtained legal permanency during each month or quarter.

(b) To the extent that information described in this section is not available to be shared, the counties and entities listed in subdivision (a) of Section 16523.5 shall describe the limitations and explore and present options for remedying the lack of available information. As part of this process, meetings may be held with stakeholders, county representatives, legislative staff, and the Department of Finance to identify acceptable solutions, alternatives, or proxies.

**16523.54.** Update on CCR-Related Costs and Savings. Once available, the updates described in Section 16523.5 shall include status updates on CCR-related costs and savings, including all of the following:

(a) By county, ongoing county costs and savings related to CCR implementation.

(b) Other services and supplemental payments for which counties use reinvested CCR-related savings, including funding to match Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) federal funding and funding for FFA services-only rates.

(c) The extent to which the new STRTP and FFA rates are adequate to compensate providers for meeting the new service requirements of CCR.

(d) The extent to which each of the LOCP rate levels provides adequate resources to resource families caring for children at all assessed levels of need.

(e) A description of each county's changes to specialized care increment (SCI) programs, if any, including any changes in benefit levels and suspensions or terminations of SCI programs.

**16523.55.** Child and Family Teams (CFT) and Child and Adolescent Needs and Strengths (CANS) Implementation.

(a) The updates described in Section 16523.5 shall include a status update on the utilization of the CANS assessment.

(1) By county, the number and percentage of children in foster care receiving CFT meetings and CANS assessments.

(2) As data become available, data by county on the average frequency of meetings and assessments and the overall CANS scoring outcomes and trends over time.

(3) As it becomes available, data by county of the number of CANS assessments and who conducted the assessments.

(4) As it becomes available, data by county of the percentage of CANS assessments that are conducted at the required minimum of three months for behavioral health or the six-month minimum by the child welfare agency.

(b) To the extent that information described in this section is not available to be shared, the counties and entities listed in subdivision (a) of Section 16523.5 shall describe the limitations and explore and present options for remedying the lack of available information. As part of this process, meetings may be held with stakeholders, county representatives, legislative staff, and the Department of Finance to identify acceptable solutions, alternatives, or proxies.

**16523.56.** Resource Families.

(a) The updates described in Section 16523.5 shall include a status update on the implementation of the resource family approval process.

(1) Data on the progress of RFA implementation, including the number of RFA applications and approvals and the average number of days for an application to be approved or disapproved over time, separated by relatives and nonrelatives.

(2) The information described in paragraph (1) as applied to caregivers with a placement prior to approval, including the number of applications taking longer than 90 days and the number of applications taking longer than 180 days.

(3) By county, the number of newly approved resource family homes, stratified by relative and community homes.

(4) As data becomes available, data by county of the number of family homes no longer available for placement, stratified by families who have moved to legal permanency, including guardianship and adoption.

(5) By county, the number of families who have received additional supports or services through the Foster Parent Recruitment, Retention, and Support Funding Opportunity.

(b) To the extent that information described in this section is not available to be shared, the counties and entities listed in subdivision (a) of Section 16523.5 shall describe the limitations and explore and present options for remedying the lack of available information. As part of this process, meetings may be held with stakeholders, county representatives, legislative staff, and the Department of Finance to identify acceptable solutions, alternatives, or proxies.

**16523.57.** Supporting the Transitions of Child Welfare Youth from Group Homes and Reduced Use of Congregate Care. Pursuant to the extensions granted in subdivision (e) of Section 11462.04, the updates described in Section 16523.5 shall include information and aggregate data, as it becomes available, of the following, as it relates to children placed by child welfare:

(a) By county, the family finding activities attempted or underway, or other activities to connect the child to caring adults outside of the congregate care setting.

(b) Identification of the counties that have any existing or planned contracts, or efforts to directly provide or contract for intensive child specific recruitment services.

(c) Identification of counties with any existing or planned specialty mental health services targeted to address the mental health service needs of a foster child transitioning from congregate care to permanency or other family-based care setting, and a summary of any gaps that remain.

(d) The number of children that successfully achieved permanency following receipt of services described in subdivisions (a) to (c), inclusive.

**16523.58.** System Changes. Pursuant to existing reporting requirements on the Child Welfare Services – California Automated Response and Engagement System (CWS-CARES), the updates described in Section 16523.5 shall include a status update on the automation changes to the Child Welfare Services/Case Management System (CWS/CMS) and licensing systems needed to support CCR implementation, including, but not limited to, support for Child and Adolescent Needs and Strengths (CANS), the RFA process, LOCP, and other programmatic elements.

**16523.59.** Update on County Recruitment and Retention Efforts. As data are available, the updates described in Section 16523.5 shall include status updates on the recruitment and retention of new resource families, including, but not limited to, the number of new family-based providers separated by relatives and nonrelative caregivers, exits from care due to achieving legal permanency, and the supports and services available to family-based caregivers to support family stability.

**SEC. 106.** (a) It is the intent of the Legislature that children and youth in foster care are placed in home-based family care to the greatest extent possible, that the use of congregate care placement settings is reduced, and to achieve shorter durations of involvement in the child welfare and juvenile justice systems. Counties are currently responsible for providing behavioral health services, including specialty mental health and crisis services, to eligible beneficiaries, which may include current and former foster children and youth. It is further the intent of the Legislature that child welfare and mental health agencies work together with other community partners to provide coordinated, timely and effective services to children and youth regardless of their placement setting. This includes immediate services to address identified issues in order to preserve the relationship between the caregiver and the child or youth in their care.

(b) It is therefore the intent of the Legislature to establish a 24-hour-a-day, seven-day-a-week response system at the state and local levels for caregivers and current or former foster children and youth who are experiencing emotional, interpersonal conflict, or other needs that require immediate support. The Legislature expects that such services, provided by a trained and trauma-informed team of practitioners, will prevent placement disruption and separation of the children or youth from their caregivers, improve retention of caregivers, improve outcomes for youth and families, reduce contacts with law enforcement and potential entry into the criminal justice system, prevent hospitalization and higher-level placement into congregate care, and provide children and youth and caregivers with the tools that they need to heal from trauma and to thrive.

**SEC. 107.** Chapter 5.4 (commencing with Section 16526) is added to Part 4 of Division 9 of the Welfare and Institutions Code, to read:

**CHAPTER 5.4. Family Urgent Response System for Caregivers and Children or Youth**

**16526.** For purposes of this chapter, the following definitions apply:

(a) “Caregiver” means a person responsible for meeting the daily care needs of a current or former foster child or youth, and who is entrusted to provide a loving and supportive environment for the child or youth to promote their healing from trauma.

(b) “Current or former foster child or youth” includes a child or youth adjudicated under Section 300, 601, or 602 and who is served by a county child welfare agency or probation department, and a child or youth who has exited foster care to reunification, guardianship, or adoption. A current or former foster child or youth shall be eligible for services under this chapter until they attain 21 years of age.

(c) “Department” means the State Department of Social Services.

(d) “Family Urgent Response System” means a coordinated statewide, regional, and county-level system designed to provide collaborative and timely state-level phone-based response and county-level in-home, in-person mobile response during situations of instability, for purposes of preserving the relationship of the caregiver and the child or youth, providing developmentally appropriate relationship conflict management and resolution skills, stabilizing the living situation, mitigating the distress of the caregiver or child or youth, connecting the caregiver and child or youth to the existing array of local services, and promoting a healthy and healing environment for children, youth, and families.

(e) “In-home” means the place where the child or youth and caregiver are located, preferably in the home, or at some other mutually agreeable location.

(f) “Instability” means a situation of emotional tension or interpersonal conflict between a caregiver and a child or youth that may threaten their relationship and may lead to a disruption in the current living situation.

(g) “Mobile response” means the provision of in-person, flexible, responsive, and supportive services where the caregiver and child or youth are located to provide them with support and prevent the need for a 911 call or law enforcement contact.

**16527.** (a) The department shall establish a statewide hotline as the entry point for the Family Urgent Response System, which shall be available 24 hours a day, seven days a week, to respond to calls from a caregiver or current or former foster child or youth during moments of instability. Both of the following shall be available through this hotline:

(1) Hotline workers who are trained in techniques for deescalation and conflict resolution telephone response specifically for children or youth impacted by trauma.

(2) Referrals to a county-based mobile response system, established pursuant to Section 16529, for further support and in-person response. Referrals shall occur as follows:

(A) A warm handoff whereby the hotline worker establishes direct and live connection through a three-way call that includes the caregiver, child or youth, and county contact. The caregiver, child, or youth may decline the three-way contact with the county contact if they feel their situation has been resolved at the time of the call.

(B) If a direct communication cannot be established pursuant to subparagraph (A), a referral directly to the community- or county-based service and a followup call to ensure that a connection to the caregiver, child, or youth occurs.

(C) The hotline worker shall contact the caregiver and the child or youth within 24 hours after the initial call required under subparagraph (A) or (B) to offer additional support, if needed.

(b) The statewide hotline shall maintain contact information for all county-based mobile response systems, based on information provided by counties, for referrals to local services, including, but not limited to, county-based mobile response and stabilization teams.

(c) The department shall ensure that deidentified, aggregated data are collected regarding individuals served through the statewide hotline and county-based mobile response systems and shall publish a report on the department’s internet website by January 1, 2022, and annually by January 1 thereafter, in consultation with stakeholders, including, but not limited to, the County Welfare Directors Association of California, the Chief Probation Officers of California, and the County Behavioral Health Directors Association of California. The data shall be collected using automated procedures or other matching methods mutually agreed upon by the state and county agencies, including, but not limited to, the statewide child welfare automation management system, and shall include all of the following information:

(1) The number of caregivers served through the hotline, separated by placement type and status as a current or former foster caregiver.

(2) The number of current and former foster children or youth served through the hotline, separated by county agency type, current or former foster care status, age, gender, race, and whether the call was made by the caregiver or the child or youth.

(3) The disposition of each call, including, but not limited to, whether mobile response and stabilization services were provided or a referral was made to other services.

(4) County-based outcome data, including, but not limited to, placement stability, return into foster care, movement from child welfare to juvenile justice, and timeliness to permanency.

(d) The department may meet the requirements of this section through contract with an entity with demonstrated experience in working with populations of children or youth who have suffered trauma and with capacity to provide a 24-hour-a-day, seven-day-a-week response that includes mediation, relationship preservation for the caregiver and the child or youth, and a family-centered and developmentally appropriate approach with the caregiver and the child or youth.

(e) The department, in consultation with stakeholders, including current and former foster youth and caregivers, shall do all of the following:

(1) Develop methods and materials for informing all caregivers and current or former foster children or youth about the statewide hotline, including a dissemination plan for those materials, which shall include, at a minimum, making those materials publicly available through the department’s internet website.

(2) Establish protocols for triage and response.

(3) Establish minimum education and training requirements for hotline workers.

(4) Consider expanding the statewide hotline to include communication through electronic means, including, but not limited to, text messaging or email.

(f) The statewide hotline shall be operational no sooner than January 1, 2021, and on the same date as the county mobile response system created pursuant to this chapter.

(g) The department shall assist, as needed, the State Department of Health Care Services in exercising its authority pursuant to subdivision (b) of Section 16528.

**16528.** (a) The department, in collaboration with the State Department of Health Care Services, and in consultation with the County Behavioral Health Directors Association of California, the County Welfare Directors Association of California, child welfare advocates, providers, current or former foster children or youth, and caregivers, shall issue all necessary guidance for county-based mobile response systems for purposes of this chapter, including, but not limited to, data tracking and claiming of federal funding.

(b) The State Department of Health Care Services may submit a Medicaid state plan amendment, waiver request, or both, in order to maximize federal financial participation in implementing this chapter. The State Department of Health Care Services shall, in submitting a Medicaid state plan amendment or waiver request, consult with the department, the County Behavioral Health Directors Association of California, and the County Welfare Directors Association of California, and consider relevant information from other state systems with mobile response capacity.

