



May 14, 2024

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Various Budget Bill Items, Support, Health and Human Services

Due to lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to prior investments to assist in closing the projected shortfall. These adjustments include the following:

Reduce Health and Human Services Innovation Accelerator (Issue 055)—It is requested that Item 0530-001-0001 be reduced by \$1 million in 2023-24 (planned savings), \$42 million in fiscal year 2025-26, and \$32 million in 2026-27, related to the Health and Human Services Innovation Accelerator. The early action agreement delayed funding for this program, and this proposal now eliminates all funding for this program from the budget.

Included below are the remaining adjustments included in the May Revision:

Office of Employment First (Issue 051)—It is requested that Item 0530-001-0001 be reduced by \$1 million in 2024-25 and ongoing to reflect the shift of the Office of Employment First from the California Health and Human Services Agency to the Department of Rehabilitation (DOR). This is related to the CalHHS Master Plan for Developmental Services to strengthen supports and opportunities for people with intellectual and developmental disabilities who access services across various systems. Establishing the Office of Employment First within DOR advances both the Master Plan for Career Education and for Developmental Services. See related Issue 023 in the Department of Rehabilitation Finance Letter.

Preschool Development Grant Award Authority Adjustment (Issue 037)—It is requested that Item 0530-001-0890 be increased by \$1,273,000 in 2024-25 one-time to reflect increased expenditure authority related to the Preschool Development Grant program. Provisional language is also requested to allow for future augmentations, contingent upon Joint Legislative Budget Committee notification (see Attachment 1). See related Issue 211 in the Department of Social Services Finance Letter.

ePOLST Registry Project Reappropriation (Issue 040)—It is requested that Item 0530-001-9745 be increased by \$6,310,000 from the California Health and Human Services Automation Fund in 2024-25 one-time to support the continued planning and implementation of the Electronic Physician Orders for Life Sustaining Treatment (ePOLST) Registry solution. See related Issue 031 in the Emergency Medical Services Agency Finance Letter.

Central Registry Replacement and California Emergency Medical Services Information System (CEMSIS) Re-procurement Reappropriation (Issue 043)—It is requested that Item 0530-001-9745 be increased by \$2,122,000 from the California Health and Human Services Automation Fund in 2024-25 and 6 positions be added one-time to support planning and implementation of the California Emergency Medical Services Central Registry Replacement Project and re-procurement activities. See related Issue 032 in the Emergency Medical Services Agency Finance Letter.

OPR Reorganization: California Initiative to Advance Precision Medicine (Issue 053)—It is requested that Item 0530-501-0001 be increased by \$31,518,000 in 2024-25 one-time to reflect the shift of the California Initiative to Advance Precision Medicine from the Office of Planning and Research to the California Health and Human Services. See related Issue 105 in the Office of Planning and Research Finance Letter.

Transfer of Juvenile Justice Programs to Office of Youth and Community Restoration (Technical Adjustment) (Issue 052)—It is requested that Item 0530-601-0001 be decreased by \$9,377,000 in 2024-25 one-time to reflect updates to juvenile justice grant funds to counties.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Joseph Donaldson, Principal Program Budget Analyst, at (916) 445-6423.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review
Committee
Attention: Elisa Wynne, Staff Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Christian Griffith, Chief Consultant
Honorable Caroline Menjivar, Chair, Senate Budget and Fiscal Review
Subcommittee No. 3
Honorable Dr. Akilah Weber, Chair, Assembly Budget Subcommittee No. 1
Honorable Corey Jackson, Chair, Assembly Budget Subcommittee No. 2
Gabriel Petek, Legislative Analyst
Kirk Feely, Fiscal Director, Senate Republican Fiscal Office
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Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Dr. Mark Ghaly, Secretary, Health and Human Services Agency
Marko Mijic, Undersecretary, Health and Human Services Agency
Brendan McCarthy, Deputy Secretary, Health and Human Services
Sonia Herrera, Deputy Secretary, Health and Human Services Agency

Amend Item 0530-001-0890 as follows:

"0530-001-0890—For support of Secretary of California Health and Human Services,
payable from the Federal Trust Fund~~935,000~~2,208,000

Schedule:

(1) 0280-Secretary of California Health and Human Services~~145,000~~1,418,000
(2) 0286-Office of Youth and Community Restoration790,000

Provisions:

1. Notwithstanding any other law, upon selection of the State of California, the Department of Finance may augment this item for future annual expenditure authority adjustments to expend awarded Preschool Development Grant funding for California Health and Human Services and Department of Social Services, no sooner than 30 days after notification in writing is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee."