(c) To the extent that the Director of Health Care Services determines that federal approval is necessary in order to receive federal financial participation for any portion of the activities to be delivered pursuant to the Family Urgent Response System for which federal funding has been assumed, the implementation of the system shall not occur until the effective date specified in the federal approval obtained by the State Department of Health Care Services. This chapter shall be implemented only to the extent that any necessary federal approvals have been obtained pursuant to subdivision (b) and federal financial participation is available for those activities for which federal funding has been assumed, unless state funds are appropriated in the annual Budget Act to implement these activities.

**16529.** (a) County child welfare, probation, and behavioral health agencies, in each county or region of counties as specified in subdivision (d), shall establish a joint county-based mobile response system that includes a mobile response and stabilization team for the purpose of providing supportive services to address situations of instability, preserve the relationship of the caregiver and the child or youth, develop healthy conflict resolution and relationship skills, promote healing as a family, and stabilize the situation.

(b) In each county or region of counties, the county child welfare, probation, and behavioral health agencies, in consultation with other relevant county agencies, caregivers, and current or former foster children or youth, shall submit a single, coordinated plan to the department that describes how the county-based mobile response system shall meet the requirements described in subdivision (c). The plan shall also describe all of the following:

(1) How the county, or region of counties, will track and monitor calls.

(2) Data collection efforts, consistent with guidance provided by the department, including, at a minimum, collection of data necessary for the report required pursuant to subdivision (c) of Section 16527.

(3) Transitions from mobile response and stabilization services to ongoing services.

(4) A process for identifying if the child or youth has an existing child and family team for coordinating with the child and family team to address the instability, and a plan for ongoing care to support that relationship in a trusting and healing environment.

(5) A process and criteria for determining response.

(6) The composition of the responders, including efforts to include peer partners and those with lived experience in the response team, whenever possible.

(7) Both existing and new services that will be used to support the mobile response and stabilization services. County behavioral health departments that operate mobile crisis units may share resources between mobile crisis units and the mobile response system required pursuant to this chapter, at their discretion.

(8) Response protocols for the child or youth in family-based and congregate care settings based on guidelines developed by the department, in consultation with stakeholders, pursuant to Section 16528. The response protocols shall ensure protections for children and youth to prevent placements into congregate care settings, psychiatric institutions, and hospital settings.

(9) A process for identifying whether the child or youth has an existing behavioral health treatment plan and a placement preservation strategy, as described in Section 16010.7, and for coordinating response and services consistent with the plan and strategy.

(10) A plan for the mobile response and stabilization team to provide supportive services in the least intrusive and most child, youth, and family friendly manner, such that mobile response and stabilization teams do not trigger further trauma to the child or youth.

(c) A county-based mobile response system shall include all of the following:

(1) Phone response at the county level that facilitates entry of the caregivers and current or former foster children or youth into mobile response services.

(2) A process for determining when a mobile response and stabilization team will be sent, or when other services will be used, based on the urgent and critical needs of the caregiver, child, or youth.

(3) A mobile response and stabilization team available 24 hours a day, seven days a week.

(4) Ability to provide immediate, in-person, face-to-face response preferably within one hour, but not to exceed 3 hours in extenuating circumstances for urgent needs, or same-day response within 24 hours for nonurgent situations.

(5) Utilization of individuals with specialized training in trauma of children or youth and the foster care system on the mobile response and stabilization team. Efforts should be made to include peer partners and those with lived experience in the response team, whenever possible.

(6) Provision of in-home deescalation, stabilization, and support services and supports, including all of the following:

(A) Establishing in-person, face-to-face contact with the child or youth and caregiver.

(B) Identifying the underlying causes of, and precursors to, the situation that led to the instability.

(C) Identifying the caregiver interventions attempted.

(D) Observing the child and caregiver interaction.

(E) Diffusing the immediate situation.

(F) Coaching and working with the caregiver and the child or youth in order to preserve the family unit and maintain the current living situation or create a healthy transition plan, if necessary.

(G) Establishing connections to other county- or community-based supports and services to ensure continuity of care, including, but not limited to, linkage to additional trauma-informed and culturally and linguistically responsive family supportive services and youth and family wellness resources.

(H) Following up after the initial face-to-face response, for up to 72 hours, to determine if additional supports or services are needed.

(I) Identifying any additional support or ongoing stabilization needs for the family and making a plan for, or referral to, appropriate youth and family supportive services within the county.

(7) A process for communicating with the county of jurisdiction and the county behavioral health agency regarding the service needs of the child or youth and caregiver provided that the child or youth is currently under the jurisdiction of either the county child welfare or the probation system.

(d) (1) Each county shall establish a mobile response system no sooner than January 1, 2021, and on the same date as the statewide hotline created under this chapter.

(2) The county agencies described in subdivisions (a) and (b) may implement this section on a per-county basis or by collaborating with other counties to establish regional, cross-county mobile response systems. For counties implementing this section pursuant to a regional approach, a single plan, as described in subdivision (b), signed by all agency representatives, shall be submitted to the department and a lead county shall be identified.

(3) Funds expended pursuant to this act shall be used to supplement, and not supplant, other existing funding for mobile response services described in this chapter.

(4) A county or region of counties may receive an extension, not to exceed six months, to implement a mobile response system after January 1, 2021, upon submission of a written request, in a manner to be prescribed by the department, that includes a demonstration of actions to implement and progress towards implementation.

(e) The creation and implementation of the Family Urgent Response System shall not infringe on entitlements or services provided pursuant to Title IV-E of the federal Social Security Act (42 U.S.C. Sec. 670 et seq.) or the federal Early and Periodic Screening, Diagnosis and Treatment services (42 U.S.C. Sec. 1396d(r)).

(f) The department, in collaboration with the County Welfare Directors Association of California, the County Behavioral Health Directors Association of California, and the Chief Probation Officers of California, on an annual basis beginning on January 1, 2022, shall assess utilization and workload associated with implementation of the statewide hotline and mobile response and provide an update to the Legislature during budget hearings.

**16530.** (a) This chapter shall be inoperative in any fiscal year for which funding is not appropriated in the annual Budget Act for the purpose of complying with the requirements of this chapter.

(b) (1) The implementation of this chapter shall be suspended on December 31, 2021, unless paragraph (2) applies.

(2) If, in the determination of the Department of Finance, the estimates of General Fund revenues and expenditures determined pursuant to Section 12.5 of Article IV of the California Constitution that accompany the May Revision required to be released by May 14, 2021, pursuant to Section 13308 of the Government Code, contain projected annual General Fund revenues that exceed projected annual General Fund expenditures in the 2021–22 and 2022–23 fiscal years by the sum total of General Fund moneys appropriated for all programs subject to suspension on December 31, 2021, pursuant to the Budget Act of 2019 and the bills providing for appropriations related to the Budget Act of 2019 within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, then the implementation of this chapter shall not be suspended pursuant to paragraph (1).

(3) If paragraph (1) applies, it is the intent of the Legislature to consider alternative solutions to facilitate the continued implementation of the program created pursuant to this chapter.

**SEC. 108.** Section 17600.15 of the Welfare and Institutions Code is amended to read:

**17600.15.** (a) Of the sales tax proceeds from revenues collected in the 1991–92 fiscal year that are deposited to the credit of the Local Revenue Fund, 51.91 percent shall be credited to the Mental Health Subaccount, 36.17 percent shall be credited to the Social Services Subaccount, and 11.92 percent shall be credited to the Health Subaccount of the Sales Tax Account.

(b) For the 1992–93 fiscal year to the 2011–12 fiscal year, inclusive, of the sales tax proceeds from revenues deposited to the credit of the Local Revenue Fund, the Controller shall make monthly deposits to the Mental Health Subaccount, the Social Services Subaccount, and the Health Subaccount of the Sales Tax Account until the deposits equal the amounts that were allocated to counties', cities', and cities and counties' mental health accounts, social services accounts, and health accounts, respectively, of the local health and welfare trust funds in the prior fiscal year pursuant to this chapter from the Sales Tax Account and the Sales Tax Growth Account. Any excess sales tax revenues received pursuant to Sections 6051.2 and 6201.2 of the Revenue and Taxation Code shall be deposited in the Sales Tax Growth Account of the Local Revenue Fund.

(c) (1) For the 2012–13 fiscal year, of the sales tax proceeds from revenues deposited to the credit of the Local Revenue Fund, the Controller shall make monthly deposits to the Social Services Subaccount and the Health Subaccount of the Sales Tax Account until the deposits equal the amounts that were allocated to counties', cities', and cities and counties' social services accounts and health accounts, respectively, of the local health and welfare trust funds in the prior fiscal year pursuant to this chapter from the Sales Tax Account and the Sales Tax Growth Account.

(2) For the 2012–13 fiscal year, of the sales tax proceeds from revenues deposited to the credit of the Local Revenue Fund, the Controller shall make monthly deposits to the Mental Health Subaccount of the Sales Tax Account until the deposits equal the amounts that were allocated to counties', cities', and cities and counties' CalWORKs Maintenance of Effort Subaccounts pursuant to subdivision (a) of Section 17601.25, and any additional amounts above the amount specified in subdivision (a) of Section 17601.25, of the local health and welfare trust funds in the prior fiscal year pursuant to this chapter from the Sales Tax Account and the Sales Tax Growth Account. The Controller shall not include in this calculation any funding deposited in the Mental Health Subaccount from the Support Services Growth Subaccount pursuant to Section 30027.9 of the Government Code or funds described in subdivision (c) of Section 17601.25.

(3) Any excess sales tax revenues received pursuant to Sections 6051.2 and 6201.2 of the Revenue and Taxation Code after the allocations required by paragraphs (1) and (2) are made shall be deposited in the Sales Tax Growth Account of the Local Revenue Fund.

(d) (1) For the 2013–14 fiscal year, of the sales tax proceeds from revenues deposited to the credit of the Local Revenue Fund, the Controller shall make monthly deposits pursuant to a schedule provided by the Department of Finance, which shall provide deposits to the Social Services Subaccount and the Health Subaccount of the Sales Tax Account until the deposits equal the amounts that were allocated to counties', cities', and cities and counties' social services accounts and health accounts, respectively, of the local health and welfare trust funds in the prior fiscal year pursuant to this chapter from the Sales Tax Account and the Sales Tax Growth Account.

(2) For the 2013–14 fiscal year, of the sales tax proceeds from revenues deposited to the credit of the Local Revenue Fund, the Controller shall make monthly deposits to the Mental Health Subaccount of the Sales Tax Account until the deposits equal the amounts that were allocated to counties', cities', and cities and counties' CalWORKs Maintenance of Effort Subaccounts pursuant to subdivision (a) of Section 17601.25, and any additional amounts above the amount specified in subdivision (a) of Section 17601.25, of the local health and welfare trust funds in the prior fiscal year pursuant to this chapter from the Sales Tax Account and the Sales Tax Growth Account. The Controller shall not include in this calculation any funding deposited in the Mental Health Subaccount from the Support Services Growth Subaccount pursuant to Section 30027.9 of the Government Code or funds described in subdivision (c) of Section 17601.25.

(3) Any excess sales tax revenues received pursuant to Sections 6051.2 and 6201.2 of the Revenue and Taxation Code after the allocations required by paragraphs (1) and (2) are made shall be deposited in the Sales Tax Growth Account of the Local Revenue Fund.

(4) On a monthly basis, pursuant to a schedule provided by the Department of Finance, the Controller shall transfer funds from the Social Services Subaccount to the Health Subaccount in an amount that shall not exceed three hundred million dollars ($300,000,000) for the 2013–14 fiscal year. The funds so transferred shall not be used in calculating future year deposits to the Social Services Subaccount or the Health Subaccount.