May 14, 2024

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Items 4100-001-0001 and Reimbursements and 4100-001-0890, Support, State Council on Developmental Disabilities

Support Services Assistant (Issue 018)—It is requested that Item 4100-001-0890 be increased by \$95,000 in 2024-25 and 1 position ongoing. This request includes \$87,000 in 2025-26 and \$83,000 ongoing beginning in 2026-27. These resources provide authority for a Support Services Assistant.

Statewide Self-Determination Advisory Committee (Issue 019)—It is requested that Item 4100-001-0001 be amended by increasing reimbursements by \$215,000 in fiscal years 2024-25, 2025-26, and 2026-27 and 1 position ongoing to support an existing interagency agreement with the Department of Developmental Services related to the Statewide Self-Determination Advisory Committee.

Self-Determination Program Orientations and Trainings (Issue 021)—It is requested that Item 4100-001-0001 be amended by increasing reimbursements by \$565,000 in 2024-25, \$471,000 in 2025-26, and \$478,000 in 2026-27 and 2 positions ongoing to support an existing interagency agreement with the Department of Developmental Services related to Self-Determination Program orientations and trainings.

Reappropriation of Go-Kits Reimbursement Authority (Issue 023)—It is requested that Item 4100-491 be added to reappropriate up to \$365,000 from Item 4100-001-0001, Budget Act of 2020, through June 30, 2025. This request corrects a reappropriation included in the 2023 Budget Act and will allow the Council to fully expend its 2020 Wildfire Recovery Fund grant award from the California Community Foundation (see Attachment 1).

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Christopher Odneal, Principal Program Budget Analyst, at (916) 445-6423.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

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and Budget
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Aaron Carruthers, Executive Director, State Council on Developmental Disabilities
Ken DaRosa, Chief Deputy Director, State Council on Developmental Disabilities
Lynn Villoria, Budget Officer, State Council on Developmental Disabilities

4100-491—Reappropriation, State Council on Developmental Disabilities. The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2025:

0001—General Fund

(1) Up to \$365,000 in Schedule (1) and up to \$365,000 in Schedule (2) in Item 4100-001-0001, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), related to the wildfire relief grant funded by the California Community Foundation.



Gavin Newsom ■ Governor

1021 O Street, Suite 3110 ■ Sacramento CA 95814 ■ www.dof.ca.gov

May 14, 2023

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Various Budget Bill Items, Reimbursements, Support and Local Assistance, California Department of Aging

Due to lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to prior investments to assist in closing the projected shortfall. These adjustments include the following:

It is requested that Item 4170-001-0001 be decreased by \$1,566,000 in fiscal year 2024-25 and \$1,566,00 in 2025-26, and Item 4170-101-0001 be decreased by \$5.4 million in 2023-24, \$18,434,000 in 2024-25, and \$8,434,000 in 2025-26 to reflect the elimination of the Older Adult Behavioral Health Program. It is also requested that Provision 6 be deleted from Item 4170-101-0001, consistent with this action.

It is requested that Item 4170-101-0001 be decreased by \$37.2 million in 2024-25, \$37.2 million in 2025-26, and \$37.2 million in 2026-27 to reflect the elimination of the Older Californians Act Modernization Program. It is also requested that Provision 3 be deleted from Item 4170-101-0001, consistent with this action.

Included below are the remaining adjustments included in the May Revision:

It is requested that Item 4170-001-0001 be amended by increasing reimbursements by \$911,000 in 2024-25 and \$908,000 in 2025-26 and ongoing to support the Multipurpose Senior Services Program.

It is requested that Item 4170-101-0001 be amended by increasing reimbursements by \$2.5 million in 2024-25 and ongoing to support the CalFresh Healthy Living Nutrition Education Program.

It is requested that Item 4170-001-0890 be amended by increasing reimbursements by \$2,060,000, to realign federal fund reimbursement authority with projected federal grant award amounts.

It is requested that Item 4170-101-0890 be amended by increasing reimbursements by \$33,395,000, to realign federal fund reimbursement authority with projected federal grant award amounts.