(e) For the 2014–15 fiscal year through the 2016–17 fiscal year, except as specified in paragraph (5), of the sales tax proceeds from revenues deposited to the credit of the Local Revenue Fund, the Controller shall make the following monthly deposits:

(1) To the Social Services Subaccount of the Sales Tax Account, until the deposits equal the total amount that was deposited to the Social Services Subaccount in the prior fiscal year pursuant to this section, in addition to the amounts that were allocated to the social services accounts of the local health and welfare trust funds in the prior fiscal year pursuant to this chapter from the Sales Tax Growth Account.

(2) To the Health Subaccount of the Sales Tax Account, until the deposits equal the total amount that was deposited to the Health Subaccount in the prior year from the Sales Tax Account in addition to the amounts that were allocated to the health accounts of the local health and welfare trust funds in the prior fiscal year pursuant to this chapter from the Sales Tax Growth Account.

(3) To the Child Poverty and Family Supplemental Support Subaccount until the deposits equal the amounts that were deposited in the prior fiscal year from the Sales Tax Account and the Sales Tax Growth Account.

(4) To the Mental Health Subaccount of the Sales Tax Account until the deposits equal the amounts that were allocated to counties', cities', and cities and counties' CalWORKs Maintenance of Effort Subaccounts pursuant to subdivision (a) of Section 17601.25, and any additional amounts above the amount specified in subdivision (a) of Section 17601.25 of the local health and welfare trust funds in the prior fiscal year pursuant to this chapter from the Sales Tax Account and the Sales Tax Growth Account. The Controller shall not include in this calculation any funding deposited in the Mental Health Subaccount from the Support Services Growth Subaccount pursuant to Section 30027.9 of the Government Code or funds described in subdivision (c) of Section 17601.25.

(5) (A) Any excess sales tax revenues received pursuant to Sections 6051.2 and 6201.2 of the Revenue and Taxation Code after the allocations required by paragraphs (1) to (4), inclusive, are made shall be deposited in the Sales Tax Growth Account of the Local Revenue Fund. This subparagraph shall only apply to allocations made for the 2014–15 fiscal year.

(B) For the 2015–16 fiscal year and the 2016–17 fiscal year, any excess sales tax revenues received pursuant to Sections 6051.2 and 6201.2 of the Revenue and Taxation Code after the allocations required by paragraphs (1) to (4), inclusive, and subdivision (h) are made shall be deposited in the Sales Tax Growth Account of the Local Revenue Fund.

(6) For the 2014–15 fiscal year, on a monthly basis, pursuant to a schedule provided by the Department of Finance, the Controller shall transfer funds from the Social Services Subaccount to the Health Subaccount in an amount that shall not

exceed one billion dollars ($1,000,000,000). The transfer schedule shall be based on the amounts that each county is receiving in vehicle license fees pursuant to this chapter. The funds so transferred shall not be used in calculating future year deposits to the Social Services Subaccount or the Health Subaccount.

(f) For the 2017–18 and 2018–19 fiscal years, of the sales tax proceeds from revenues deposited to the credit of the Local Revenue Fund, the Controller shall make the following monthly deposits pursuant to a schedule developed by the Department of Finance:

(1) To the Health Subaccount of the Sales Tax Account, until the deposits equal the total amount that was deposited to the Health Subaccount in the prior year from the Sales Tax Account in addition to the amounts that were allocated to the health accounts of the local health and welfare trust funds in the prior fiscal year pursuant to this chapter from the Sales Tax Growth Account.

(2) To the Mental Health Subaccount of the Sales Tax Account until the deposits equal the amounts that were allocated to counties', cities', and cities and counties' CalWORKs Maintenance of Effort Subaccounts pursuant to subdivision (a) of Section 17601.25, and any additional amounts above the amount specified in subdivision (a) of Section 17601.25 of the local health and welfare trust funds in the prior fiscal year pursuant to this chapter from the Sales Tax Account and the Sales Tax Growth Account. The Controller shall not include in this calculation any funding deposited in the Mental Health Subaccount from the Support Services Growth Subaccount pursuant to Section 30027.9 of the Government Code or funds described in subdivision (c) of Section 17601.25.

(3) To the Social Services Subaccount of the Sales Tax Account, until the deposits equal the sum of the following:

(A) The total amount that was deposited to the Social Services Subaccount in the prior fiscal year pursuant to this section, in addition to the amounts that were allocated to the social services accounts of the local health and welfare trust funds in the prior fiscal year pursuant to this chapter from the Sales Tax Growth Account.

(B) The increased amount of the County IHSS MOE for the current fiscal year pursuant to Sections 12306.16 and 12306.17 as determined by July 1 of that fiscal year over the County IHSS MOE for the prior fiscal year subject to the determination made in subdivision (g).

(4) To the Child Poverty and Family Supplemental Support Subaccount until the deposits equal the amounts that were deposited in the prior fiscal year from the Sales Tax Account and the Sales Tax Growth Account.

(5) Any excess sales tax revenues received pursuant to Sections 6051.2 and 6201.2 of the Revenue and Taxation Code after the allocations required by paragraphs (1) to (4), inclusive, and subdivision (h) are made shall be deposited in the Sales Tax Growth Account of the Local Revenue Fund.

(g) On or before January 10 and on or before May 14, the Department of Finance shall do all of the following:

(1) Estimate the amount of sales tax revenues to be received pursuant to Sections 6051.2 and 6201.2 of the Revenue and Taxation Code to be received in the current fiscal year compared to the total amount of sales tax revenues necessary to fully fund the current fiscal year bases of the County Medical Services Program Subaccount, as determined by paragraph (2) of subdivision (h), and the Health Subaccount, the Mental Health Subaccount, the Social Services Subaccount, and the Child Poverty and Family Supplemental Support Subaccount of the Sales Tax Account as determined in paragraphs (1), (2), and (4) of, and subparagraph (A) of paragraph (3) of, subdivision (f).

(2) If it is determined pursuant to paragraph (1) that there will be sufficient sales tax revenues in the current fiscal year to fully fund the current fiscal year bases, then the schedule developed by the Department of Finance pursuant to subdivision (f) will fund on a monthly basis as much of the increased Social Services Subaccount base identified in subparagraph (B) of paragraph (3) of subdivision (f) as the excess sales tax revenues will permit.

(3) If it is determined pursuant to paragraph (1) that there will be insufficient sales tax revenues in the current fiscal year to fully fund the current fiscal year bases, then the schedule developed by the Department of Finance pursuant to subdivision (f) will not fund the increased Social Services Subaccount base identified in subparagraph (B) of paragraph (3) of subdivision (f), and shall ensure that the County Medical Program Services Subaccount, the Health Subaccount, the Mental Health Subaccount, the Social Services Subaccount, and the Child Poverty and Family Supplemental Support Subaccount of the Sales Tax Account shall receive sales tax revenues proportionate to their current year bases as determined by paragraph (2) of subdivision (h) and paragraphs (1), (2), and (4) of, and subparagraph (A) of paragraph (3) of, subdivision (f).

(4) In no fiscal year where there is sufficient sales tax revenues received pursuant to Sections 6051.2 and 6201.2 of the Revenue and Taxation Code to fully fund the bases of the County Medical Services Program Subaccount as determined by paragraph (2) of subdivision (h), and the Health Subaccount, the Mental Health Subaccount, the Social Services Subaccount,

and the Child Poverty and Family Supplemental Support Subaccount, of the Sales Tax Account, as determined by paragraphs (1), (2), and (4) of, and subparagraph (A) of paragraph (3) of, subdivision (f), shall those subaccounts receive less than those amounts.

(5) Sales tax revenues allocated pursuant to this subdivision each fiscal year shall be adjusted by the Department of Finance, pursuant to a schedule provided to the Controller, in consultation with the California State Association of Counties, as needed but no later than August 30 of each year, to reflect the actual sales tax revenues received for that fiscal year.

(6) This subdivision shall only be operative for the 2017–18 and 2018–19 fiscal years.

(h) For the 2019–20 fiscal year and for every fiscal year thereafter, of the sales tax proceeds from revenues deposited to the credit of the Local Revenue Fund, the Controller shall make the following monthly deposits pursuant to a schedule developed by the Department of Finance:

(1) To the Health Subaccount of the Sales Tax Account, until the deposits equal the total amount that was deposited to the Health Subaccount in the prior fiscal year from the Sales Tax Account in addition to the amounts that were allocated to the health accounts of the local health and welfare trust funds in the prior fiscal year pursuant to this chapter from the Sales Tax Growth Account.

(2) To the Mental Health Subaccount of the Sales Tax Account until the deposits equal the amounts that were allocated to counties', cities', and cities and counties' CalWORKs Maintenance of Effort Subaccounts pursuant to subdivision (a) of Section 17601.25, and any additional amounts above the amount specified in subdivision (a) of Section 17601.25 of the local health and welfare trust funds in the prior fiscal year pursuant to this chapter from the Sales Tax Account and the Sales Tax Growth Account. The Controller shall not include in this calculation any funding deposited in the Mental Health Subaccount from the Support Services Growth Subaccount pursuant to Section 30027.9 of the Government Code or funds described in subdivision (c) of Section 17601.25.

(3) To the Social Services Subaccount of the Sales Tax Account, until the deposits equal the total amount that was deposited to the Social Services Subaccount in the prior fiscal year from the prior fiscal year from the Sales Tax Account, in addition to the amounts that were allocated to the social services accounts of the local health and welfare trust funds in the prior fiscal year pursuant to this chapter from the Sales Tax Growth Account.

(4) To the Child Poverty and Family Supplemental Support Subaccount until the deposits equal the amounts that were deposited in the prior fiscal year from the Sales Tax Account and the Sales Tax Growth Account.

(5) Any excess sales tax revenues received pursuant to Sections 6051.2 and 6201.2 of the Revenue and Taxation Code after the allocations required by paragraphs (1) to (4), inclusive, are made shall be deposited in the Sales Tax Growth Account of the Local Revenue Fund.

(i) (1) For the 2015–16 fiscal year, the allocations to the County Medical Services Program Subaccount shall equal the amounts received in the prior fiscal year by the County Medical Services Program from the Sales Tax Account and the County Medical Services Program Subaccount of the Sales Tax Growth Account of the Local Revenue Fund, as adjusted by the calculations required under subdivision (a) of Section 17600.50.

(2) For the 2016–17 fiscal year and for every fiscal year thereafter, the allocations to the County Medical Services Program Subaccount shall equal the amounts received in the prior fiscal year by the County Medical Services Program Subaccount of the Sales Tax Account and the County Medical Services Program Growth Subaccount of the Sales Tax Growth Account of the Local Revenue Fund, as adjusted by the calculations required under subdivision (a) of Section 17600.50.

**SEC. 109.** Section 17600.70 of the Welfare and Institutions Code is repealed.

**SEC. 110.** Section 17602.05 is added to the Welfare and Institutions Code, to read:

**17602.05.** (a) (1) Upon notification by the Department of Finance, the State Controller shall reduce a county's allocation pursuant to subdivision (e) of Section 17602 by any realignment withholding amount assessed on the county pursuant to Section 12301.61.

(2) For the fiscal year following the fiscal year in which the reduction pursuant to paragraph (1) occurs, the county's allocation pursuant to subdivision (e) of Section 17602 shall be increased by the amount of the reduction.