The May Revision proposes the following adjustments to enable departments to implement recently chaptered legislation:

(Issue 059) It is requested that Item 4170-001-0001 be increased by \$130,000 in 2024-25 and \$130,000 in 2025-26 to support 1 position to implement the Lesbian, Gay, Bisexual, and Transgender Disparities Reduction Act, Chapter 832, Statutes of 2023 (AB 1163). See related Issue 016 in the Department of Community Services and Development Finance Letter, Issue 282 in the Department of Health Care Services Finance Letter, Issue 293 in the Department of Social Services Finance Letter, and Issue 317 in the Department of Public Health Finance Letter.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Megan Sabbah, Principal Program Budget Analyst, at (916) 445-6423.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

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Attention: Jay Dickenson, Chief Consultant
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Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Susan DeMarois, Director, California Department of Aging
Mark Beckley, Chief Deputy Director, California Department of Aging
Nicole Shimosaka, Deputy Director of the Division of Administrative Services,
California Department of Aging



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Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Various Budget Bill Items and Reimbursements, Support, Local Assistance, and Statutory Changes, Department of Developmental Services

Due to lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to prior investments to assist in closing the projected shortfall. These adjustments include the following:

Regional Centers – Health and Safety Waiver Assistance (Issue 106)—It is requested that Item 4300-101-0001 be decreased by \$3 million, and reimbursements be decreased by \$1,412,000 ongoing for resources related to providing consumers and families assistance in applying for health and safety waivers. It is also requested that conforming statutory changes be added for these purposes.

Regional Centers – Emergency Preparedness Resources (Issue 107)—It is requested that Item 4300-101-0001 be decreased by \$1,050,000 ongoing for resources related to procuring emergency preparedness supplies and informational materials. Funds for this purpose have historically been provided subject to resource availability.

Regional Centers – Direct Service Professional Internship Program (Issue 110)—It is requested that Item 4300-495 be added to revert \$20 million one-time from Item 4300-101-0001, Budget Act of 2022, for the direct service professional internship program (see Attachment 1). It is also requested that statutory changes be added for these purposes.

Regional Centers – Tribal Engagement for Early Start Services (Issue 112)—It is requested that Item 4300-101-0001 be decreased by \$750,000 ongoing to align funding for this outreach initiative with current fiscal year 2023-24 levels.

Regional Centers – Coordinated Family Support Services (Issue 120)—It is requested that Item 4300-101-0001 be decreased by \$6.6 million and reimbursements be decreased by \$4.4 million one-time as a workload adjustment in the Department of Developmental Services estimate in 2023-24 to reflect revised service cost assumptions.

Included below are the remaining adjustments included in the May Revision:

Reimbursement System Project and Maintenance and Operation Costs (Issue 092)—It is requested that Item 4300-001-0001 be increased by \$3,258,000 in 2024-25, \$2,443,000 in 2025-26, and \$1,791,000 ongoing beginning in 2026-27 to complete the Reimbursement System Project and support maintenance and operations costs. This request also includes provisional language to make the level of 2024-25 funding contingent upon approval of the pending Iterative Project Report by the Department of Technology (see Attachment 2).

Reimbursement System Project – Reappropriation (Issue 100)—It is requested that Item 4300-490 be added to reappropriate \$5 million from Item 4300-001-0001, Budget Act of 2021, through June 30, 2025. This request corrects a reappropriation included in the 2022 Budget Act and will support completion of the Reimbursement System Project and maintenance and operations costs (see Attachment 3).

Uniform Fiscal System Modernization and the Consumer Electronic Records Management System Project Planning (Issue 093)—It is requested that Item 4300-001-0001 be increased by \$3,323,000 and reimbursements be increased by \$369,000 one-time to support planning for the Uniform Fiscal System Modernization and Consumer Electronic Records Management System projects. It is also requested that Item 4300-101-0001 be increased by \$2,665,000 one-time for these purposes.

Allocation for Employee Compensation (Issue 097)—It is requested that Item 4300-001-0001 be increased by \$18,000 and reimbursements be increased by \$2,000 ongoing to reflect revised employee compensation costs.

Allocation for Employee Benefits (Issue 098)—It is requested that Item 4300-001-0001 be increased by \$2,000 ongoing to reflect revised staff benefit costs.

State Operated Facilities – Complex Need Residential Program Update (Issue 099)—It is requested that Item 4300-001-0001 be decreased by \$7,038,000 and 28.8 positions one-time to reflect revised staffing cost assumptions for the program in 2024-25.

State Operated Facilities – Population and Staffing May Revision (Issue 101)—It is requested that Item 4300-001-0001 be increased by \$3,286,000 and 16 positions and reimbursements be decreased by \$3,286,000 and 16 positions ongoing to reflect revised federal reimbursement assumptions related to the Stabilization Training Assistance Reintegration home program.