(b) The State Controller shall deposit any amounts withheld from counties pursuant to paragraph (1) of subdivision (a) into the General Growth Subaccount of the Sales Tax Growth Account of the Local Revenue Fund for distribution pursuant to Section 17606.10. The amounts distributed from the General Growth Subaccount pursuant to this subdivision shall be considered one-

time deposits and shall not be included in the realignment bases for the Health Subaccount, Mental Health Subaccount, and Child Poverty and Family Supplemental Support Subaccount pursuant to Section 17600.15 in subsequent years.

**SEC. 111.** Section 17605 of the Welfare and Institutions Code is amended to read:

**17605.** (a) For the 1992–93 fiscal year, the Controller shall deposit into the Caseload Subaccount of the Sales Tax Growth Account of the Local Revenue Fund, from revenues deposited into the Sales Tax Growth Account, an amount to be determined by the Department of Finance, that represents the sum of the shortfalls between the actual realignment revenues received by each county and each city and county from the Social Services Subaccount of the Local Revenue Fund in the 1991–92 fiscal year and the net costs incurred by each of those counties and cities and counties in the fiscal year for the programs described in Sections 10101, 10101.1, 11322.2, 12306, 15200, 15204.2, and 18906.5, and former Section 11322. The Department of Finance shall provide the Controller with an allocation schedule on or before August 15, 1993, that shall be used by the Controller to allocate funds deposited to the Caseload Subaccount under this subdivision. The Controller shall allocate these funds no later than August 27, 1993.

(b) (1) (A) For the 1993–94 fiscal year and fiscal years thereafter, the Controller shall deposit into the Caseload Subaccount of the Sales Tax Growth Account of the Local Revenue Fund, from revenues deposited into the Sales Tax Growth Account, an amount determined by the Department of Finance, in consultation with the appropriate state departments and the California State Association of Counties, that is sufficient to fund the net cost for the realigned portion of the county or city and county share of growth in social services caseloads, as specified in paragraph (2), and any share of growth from the previous year or years for which sufficient revenues were not available in the Caseload Subaccount. The Department of Finance shall provide the Controller with an allocations schedule on or before March 15 of each year. The schedule shall be used by the Controller to allocate funds deposited into the Caseload Subaccount under this subdivision.

(B) It is the intent of the Legislature that counties shall receive allocations from the Caseload Subaccount as soon as possible after funds are received in the Sales Tax Growth Account. The Department of Finance shall recommend to the Legislature, by January 10, 2005, a procedure to expedite the preparation and provision of the allocations schedule described in subparagraph (A) and the allocation of funds by the Controller.

(2) (A) (i) For the 1992–93 fiscal year through the caseload growth calculation for the 2017–18 fiscal year, “growth” means, for purposes of this subdivision, the increase in the actual caseload expenditures for the prior fiscal year over the actual caseload expenditures for the fiscal year preceding the prior fiscal year for the programs described in Sections 10101, 12306, 15200, 15204.2, and 18906.5, and for which funds are allocated pursuant to subdivision (b) of Section 123940 of the Health and Safety Code.

(ii) Commencing with the caseload growth calculation for the 2018–19 fiscal year and through the 2020–21 fiscal year, for purposes of this subdivision, “growth” means the increase in the actual caseload expenditures for the prior fiscal year over the actual caseload expenditures for the fiscal year preceding the prior fiscal year for the programs described in Sections 10101, 15200, 15204.2, and 18906.5, and for which funds are allocated pursuant to subdivision (b) of Section 123940 of the Health and Safety Code.

(B) Commencing with the caseload growth calculation for the 2017–18 fiscal year and through the 2020–21 fiscal year, in addition to subparagraph (A), “growth” shall also include the following:

(i) The additional County IHSS MOE costs to counties pursuant to Sections 12306.16 and 12306.17 for the current fiscal year over the County IHSS MOE costs to counties for the prior fiscal year, less the amount of sales tax revenues received pursuant to subdivision (g) of Section 17600.15 to fund the amount specified in subparagraph (B) of paragraph (3) of subdivision (f) of Section 17600.15 and the amount of vehicle license fee revenues received pursuant to subdivision (c) of Section 17606.20, and, for the 2016–17 fiscal year, the amount of sales tax revenues received pursuant to subdivision (c) of Section 17605.07 and subdivision (g) of Section 17606.10.

(ii) Any additional County IHSS MOE costs to counties pursuant to Sections 12306.16 and 12306.17 for the prior fiscal year over the County IHSS MOE costs to counties for the preceding prior fiscal year that were not included in caseload growth calculation pursuant to clause (i) from the prior caseload growth calculation.

(3) (A) For the 1993–94 fiscal year through the 2016–17 fiscal year, the difference in caseload expenditures between the fiscal years shall be multiplied by the factors that represent the change in county or city and county shares of the realigned programs. These products shall then be added or subtracted, taking into account whether the county’s or city and county’s share of costs was increased or decreased as a result of realignment, to yield each county’s or city and county’s allocation for caseload growth. Allocations for counties or cities and counties with allocations of less than zero shall be set at zero.

(B) For the caseload growth calculation for the 2017–18 fiscal year the difference in caseload expenditures between the fiscal years as determined by clause (i) of subparagraph (A) of paragraph (2) shall be multiplied by the factors that

represent the change in county or city and county shares of the realignment programs. These products shall then be added or subtracted, taking into account whether the county's or city and county's share of costs was increased or decreased as a result of realignment, and added to the amounts determined pursuant to subparagraph (B) of paragraph (2) to yield each county's or city and county's allocation for caseload growth. Allocations for counties or cities and counties with allocations of less than zero shall be set at zero.

(C) Commencing with the caseload growth calculation for the 2018–19 fiscal year and through the 2020–21 fiscal year, the difference in caseload expenditures between the fiscal years as determined by clause (ii) of subparagraph (A) of paragraph (2) shall be multiplied by the factors that represent the change in county or city and county shares of the realignment programs. These products shall then be added or subtracted, taking into account whether the county's or city and county's share of costs was increased or decreased as a result of realignment, and added to the amounts determined pursuant to subparagraph (B) of paragraph (2) to yield each county's or city and county's allocation for caseload growth. Allocations for counties or cities and counties with allocations of less than zero shall be set at zero.

(4) (A) Commencing with the caseload growth calculation for the 2021–22 fiscal year and each fiscal year thereafter, "growth" means, for purposes of this subdivision, the increase in the actual caseload expenditures for the prior fiscal year over the actual caseload expenditures for the fiscal year preceding the prior fiscal year for the programs described in Sections 10101, 12306, 15200, 15204.2, and 18906.5, and for which funds are allocated pursuant to subdivision (b) of Section 123940 of the Health and Safety Code.

(B) The difference in caseload expenditures between the fiscal years shall be multiplied by the factors that represent the change in county or city and county shares of the realigned programs. These products shall then be added or subtracted, taking into account whether the county's or city and county's share of costs was increased or decreased as a result of realignment, to yield each county's or city and county's allocation for caseload growth. Allocations for counties or cities and counties with allocations of less than zero shall be set at zero.

(c) Annually, the Controller shall allocate, to the local health and welfare trust fund social services account, the amounts deposited and remaining unexpended and unreserved in the Caseload Subaccount, pursuant to the schedules of allocations of caseload growth described in subdivision (b), within 45 days of receiving those schedules from the Department of Finance. If there are insufficient funds to fully satisfy all caseload growth obligations, each county's or city and county's allocation for each program specified in subdivision (d) shall be prorated.

(d) Prior to allocating funds pursuant to subdivision (b), to the extent that funds are available from funds deposited in the Caseload Subaccount in the Sales Tax Growth Account in the Local Revenue Fund, the Controller shall allocate moneys to counties or cities and counties to correct any inequity or inequities in the computation of the child welfare services portion of the schedule required by subdivision (a) of Section 17602.

(e) (1) For the 2003–04 fiscal year, no Sales Tax Growth Account funds shall be allocated pursuant to this chapter until the caseload portion of the base of each county's social services account in the county's health and welfare trust fund is funded to the level of the 2001–02 fiscal year. Funds to meet this requirement shall be allocated from the Sales Tax Account of the Local Revenue Fund. If sufficient funds are not available in the Sales Tax Account of the Local Revenue Fund to achieve that funding level in the 2003–04 fiscal year, this requirement shall be funded in each succeeding fiscal year in which there are sufficient funds in the Sales Tax Account of the Local Revenue Fund until the caseload base funding level for which each county would have otherwise been eligible in accordance with subdivision (e) of Section 17602 for that year.

(2) The caseload portion of each county's social services account base shall be determined by subtracting its noncaseload portion of the base, as determined by the Department of Finance in its annual calculation of General Growth Account allocations, from the total base of each county's social services account for the 2001–02 fiscal year.

(f) Commencing with the caseload growth calculation for the 2017–18 fiscal year and each fiscal year thereafter, the Controller shall annually post on the Controller's internet website the total amount of unfunded caseload growth by county.

**SEC. 112.** Section 17605.07 of the Welfare and Institutions Code is amended to read:

**17605.07.** (a) (1) For the 1992–93 fiscal year through the 2014–15 fiscal year, inclusive, after satisfying the obligations set forth in Section 17605, the Controller shall deposit into the County Medical Services Program Subaccount 4.027 percent of the amounts remaining and unexpended in the Sales Tax Growth Account of the Local Revenue Fund.

(2) If the amount deposited to the Caseload Subaccount of the Sales Tax Growth Account pursuant to subdivision (b) of Section 17605 exceeds twenty million dollars ($20,000,000) for any fiscal year, then an additional amount equal to 4.027 percent of the amount deposited to the Caseload Subaccount shall be deposited to the County Medical Services Program Subaccount of the Sales Tax Growth Account.

(b) (1) For the 2015–16 fiscal year through the 2018–19 fiscal year, after satisfying the obligations set forth in Section 17605, the Controller shall deposit into the County Medical Services Program Growth Subaccount 4.027 percent of the amounts remaining and unexpended in the Sales Tax Growth Account of the Local Revenue Fund.

(2) If the amount deposited to the Caseload Subaccount of the Sales Tax Growth Account pursuant to subdivision (b) of Section 17605 exceeds twenty million dollars ($20,000,000) for any fiscal year between the 2015–16 and 2018–19 fiscal years, inclusive, then an additional amount equal to 4.027 percent of the amount deposited to the Caseload Subaccount shall be deposited to the County Medical Services Program Growth Subaccount of the Sales Tax Growth Account.

(c) (1) Notwithstanding subdivision (b), for the 2016–17 fiscal year, the Controller shall allocate to the social services account of each county and city and county the amount that would otherwise have been deposited into the County Medical Services Program Growth Subaccount pursuant to subdivision (b), except for the amount of funds to be redirected pursuant to Section 17600.50, based on a schedule provided by the Department of Finance developed in consultation with the California State Association of Counties.

(2) The funding allocated pursuant to paragraph (1) shall only be available for allocation to the counties that participate in the County Medical Services Program in the 2016–17 fiscal year.

**SEC. 113.** Section 17605.10 of the Welfare and Institutions Code is amended to read:

**17605.10.** (a) For the 2014–15 fiscal year through the 2018–19 fiscal years, after satisfying the obligations set forth in Sections 17605 and 17605.07, the Controller shall deposit any funds remaining in the Sales Tax Growth Account of the Local Revenue Fund into the General Growth Subaccount.

(b) For the 2019–20 fiscal year and every fiscal year thereafter, after satisfying the obligations set forth in Section 17605, the Controller shall deposit any funds remaining in the Sales Tax Growth Account of the Local Revenue Fund into the General Growth Subaccount.

**SEC. 114.** Section 17606.10 of the Welfare and Institutions Code is amended to read:

**17606.10.** (a) For the 1992–93 fiscal year and subsequent fiscal years, the Controller shall allocate funds, on an annual basis from the General Growth Subaccount in the Sales Tax Growth Account to the appropriate accounts in the local health and welfare trust fund of each county, city, and city and county in accordance with a schedule setting forth the percentage of total state resources received in the 1990–91 fiscal year, including State Legalization Impact Assistance Grants distributed by the state under former Part 4.5 (commencing with Section 16700), funding provided for purposes of implementation of Division 5 (commencing with Section 5000), for the organization and financing of community mental health services, including the Cigarette and Tobacco Products Surtax proceeds that are allocated to county mental health programs pursuant to Chapter 1331 of the Statutes of 1989, Chapter 51 of the Statutes of 1990, and Chapter 1323 of the Statutes of 1990, and state hospital funding and funding distributed for programs administered under Sections 1794, 10101.1, and 11322.2, as annually adjusted by the Department of Finance, in conjunction with the appropriate state department to reflect changes in equity status from the base percentages. However, for the 1992–93 fiscal year, the allocation for community mental health services shall be based on the following schedule:

| Jurisdiction | Percentage of Statewide Resource Base |
|---|---|
| Alameda ..... | 4.3693 |
| Alpine ..... | 0.0128 |
| Amador ..... | 0.0941 |
| Butte ..... | 0.7797 |
| Calaveras ..... | 0.1157 |
| Colusa ..... | 0.0847 |
| Contra Costa ..... | 2.3115 |
| Del Norte ..... | 0.1237 |
| El Dorado ..... | 0.3966 |
| Fresno ..... | 3.1419 |

| | |
|---|---|
| Glenn ..... | 0.1304 |
| Humboldt ..... | 0.6175 |
| Imperial ..... | 0.5425 |
| Inyo ..... | 0.1217 |
| Kern ..... | 1.8574 |
| Kings ..... | 0.4229 |
| Lake ..... | 0.2362 |
| Lassen ..... | 0.1183 |
| Los Angeles ..... | 27.9666 |
| Madera ..... | 0.3552 |
| Marin ..... | 0.9180 |
| Mariposa ..... | 0.0792 |
| Mendocino ..... | 0.4099 |
| Merced ..... | 0.8831 |
| Modoc ..... | 0.0561 |
| Mono ..... | 0.0511 |
| Monterey ..... | 1.1663 |
| Napa ..... | 0.3856 |
| Nevada ..... | 0.2129 |
| Orange ..... | 5.3423 |
| Placer ..... | 0.5034 |
| Plumas ..... | 0.1134 |
| Riverside ..... | 3.6179 |
| Sacramento ..... | 4.1872 |
| San Benito ..... | 0.1010 |
| San Bernardino ..... | 4.5494 |
| San Diego ..... | 7.8773 |
| San Francisco ..... | 3.5335 |
| San Joaquin ..... | 2.4690 |
| San Luis Obispo ..... | 0.6652 |
| San Mateo ..... | 2.5169 |
| Santa Barbara ..... | 1.0745 |
| Santa Clara ..... | 5.0488 |
| Santa Cruz ..... | 0.7960 |
| Shasta ..... | 0.5493 |
| Sierra ..... | 0.0345 |
| Siskiyou ..... | 0.2051 |
| Solano ..... | 0.6694 |
| Sonoma ..... | 1.1486 |
| Stanislaus ..... | 1.4701 |
| Sutter/Yuba ..... | 0.6294 |
| Tehama ..... | 0.2384 |

| | |
|---|---|
| Trinity ..... | 0.0826 |
| Tulare ..... | 1.4704 |
| Tuolumne ..... | 0.1666 |
| Ventura ..... | 1.9311 |
| Yolo ..... | 0.5443 |
| Berkeley ..... | 0.2688 |
| Tri-City ..... | 0.2347 |

(b) The Department of Finance shall recalculate the resource base used in determining the General Growth Subaccount allocations to the Health Account, Mental Health Account, and Social Services Account of the local health and welfare trust fund of each city, county, and city and county for the 1994–95 fiscal year general growth allocations according to subdivisions (c) and (d). For the 1995–96 fiscal year and annually until the end of the 2012–13 fiscal year, the Department of Finance shall prepare the schedule of allocations of growth based upon the recalculation of the resource base as provided by subdivision (c).

(c) For the Mental Health Account, the Department of Finance shall do all of the following:

(1) Use the following sources as reported by the State Department of Health Care Services:

(A) The final December 1992 distribution of resources associated with Institutes for Mental Disease.

(B) The 1990–91 fiscal year state hospitals and community mental health allocations.

(C) Allocations for services provided for under Chapter 1294 of the Statutes of 1989.

(2) Expand the resource base with the following nonrealigned funding sources as allocated among the counties:

(A) Tobacco surtax allocations made under Chapter 1331 of the Statutes of 1989 and Chapter 51 of the Statutes of 1990.

(B) For the 1994–95 allocation year only, Chapter 1323 of the Statutes of 1990.

(C) 1993–94 fiscal year federal homeless block grant allocation.

(D) 1993–94 fiscal year Mental Health Special Education allocations.

(E) 1993–94 fiscal year allocations for the system of care for children, in accordance with Chapter 1229 of the Statutes of 1992.

(F) 1993–94 fiscal year federal Substance Abuse and Mental Health Services Administration block grant allocations pursuant to Subchapter 1 (commencing with Section 10801) of Chapter 114 of Title 42 of the United States Code.

(d) For the Health Account, the Department of Finance shall use the historical resource base of state funds as allocated among the counties, cities, and city and county as reported by the former State Department of Health Services in a September 17, 1991, report of Indigent and Community Health Resources.

(e) The Department of Finance shall use these adjusted resource bases for the Health Account and Mental Health Account to calculate what the 1994–95 fiscal year General Growth Subaccount allocations would have been, and together with 1994–95 fiscal year Base Restoration Subaccount allocations, CMSP subaccount allocations, equity allocations to the Health Account and Mental Health Account as adjusted by subparagraph (E) of paragraph (2) of subdivision (c) of Section 17606.05, as that subparagraph read on January 1, 2015, and special equity allocations to the Health Account and Mental Health Account as adjusted by subdivision (e) of Section 17606.15 reconstruct the 1994–95 fiscal year General Growth Subaccount resource base for the 1995–96 allocation year for each county, city, and city and county. Notwithstanding any other law, the actual 1994–95 general growth allocations shall not become part of the realignment base allocations to each county, city, and city and county. The total amounts distributed by the Controller for general growth for the 1994–95 allocation year shall be reallocated among the counties, cities, and city and county in the 1995–96 allocation year according to this paragraph, and shall be included in the general growth resource base for the 1996–97 allocation year and each fiscal year thereafter. For the 1996–97 allocation year through the 2017–18 fiscal year, the Department of Finance shall update the base with actual growth allocations to the Health Account, Mental Health Account, and Social Services Account of each county, city, and city and county local health and welfare trust fund in the prior year, and adjust for actual changes in nonrealigned funds specified in subdivision (c) in the year prior to the allocation year.

(f) For the 2013–14 fiscal year through the 2017–18 fiscal year, the Controller shall do all of the following:

(1) Allocate to the Mental Health Account of each county, city, or city and county based on a schedule provided by the Department of Finance. The Department of Finance shall recalculate the resource base used in determining the General Growth Subaccount allocations to the Mental Health Account in accordance with subdivision (c) and allocate based on that recalculation.

(2) Allocate 18.4545 percent of the total General Growth Subaccount to the health account of each county, city, or city and county based on a schedule provided by the Department of Finance in accordance with subdivision (d).

(3) Allocate the remainder of the funds in the General Growth Subaccount to the family support account of each county or city and county based on a schedule provided by the Department of Finance. These funds shall be expended in accordance with Section 17601.50.

(g) (1) Notwithstanding subdivision (f), for the 2016–17 fiscal year, the Controller shall allocate funds in the following amounts from the General Growth Subaccount of the Sales Tax Account to the social services account of each county and city and county based on a schedule provided by the Department of Finance developed in consultation with the California State Association of Counties:

(A) The funding that would have been allocated to the Mental Health Account of each county or city and county pursuant to the calculations specified in paragraph (1) of subdivision (f).

(B) The funding that would have been allocated to the health account of each county or city and county pursuant to paragraph (2) of subdivision (f), except for the amount of funds to be redirected pursuant to Section 17600.50, Article 12 (commencing with Section 17612.1), and Article 13 (commencing with 17613.1).

(2) The allocation of funds from the General Growth Subaccount of the Sales Tax Account to the social services account as described in paragraph (1) shall not apply to the amount of funds available for allocation to the Mental Health Accounts and health accounts of the Cities of Berkeley, Pasadena, Tri-City, and Long Beach.

(h) For the 2018–19 fiscal year and every fiscal year thereafter, the Controller shall do all of the following:

(1) Allocate 37.433321 percent of the total General Growth Subaccount to the Mental Health Account of each county, city, or city and county using the 2017–18 fiscal year percentage distribution of general growth for mental health.

(2) Allocate 18.4545 percent of the total General Growth Subaccount to the health account of each county, city, or city and county using the 2017–18 fiscal year percentage distribution of general growth for health.

(3) Allocate the remainder of the funds in the General Growth Subaccount to the family support account of each county or city and county based on a schedule provided by the Department of Finance. These funds shall be expended in accordance with Section 17601.50.

(i) The amounts deposited and remaining unexpended and unreserved in the General Growth Subaccount shall be allocated on an annual basis by the Controller, as described in subdivisions (f) and (g), within 45 days of receiving the General Growth Subaccount allocation schedule from the Department of Finance.

**SEC. 115.** Section 17606.20 of the Welfare and Institutions Code is amended to read:

**17606.20.** (a) Annually, the Controller shall allocate money to each county, city, and city and county, from revenues deposited in the Vehicle License Fee Growth Account in the Local Revenue Fund in amounts that are proportional to each county's, city's, or city and county's total allocation from the Sales Tax Growth Account, except amounts provided pursuant to Section 17605.

(b) Notwithstanding subdivision (a), for the 1998–99 fiscal year through the 2018–19 fiscal year, if, after meeting the requirements of Section 17605, there are no funds remaining in the Sales Tax Growth Account to allocate to each county, city, and city and county pursuant to paragraph (1) of subdivision (a) of, or paragraph (1) of subdivision (b) of, Section 17605.07, or Section 17605.10, the Controller shall allocate the revenues deposited in the Vehicle License Fee Growth Account to each county, city, and city and county, in the following manner:

(1) The Controller shall determine the amount of sales tax growth in the 1996–97 fiscal year that exceeded the requirements of Section 17605 in the 1996–97 fiscal year.

(2) The Controller shall determine the amount of sales tax growth allocated in the 1996–97 fiscal year to the County Medical Services Program Subaccount pursuant to paragraph (1) of subdivision (a) of Section 17605.07, and to the Indigent Health Equity, Community Health Equity, Mental Health Equity, State Hospital Mental Health Equity, General Growth, and Special Equity Subaccounts pursuant to Section 17605.10, as that section read on January 1, 2015.

(3) The Controller shall compute percentages by dividing the amounts determined in paragraph (2) by the amount determined in paragraph (1).

(4) For calculation purposes related to paragraph (5), the Controller shall apply the percentages determined in paragraph (3) to revenues in the Vehicle License Fee Growth Account to determine the amount of vehicle license fee growth revenues attributable to the County Medical Services Program Growth, Indigent Health Equity, Community Health Equity, Mental Health Equity, State Hospital Mental Health Equity, General Growth, and Special Equity Subaccounts. This paragraph shall not require the Controller to deposit vehicle license fee growth revenues into the subaccounts specified in this paragraph, and is solely for determining the distribution of vehicle license growth revenues to each county, city, and city and county.

(5) Annually, the Controller shall allocate money to each county, city, and city and county, from revenues deposited in the Vehicle License Fee Growth Account in the Local Revenue Fund. These allocations shall be determined based on schedules developed by the Department of Finance pursuant to Section 17606.10, in consultation with the California State Association of Counties. The Controller shall allocate these funds within 45 days of receiving the schedules from the Department of Finance.

(c) Notwithstanding subdivisions (a) and (b), for the 2016–17 fiscal year and through the 2018–19 fiscal year, the Controller shall allocate funds in the following amounts from the Vehicle License Fee Growth Account to the social services account of each county or city and county based on a schedule provided by the Department of Finance developed in consultation with the California Association of Counties:

(1) (A) For the 2016–17, 2017–18, and 2018–19 fiscal years, 100 percent of the funding from the Vehicle License Fee Growth Account that would have been allocated to the mental health account and health account of each county or city and county pursuant to calculations specified in subdivision (b) of this section or paragraphs (1) and (2) of subdivision (f) of Section 17606.10.

(B) For the 2016–17, 2017–18, and 2018–19 fiscal years, 100 percent of the funding from the Vehicle License Fee Growth Account that would have been allocated to the County Medical Services Program Growth Subaccount.

(2) (A) The funding from the Vehicle License Fee Growth Account to be allocated to the social services account of each county or city and county pursuant to subparagraph (B) of paragraph (1) in each fiscal year, shall only be available for allocation to the counties that participate in the County Medical Services Program in that fiscal year.

(B) If in any fiscal year in which the funds specified in subparagraph (A) are not fully allocated to the counties that participate in the County Medical Services Program, the remaining funds shall be available for allocation to counties that participate in the County Medical Services Program in the following fiscal year.

(3) The redirection of funds in the Vehicle License Fee Growth Account to the social services subaccount described in paragraphs (1) and (2) shall not apply to the amount of Vehicle License Fee growth available for deposit into the Health and Mental Health Subaccounts for the Cities of Berkeley, Pasadena, Tri-City, and Long Beach.

(4) The Controller shall allocate these funds within 14 days of receiving the schedules from the Department of Finance.

(d) For the 2017–18 and 2018–19 fiscal years, the State Controller shall post a calculation of the Vehicle License Fee growth revenue that the Health, Mental Health, and County Medical Services Program Subaccounts would have otherwise received if subdivision (c) were not in effect.

**SEC. 116.** Section 18236 of the Welfare and Institutions Code is amended to read:

**18236.** (a) The director may approve school attendance demonstration projects in San Diego and Merced Counties, at the option of each county, to demonstrate means of increasing school attendance and graduation rates of children or teens who receive benefits under the CalWORKs program. The project shall emphasize a social service approach to children and families who are experiencing truancy problems, and shall include collaboration with the academic community to support a successful school experience. Families shall be provided a range of services, resources, and tools to assist them in coping with issues related to their children's school problems. These shall include integrated services involving the county and the appropriate school districts. After all other avenues to encourage a student to attend school have been exhausted and a family has failed to correct the truancy of a child in the family unit, a participating county may reduce a family grant by the amount of the truant child's portion grant. The full grant shall be replaced upon a showing that the student has attended school full-time for one month or has otherwise cooperated with an education or training plan developed with the county and the school district.

(b) Participating counties shall measure their success in achieving the following outcomes:

(1) Increased attendance and graduation.

(2) Decreased truancy.

(3) Higher grade point averages.

(4) Increased ADA.

(5) Decreased dropout rates.

(6) Increased collaboration among agencies providing services for children.

(7) Reinforcement of parental responsibility.

(c) Prior to being selected as a demonstration project site, the governing board of each school district shall approve the project and a clear delineation of the county's and the school or school district's responsibilities shall be established in a memorandum of understanding.

(d) Each county shall identify how it plans to attain the goals of the demonstration project and the evaluation methodology and funding source that will be used to evaluate the extent to which the goals are attained.

**SEC. 117.** Section 18900.5 of the Welfare and Institutions Code is amended to read:

**18900.5.** (a) It is the intent of the Legislature in enacting this section that recipients of Supplemental Security Income/State Supplementary Payment Program benefits provided in Chapter 3 (commencing with Section 12000) of Part 3, may receive CalFresh benefits if otherwise eligible. Households described in this section and Sections 18900.6 and 18900.7 shall include households receiving benefits under Chapter 10.1 (commencing with Section 18930). It is the intent of the Legislature to continue funding a hold harmless for populations described in Sections 18900.6 and 18900.7 beyond 2018–19, until natural program attrition within these populations negates the need for additional funding. It is the intent of the Legislature to provide ongoing funding for county administration for implementation of this section and funding for county administration for implementation of the hold harmless pursuant to Sections 18900.6 and 18900.7 for the duration of the hold harmless enacted by either of those sections.

(b) The department shall notify the federal Commissioner of Social Security and the Secretary of the United States Department of Agriculture that the Supplemental Security Income/State Supplementary Payment Program benefits provided in Chapter 3 (commencing with Section 12000) of Part 3 do not include the bonus value of food stamps, as described in subdivision (g) of Section 2015 of Title 7 of the United States Code, effective June 1, 2019, unless the department notifies the Department of Finance that automation will not be complete by that date, in which case the department shall notify the Department of Finance of the date automation will be complete and the alternate implementation date, which shall be no later than August 1, 2019. No later than August 1, 2018, the department shall provide counties with instructions necessary to complete automation related to implementation of this section and Sections 18900.6 and 18900.7 by August 1, 2019.

(c) Subdivision (b) shall be implemented as follows:

(1) As of June 1, 2019, or the alternate implementation date described in subdivision (b), an individual who is otherwise eligible for CalFresh benefits and who is not in an existing CalFresh household as an excluded member, shall become eligible for CalFresh benefits notwithstanding that the individual is a recipient of Supplemental Security Income/State Supplementary Payment Program benefits provided in Chapter 3 (commencing with Section 12000) of Part 3.

(2) (A) For all existing CalFresh households as of June 1, 2019, or the alternate implementation date described in subdivision (b), that as a result of subdivision (b) include a previously excluded individual who receives Supplemental Security Income/State Supplementary Payment Program benefits provided in Chapter 3 (commencing with Section 12000) of Part 3, the county welfare department shall implement this provision by adding that individual, or those individuals, to the existing CalFresh household, and determining continuing eligibility and benefits pursuant to Sections 18901, 18901.7, and Chapter 10.1 (commencing with Section 18930), at the next periodic report or recertification, as described in Sections 18910 and 18910.1. This shall include households that temporarily lose their eligibility on or before the date when the SSI recipient would be added and have their benefits restored within 30 days of that date based on good cause or providing the necessary information to restore eligibility.

(B) Notwithstanding subparagraph (A), an existing CalFresh household described in that subparagraph may request, at any time following June 1, 2019, or the alternate implementation date described in subdivision (b), and before the next periodic report or recertification, that a previously excluded individual who receives Supplemental Security Income/State Supplementary Payment Program benefits provided in Chapter 3 (commencing with Section 12000) of Part 3, be added to the CalFresh household. Upon this request, the county welfare department shall determine continuing eligibility and benefits pursuant to Sections 18901, 18901.7, and Chapter 10.1 (commencing with Section 18930).

(3) (A) For a new CalFresh household enrolled within six calendar months of June 1, 2019, or the alternate implementation date described in subdivision (b), which consists entirely of individuals receiving Supplemental Security Income/State

Supplementary Payment Program benefits provided in Chapter 3 (commencing with Section 12000) of Part 3 and is eligible for a certification period of 24 or 36 months, the household's initial certification period may be no more than six months shorter than the maximum period allowable to help spread the workload of periodic reports and recertifications, and manage caseload relative to timeliness and accuracy standards.

(B) For a CalFresh household that is not described in subparagraph (A), the household's certification period shall be the maximum allowed by federal law for the household type, unless the county complies with subdivision (b) of Section 18910, or, on a case-by-case basis only, the household's individual circumstances require a shorter certification period.

(d) This section and Sections 18900.6 and 18900.7 shall be implemented by the department in consultation with stakeholders and counties. Beginning July 1, 2018, and quarterly thereafter through June 2019, or the alternate implementation date described in subdivision (b), the department shall convene discussions with the Legislature regarding implementation.

**SEC. 118.** Section 18900.6 of the Welfare and Institutions Code is amended to read:

**18900.6.** (a) There is hereby created the SSI/SSP Cash-In Supplemental Nutrition Benefit (SNB) Program.

(b) The department shall use state funds appropriated for this program to provide nutrition benefits to continuing CalFresh households that were eligible for and receiving CalFresh benefits as of June 1, 2019, or the alternate implementation date described in subdivision (b) of Section 18900.5, but for whom the household's monthly CalFresh benefit was reduced when a previously excluded individual was added to the household pursuant to paragraph (2) of subdivision (c) of Section 18900.5.

(c) (1) The amount of SNB provided to each household shall be based on an SNB table developed by the department.

(2) The benefit table described in paragraph (1) shall be issued annually and based on all of the following:

(A) The projected number of households described in subdivision (b).

(B) The size of households described in subdivision (b), as determined when the previously excluded individual was added to the household pursuant to paragraph (2) of subdivision (c) of Section 18900.5.

(C) The number of previously excluded individuals added to the household pursuant to paragraph (2) of subdivision (c) of Section 18900.5.

(D) The total funding appropriated for purposes of this section in the annual Budget Act.

(d) SNB provided pursuant to this section shall be delivered on a monthly basis through the electronic benefits transfer system created pursuant to Section 10072, in the same manner as CalFresh benefits, and, to the extent permitted by federal law, shall not be considered income for any means-tested program.

(e) SNB shall be provided to the household if the household continues to receive CalFresh benefits, and includes the individual added to the household pursuant to paragraph (2) of subdivision (c) of Section 18900.5.

(f) A household whose CalFresh benefits are restored, consistent with current law governing CalFresh, following discontinuance for failure to provide the necessary documentation or information required to determine continuing eligibility, shall also have their SNB restored, without proration, back to the original date of discontinuance of the CalFresh benefits. If a household is discontinued for any other reason and reapplies for benefits, the supplemental benefit provisions outlined in this section shall not apply.

(g) A household that is eligible for and receives SNB under this section shall not at any point be eligible for transitional nutrition benefits as created in Section 18900.7, regardless of a change in household circumstances.

(h) The department shall develop client notices for the SNB program, as appropriate.

**SEC. 119.** Section 18900.7 of the Welfare and Institutions Code is amended to read:

**18900.7.** (a) There is hereby created the SSI/SSP Cash-In Transitional Nutrition Benefit (TNB) Program.

(b) The department shall use state funds appropriated for this program to provide transitional nutrition benefits to former CalFresh households that were eligible for and receiving CalFresh benefits as of June 1, 2019, or the alternate implementation date described in subdivision (b) of Section 18900.5, but became ineligible for CalFresh benefits when a previously excluded individual receiving Supplemental Security Income/State Supplementary Payment Program benefits provided in Chapter 3 (commencing with Section 12000) of Part 3 was added to the household pursuant to paragraph (2) of subdivision (c) of Section 18900.5.

(c) (1) The amount of TNB provided to each household shall be based on a TNB table developed by the department.

(2) The benefit table described in paragraph (1) shall be issued annually and be based on all of the following:

(A) The projected number of households described in subdivision (b).

(B) Household size as determined when the previously excluded individual was added to the household pursuant to paragraph (2) of subdivision (c) of Section 18900.5.

(C) The number of previously excluded individuals added to the household pursuant to paragraph (2) of subdivision (c) of Section 18900.5.

(D) The total funding appropriated for purposes of this section in the annual Budget Act.

(d) TNB provided pursuant to this section shall be delivered through the electronic benefits transfer system created pursuant to Section 10072, and, to the extent permitted by federal law, shall not be considered income for any means-tested program.

(e) A household that is eligible for TNB shall be initially certified for one 12-month period and may be recertified for additional six-month periods through a recertification process developed by the department, following consultation with counties and stakeholders, if the household continues to meet all of the following criteria:

(1) The household includes at least one individual added to the household pursuant to paragraph (2) of subdivision (c) of Section 18900.5.

(2) This individual continues to receive Supplemental Security Income/State Supplementary Payment Program benefits provided in Chapter 3 (commencing with Section 12000) of Part 3.

(3) This individual remains ineligible for CalFresh benefits.

(f) The department shall develop client notices for the TNB program, as appropriate.

(g) If a household is discontinued for failure to provide the documentation or information required to determine continuing eligibility for TNB, the benefits shall be restored, without proration, back to the original date of discontinuance of TNB, if all documentation and information required to determine continuing eligibility is provided to the county within 30 days of the date of discontinuance from TNB. If the household is discontinued for any other reason and reapplies for benefits, the transitional benefit provisions outlined in this section shall not apply.

(h) Households that are eligible for and receive TNB under this section shall not at any point be eligible for supplemental nutrition benefits, as created in Section 18900.6, regardless of a change in household circumstances.

**SEC. 120.** Section 18900.8 is added to the Welfare and Institutions Code, to read:

**18900.8.** The State Department of Social Services shall work with representatives of county human services agencies and the County Welfare Directors Association of California to update the budgeting methodology used to determine the annual funding for county administration of the CalFresh Program beginning with the 2020–21 fiscal year. As part of the process of updating the budgeting methodology, the ongoing workload and costs to counties of expanding CalFresh to recipients of Supplemental Security Income and State Supplementary Payment Program benefits shall be examined and legislative staff, advocates, and organizations that represent county workers shall be consulted.

**SEC. 121.** Section 18901.8 of the Welfare and Institutions Code is amended to read:

**18901.8.** (a) To the extent permitted by federal law, and with receipt of necessary federal approvals, the State Department of Social Services, in conjunction with affected stakeholder groups, shall develop and implement, if otherwise feasible, a simplified and shorter application form for nonassistance CalFresh cases. The contents of this simpler form shall be evaluated for use in multiprogram application forms for the CalFresh, Medi-Cal, and CalWORKs programs. The department shall seek any federal approvals necessary for implementation of the form.

(b) The department shall not require any county to implement use of the form described in subdivision (a) until the county has been allowed sufficient time to reprogram its automated systems for the purpose of implementing the form.

**SEC. 122.** Section 18941 of the Welfare and Institutions Code is amended to read:

**18941.** (a) Benefits provided under this chapter shall be equivalent to the benefits provided under the SSI/SSP program, Chapter 3 (commencing with Section 12000) of Part 3, except that the schedules for individuals and couples shall be reduced ten dollars ($10) per individual and twenty dollars ($20) per couple per month.

(b) Notwithstanding subdivision (a), commencing on the date that the Supplemental Security Income benefits and/or State Supplementary Payment Program benefits provided in Chapter 3 (commencing with Section 12000) of Part 3 do not include the bonus value of food stamps, as described in subdivision (g) of Section 2015 of Title 7 of the United States Code, pursuant to subdivision (b) of Section 18900.5, benefits provided under this chapter shall be equivalent to the benefits provided under the SSI/SSP program (Chapter 3 (commencing with Section 12000) of Part 3).

(c) The benefits authorized pursuant to subdivision (b) are not entitlement benefits and shall only be provided if funding is appropriated in the annual Budget Act for this purpose.

(d) This section shall become inoperative on the effective date of the act that added this subdivision, and, as of January 1, 2020, is repealed.

**SEC. 123.** Section 18941 is added to the Welfare and Institutions Code, to read:

**18941.** Benefits provided under this chapter shall be equivalent to the benefits provided under the SSI/SSP program, Chapter 3 (commencing with Section 12000) of Part 3. The benefit amount implemented by the act that added this section shall be retroactive to June 1, 2019.

**SEC. 124.** Section 18995 of the Welfare and Institutions Code is amended to read:

**18995.** (a) The State Emergency Food Assistance Program, which is administered by the State Department of Social Services, shall be renamed as the “CalFood Program.” The CalFood Program shall provide food and funding for the provision of emergency food to food banks established pursuant to the federal Emergency Food Assistance Program (7 C.F.R. Parts 250 and 251) whose ongoing primary function is to facilitate the distribution of food to low-income households.

(b) (1) The CalFood Account is hereby established in the Emergency Food for Families Voluntary Tax Contribution Fund established pursuant to Section 18852 of the Revenue and Taxation Code, and may receive federal funds and voluntary donations or contributions.

(2) Notwithstanding Section 18853 of the Revenue and Taxation Code, the following shall apply:

(A) All moneys received by the CalFood Account shall, upon appropriation by the Legislature, be allocated to the State Department of Social Services for allocation to the CalFood Program and, excluding those contributions made pursuant to Section 18851 of the Revenue and Taxation Code and funds received through Parts 250 and 251 of Title 7 of the Code of Federal Regulations, shall be used for the purchase, storage, and transportation of food grown or produced in California. Storage and transportation expenditures shall not exceed 10 percent of the CalFood Program fund’s annual budget.

(B) Notwithstanding subparagraph (A), funds received by the CalFood Account shall, upon appropriation by the Legislature, be allocated to the State Department of Social Services for allocation to the CalFood Program as described in subparagraph (A), and shall, in part, be used to pay for the department’s administrative costs associated with the administration of the CalFood Program.

(c) (1) The Public Higher Education Pantry Assistance Program Account is hereby established in the Emergency Food for Families Voluntary Tax Contribution Fund established pursuant to Section 18852 of the Revenue and Taxation Code.

(2) Notwithstanding Section 18853 of the Revenue and Taxation Code, funds in the Public Higher Education Pantry Assistance Program Account shall, upon appropriation by the Legislature, be allocated to the State Department of Social Services for allocation to food banks established pursuant to Parts 250 and 251 of Title 7 of the Code of Federal Regulations that meet both of the following criteria:

(A) The primary function of the food bank is the distribution of food to low-income households.

(B) The food bank has identified specific costs associated with supporting on-campus pantry and hunger relief efforts serving low-income students.

(d) This section shall become inoperative on July 1, 2019, and, as of January 1, 2021, is repealed.

**SEC. 125.** Section 18995 is added to the Welfare and Institutions Code, to read:

**18995.** (a) The State Emergency Food Assistance Program, which is administered by the State Department of Social Services, shall be renamed as the “CalFood Program.” The CalFood Program shall provide food and funding for the provision of emergency food to food banks established pursuant to the federal Emergency Food Assistance Program (7 C.F.R. Parts 250 and 251) whose ongoing primary function is to facilitate the distribution of food to low-income households.

(b) (1) The CalFood Account is hereby established in the Emergency Food for Families Voluntary Tax Contribution Fund established pursuant to Section 18852 of the Revenue and Taxation Code, and may receive federal funds and voluntary donations or contributions.

(2) Notwithstanding Section 18853 of the Revenue and Taxation Code, the following shall apply:

(A) All moneys received by the CalFood Account shall, upon appropriation by the Legislature, be allocated to the State Department of Social Services for allocation to the CalFood Program and, excluding those contributions made pursuant to Section 18851 of the Revenue and Taxation Code and funds received through Parts 250 and 251 of Title 7 of the Code of Federal Regulations, shall be used for the purchase, storage, and transportation of food grown or produced in California. Storage and transportation expenditures shall not exceed 15 percent of the CalFood Program fund's annual budget.

(B) Notwithstanding subparagraph (A), funds received by the CalFood Account shall, upon appropriation by the Legislature, be allocated to the State Department of Social Services for allocation to the CalFood Program as described in subparagraph (A), and shall, in part, be used to pay for the department's administrative costs associated with the administration of the CalFood Program.

(c) (1) The Public Higher Education Pantry Assistance Program Account is hereby established in the Emergency Food for Families Voluntary Tax Contribution Fund established pursuant to Section 18852 of the Revenue and Taxation Code.

(2) Notwithstanding Section 18853 of the Revenue and Taxation Code, funds in the Public Higher Education Pantry Assistance Program Account shall, upon appropriation by the Legislature, be allocated to the State Department of Social Services for allocation to food banks established pursuant to Parts 250 and 251 of Title 7 of the Code of Federal Regulations that meet both of the following criteria:

(A) The primary function of the food bank is the distribution of food to low-income households.

(B) The food bank has identified specific costs associated with supporting on-campus pantry and hunger relief efforts serving low-income students.

(d) This section shall become operative on July 1, 2019.

**SEC. 126.** Section 18999 of the Welfare and Institutions Code is amended to read:

**18999.** In enacting this chapter, it is the intent of the Legislature to establish the Housing and Disability Income Advocacy Program under which counties, tribes, or combinations of counties or tribes assist Californians with disabilities who may be experiencing homelessness, to increase participation among individuals who may be eligible for disability benefits programs, including, but not limited to, the Supplemental Security Income/State Supplementary Program for the Aged, Blind, and Disabled (SSI/SSP), the federal Social Security Disability Insurance (SSDI) program, the Cash Assistance Program for Immigrants, and veterans benefits provided under federal law, including disability compensation.

**SEC. 127.** Section 18999.1 of the Welfare and Institutions Code is amended to read:

**18999.1.** (a) Subject to an appropriation of funds for this purpose in the annual Budget Act, the State Department of Social Services shall administer the Housing and Disability Income Advocacy Program to provide state matching grant funds to participating counties, tribes, or combinations of counties or tribes for the provision of outreach, case management, and advocacy services to individuals as described in Section 18999. Housing assistance shall also be offered to individuals described in subdivision (b) of Section 18999.2.

(b) Funds appropriated for this chapter shall be awarded to grantees by the department according to criteria developed by the department, in consultation with the County Welfare Directors Association of California, tribes, and advocates for clients, subject to the following restrictions:

(1) State funds appropriated for this chapter shall be used only for the purposes specified in this chapter.

(2) A grantee that receives state funds under this chapter shall match that funding on a dollar-for-dollar basis. The grantee's matching funds used for this purpose shall supplement, and not supplant, other funding for these purposes.

(3) A grantee shall, at a minimum, maintain a level of funding for the outreach, active case management, advocacy, and housing assistance services described in this chapter that is at least equal to the total of the amounts expended by the grantee for those services in the 2015–16 fiscal year.

(4) As part of its application to receive state funds under this chapter, a prospective grantee shall identify how it will collaborate locally among, at a minimum, the county departments and tribal entities, as may be appropriate, that are responsible for health,

including behavioral health, and human or social services in carrying out the activities required by this chapter. This collaboration shall include, but is not limited to, the sharing of information among these departments or other entities as necessary to carry out the activities required by this chapter.

(c) For purposes of this chapter, “grantee” means a participating county, tribe, or combination of counties or tribes receiving state funds pursuant to this chapter.

**SEC. 128.** Section 18999.2 of the Welfare and Institutions Code is amended to read:

**18999.2.** (a) (1) A grantee shall provide, or contract for, outreach, active case management, and advocacy services related to all of the following programs, as appropriate:

(A) The Supplemental Security Income/State Supplementary Program for the Aged, Blind, and Disabled (SSI/SSP).

(B) The federal Social Security Disability Insurance (SSDI) program.

(C) The Cash Assistance Program for Immigrants.

(D) Veterans benefits provided under federal law, including, but not limited to, disability compensation.

(E) Any disability benefits that are not identified in subparagraphs (A) to (D), inclusive, that an individual may be eligible to receive.

(2) The outreach and case management services required by this subdivision shall include, but not be limited to, all of the following:

(A) Receiving referrals.

(B) Conducting outreach, training, and technical assistance.

(C) Providing assessment and screening.

(D) Coordinating record retrieval and other necessary means of documenting disability.

(E) Coordinating the provision of health care, including behavioral health care, for clients, as appropriate.

(3) The advocacy services required by this subdivision, which may be provided though legal representation, shall include, but not be limited to, the following:

(A) Developing and filing competently prepared benefit applications, appeals, reconsiderations, reinstatements, and recertifications.

(B) Coordinating with federal and state offices regarding pending benefit applications, appeals, reconsiderations, reinstatements, and recertifications and advocating on behalf of the client.

(b) A grantee shall use screening tools to identify populations of individuals who are likely to be eligible for the programs listed in subdivision (a), in accordance with the following:

(1) The grantee shall give highest priority to either individuals who are chronically homeless or individuals who are homeless and rely most heavily on government-funded services.

(2) Other populations to be targeted by the program include, but are not limited to, the following:

(A) General assistance or general relief applicants or recipients with disabilities or who are likely to have disabilities and who are homeless or at risk of homelessness.

(B) Parents who receive CalWORKs or tribal Temporary Aid to Needy Families (tribal TANF) assistance, parents whose children receive CalWORKs or tribal TANF assistance, or children who are recipients of CalWORKs or tribal TANF assistance in families where one or more members has a disability or is likely to have a disability and that are homeless or at risk of homelessness.

(C) Low-income individuals with disabilities or who are likely to have disabilities who can be diverted from, or who are being discharged from, jails or prisons and who are homeless or at risk of homelessness.

(D) Low-income veterans with disabilities or who are likely to have disabilities who are homeless or at risk of homelessness.

(E) Low-income individuals with disabilities or who are likely to have disabilities who are being discharged from hospitals, long-term care facilities, or rehabilitation facilities and who are homeless or at risk of homelessness.

(c) (1) A grantee, as may be appropriate, may refer an individual to workforce development programs who is not likely to be eligible for the programs listed in subdivision (a) and who may benefit from workforce development programs.

(2) In consultation with an individual who has been served by the Housing and Disability Income Advocacy Program and considering the circumstances of the individual's disabilities, a grantee may, upon approval or final denial of disability benefits, refer an individual who may benefit from workforce development programs to those programs.

(3) An individual's participation in a workforce development program pursuant to this subdivision is voluntary.

**SEC. 129.** Section 18999.4 of the Welfare and Institutions Code is amended to read:

**18999.4.** (a) (1) Pursuant to Section 18999.1, a grantee shall offer housing assistance to individuals described in subdivision (b) of Section 18999.2 and shall use funds received under this program to establish or expand programs that provide housing assistance, including interim housing, recuperative care, rental subsidies, or, only when necessary, shelters, for clients receiving services under Section 18999.2 during the clients' application periods for disability benefits programs described in that section. The grantee shall make a reasonable effort to place a client who receives subsidies in housing that the client can sustain without a subsidy upon approval of disability benefits, or consider providing limited housing assistance until an alternative subsidy, affordable housing voucher, or other sustainable housing option is secured. Upon approval or denial of disability benefits, where needed, case management staff shall assist in developing a transition plan for housing support.

(2) A client's participation in housing assistance programs or services is voluntary.

(b) To the extent authorized under federal law, a grantee, with the assistance of the department, shall seek reimbursement of funds used for housing assistance, general assistance, or general relief from the federal Commissioner of Social Security pursuant to an interim assistance reimbursement agreement authorized by Section 1631(g) of the federal Social Security Act, and shall expend funds received as reimbursement for housing assistance only on additional housing assistance for clients receiving services under this chapter.

**SEC. 130.** Section 18999.6 of the Welfare and Institutions Code is amended to read:

**18999.6.** (a) A grantee shall report at least annually to the department on its funding of advocacy and outreach programs in the prior year and its use of state funding provided under this chapter, including all of the following:

(1) The number of clients served in each of the targeted populations described in subdivision (b) of Section 18999.2 and any other populations the grantee chose to target.

(2) The demographics of the clients served, including race or ethnicity, age, and gender.

(3) The number of applications for benefits, and type of benefits, filed with the assistance of the grantee.

(4) The number of applications approved initially, the number approved after reconsideration, the number approved after appeal, and the number not approved, including the processing time from receipt of the application to the initial issuance of benefits.

(5) For applications that were denied, the reason or reasons for denial.

(6) The number of clients who received subsidized housing during the period that their applications were pending and a description of how that impacted the clients and the rates of completed applications or approval.

(7) The number of clients who received subsidized housing who maintained that housing during the disability benefits application period.

(8) The percentage of individuals approved for disability benefits who retain permanent housing 6, 12, and 24 months after the issuance of initial benefits.

(9) The amount and percentage of reimbursements recovered for individuals approved for benefits.

(10) The number of individuals eligible to be served by this program but who have not yet received services.

(11) Any additional data requirements established by the department after consultation with the County Welfare Directors Association of California, tribes, and advocates for clients.

(b) The department shall annually inform the Legislature of the implementation progress of the program and make related data available on its internet website. Beginning in 2020, the department shall also submit an annual report, by February 1, to the

Legislature, in compliance with Section 9795 of the Government Code, regarding the implementation of the program, including the information reported by participating grantees pursuant to this section.

**SEC. 131.** Section 1 of Chapter 452 of the Statutes of 1996 is repealed.

**SEC. 132.** Section 1 of Chapter 561 of the Statutes of 1997 is repealed.

**SEC. 133.** Section 81 of Chapter 15 of the Statutes of 2017 is amended to read:

**SEC. 81.** (a) For the 2017–18 fiscal year, the sum of ten million dollars ($10,000,000) is hereby appropriated from the General Fund to the State Department of Social Services in order to provide additional services for refugee pupils and unaccompanied undocumented minors. The State Department of Social Services shall allocate funding to school districts impacted by significant numbers of refugee pupils and unaccompanied undocumented minors using a formula to be developed by the department based upon the refugee and unaccompanied undocumented minor arrivals in a school district during the preceding 60-month period for which the department has data.

(b) Of the funds allocated in subdivision (a), an equal amount shall be available for grants in the 2017–18, 2018–19, and 2019–20 fiscal years.

(c) For purposes of this section, the following definitions apply:

(1) “Refugee” means populations eligible to receive benefits and services from the federal Office of Refugee Resettlement (ORR), an office of the Administration for Children and Families within the United States Department of Health and Human Services.

(2) “Unaccompanied undocumented minor” has the same meaning as unaccompanied alien children as defined in Section 279(g)(2) of Title 6 of the United States Code.

(d) For purposes of making the computations required by Section 8 of Article XVI of the California Constitution, the appropriation made by subdivision (a) shall be deemed to be “General Fund revenues appropriated for school districts,” as defined in subdivision (c) of Section 41202 of the Education Code, for the 2017–18 fiscal year, and included within the “total allocations to school districts and community college districts from General Fund proceeds of taxes appropriated pursuant to Article XIII B,” as defined in subdivision (e) of Section 41202 of the Education Code, for the 2017–18 fiscal year.

(e) In accordance with Section 1621(d) of Title 8 of the United States Code, this section provides services for undocumented persons.

**SEC. 134.** (a) The State Department of Social Services shall work with the County Welfare Directors Association of California to determine the actual one-time and ongoing county workload and costs to implement the electronic visit verification system and shall consider the information for annual budget changes and county workload requirements related to implementation.

(b) This section shall become inoperative on July 1, 2020, and, as of January 1, 2021, is repealed.

**SEC. 135.** (a) Notwithstanding any other law, contracts or grants identified in subdivision (b), necessary for the State Department of Social Services to implement or evaluate the continuum of care reform as provided by Chapter 773 of the Statutes of 2015, Chapter 612 of the Statutes of 2016, Chapter 732 of the Statutes of 2017, and Chapter 910 of the Statutes of 2018, are exempt from all of the following:

(1) The personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

(2) The Public Contract Code and the State Contracting Manual.

(3) Review by either the Department of General Services or the Department of Technology.

(b) This section applies to contracts or grants that do any of the following:

(1) Provide workforce training and certification to state or county staff on the use of a Child and Adolescent Needs and Strengths (CANS) assessment tool and the use of this assessment tool within a child and family team.

(2) Develop or provide training and technical assistance to foster care providers, including short-term residential therapeutic program providers, foster family agencies, and their staff, related to continuum of care reform requirements and core program competencies.

(3) Develop or provide training and technical assistance to county child welfare and probation departments related to the implementation of the continuum of care reform.

(4) Perform an evaluation of the level of care rate setting methodology, as required by Section 11461.2 of the Welfare and Institutions Code.

(5) Consult with the Praed Foundation to evaluate the use of a CANS assessment tool to inform the level of care rate setting system.

(6) Consult with the Praed Foundation and the Mental Health Data Alliance as necessary to inform the development of a CANS assessment tool functionalities within the child welfare services digital system.

(c) This section shall become inoperative on July 1, 2021, and, as of January 1, 2022, is repealed.

**SEC. 136.** (a) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the State Department of Social Services may implement and administer Sections 11004, 11155, 11257, 11265.3, 11265.47, 11323.2, 11323.3, 11323.4, 11330.6, 11450, 11450.023, 11451.5, 11467, 13275, 13276, 13277, 13278, 13279, 13280, 13282, 13283, 13284, 13285, 16526, 16527, 16528, 16529, 16530, 18900.5, 18900.6, 18900.7, 18941, 18999, 18999.1, 18999.2, 18999.4, and 18999.6 of the Welfare and Institutions Code, which are added or amended by this act, through all-county letters or similar instruction until regulations are adopted.

(b) The department shall adopt emergency regulations implementing the sections specified in subdivision (a) no later than January 1, 2021. The department may readopt any emergency regulation authorized by this section that is the same as, or substantially equivalent to, any emergency regulation previously adopted pursuant to this section. The initial adoption of regulations pursuant to this section and one readoption of emergency regulations shall be deemed to be an emergency and necessary for the immediate preservation of the public peace, health, safety, or general welfare. Initial emergency regulations and one readoption of emergency regulations authorized by this section shall be exempt from review by the Office of Administrative Law. The initial emergency regulations and the one readoption of emergency regulations authorized by this section shall be submitted to the Office of Administrative Law for filing with the Secretary of State, and each shall remain in effect for no more than 180 days, by which time final regulations shall be adopted.

**SEC. 137.** Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the State Department of Social Services may implement and administer Sections 16523 and 16523.1 of the Welfare and Institutions Code, which are added or amended by this act, through all-county letters or similar instructions without taking regulatory action.

**SEC. 138.** The Legislature finds and declares that Section 13405 of the Welfare and Institutions Code, as added by the act that added this section, imposes a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

In order to protect the privacy and safety interests of immigrants in California who will be served by this act, it is essential to maintain the confidentiality of information that may affect their immigration court proceedings and any records that eventually may be subject to attorney-client privilege.

**SEC. 139.** To the extent that this act has an overall effect of increasing certain costs already borne by a local agency for programs or levels of service mandated by the 2011 Realignment Legislation within the meaning of Section 36 of Article XIII of the California Constitution, it shall apply to local agencies only to the extent that the state provides annual funding for the cost increase. Any new program or higher level of service provided by a local agency pursuant to this act above the level for which funding has been provided shall not require a subvention of funds by the state or otherwise be subject to Section 6 of Article XIII B of the California Constitution.

No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency or school district under this act because, in that regard, the costs would result from a legislative mandate that is within the scope of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

**SEC. 140.** No appropriation pursuant to Section 15200 of the Welfare and Institutions Code shall be made for the purposes of this act.

**SEC. 141.** This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.