Regional Centers – Caseload and Utilization May Revision (Issues 103, 119, and 123)—It is requested that Item 4300-101-0001 be increased by \$41,210,000 and reimbursements be increased by \$32,371,000 ongoing. It is also requested that Item 4300-101-0890 be decreased by \$132,000 ongoing. These adjustments reflect updated expenditure estimates in operations and purchase of services driven by caseload and utilization. In addition to adjustments based on caseload and utilization, 2023-24 expenditure estimates also align with proposed changes in the federal Home and Community-Based Services Spending Plan.

Language Only—It is requested that Provision 2 of Item 4300-101-0001 be amended to change General Fund loan authority from \$1,038,350,000 to \$1,044,669,000 to reflect revised estimates regarding federal reimbursements (see Attachment 4).

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Christopher Odneal, Principal Program Budget Analyst, at (916) 445-6423.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

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Dr. Mark Ghaly, Secretary, Health and Human Services Agency
Marko Mijic, Undersecretary, Health and Human Services Agency
Brendan McCarthy, Deputy Secretary, Health and Human Services Agency
Debra Cooper, Assistant Secretary, Health and Human Services Agency
Nancy Bargmann, Director, Department of Developmental Services
Carla Castañeda, Chief Deputy Director, Department of Developmental Services
Brian Winfield, Chief Deputy Director, Department of Developmental Services
Steven Pavlov, Chief Financial Officer, Department of Developmental Services

4300-495—Reversion, State Department of Developmental Services. As of June 30, 2024, the balances specified below, of the appropriations provided in the following citations shall revert to the fund balances of the funds from which the appropriations were made:

0001—General Fund

(1) \$20,000,000 in Item 4300-101-0001, Schedule (2), Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), for a training and internship program for individuals that provide direct services.

Add Provision 10 to Item 4300-001-0001 as follows:

10. Of the amount appropriated in Schedule (2) up to \$3,258,000 is allocated for project activities associated with the department's federal claims Reimbursement System Project. The expenditure of funds is contingent upon approval of the Iterative Project Report by the Department of Technology.

4300-490—Reappropriation, State Department of Developmental Services. The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2025:

0001—General Fund

- (1) \$5,000,000 in Item 4300-001-0001, Schedule (2), Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) for activities related to the department's federal claims Reimbursement System Project.

Amend Provision 2 of Item 4300-101-0001 as follows:

"2. A loan or loans shall be made available from the General Fund to the State Department of Developmental Services not to exceed a cumulative total of ~~\$1,038,350,000~~ \$1,044,669,000. The loan funds shall be transferred to this item as needed to meet cashflow needs due to delays in collecting reimbursements from the Health Care Deposit Fund. All moneys so transferred shall be repaid as soon as sufficient reimbursements have been collected to meet immediate cash needs and in installments as reimbursements accumulate if the loan is outstanding for more than one year."



May 14, 2024

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 4700-101-0001, Local Assistance, Department of Community Services and Development

The May Revision proposes the following adjustments to enable departments to implement recently chaptered legislation:

Lesbian, Gay, Bisexual, and Transgender Disparities Reduction Act: Chapter 832, Statutes of 2023 (AB 1163) (Issue 016)—It is requested that Item 4700-1010001 be increased by \$943,000 one-time to update intake systems to collect self-identification information pertaining to sexual orientation, gender identity, and intersexuality demographic data, including for various Community Services Block Grant subgrantees. See related Issue 059 in the Department of Aging Finance Letter, Issue 282 in the Department of Health Care Services Finance Letter, Issue 293 in the Department of Social Services Finance Letter, and Issue 317 in the Department of Public Health Finance Letter.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Christopher Odneal, Principal Program Budget Analyst, at (916) 445-6423.

JOE STEPHENSHAW
Director
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/s/ Erika Li

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Chief Deputy Director

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Marko Mijic, Undersecretary, Health and Human Services Agency
Brendan McCarthy, Deputy Secretary, Health and Human Services Agency
Debra Cooper, Assistant Secretary, Health and Human Services Agency
Jason Wimbley, Acting Director, Department of Community Services and
Development
Daphne Hunt, Deputy Director, Department of Community Services and
Development
Megan Rivers, Deputy Director, Department of Community Services and
Development
Rob McAndrews, Deputy Director, Department of Community Services and
Development
Chris Vail, Chief Financial Officer, Department of Community Services and
Development



May 14, 2024

Honorable Scott D. Wiener, Chair
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Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 5160-001-0001, Support, Department of Rehabilitation

Office of Employment First (Issue 023)—It is requested that Item 5160-001-0001 be increased by \$1 million and 3 permanent positions ongoing to reflect the shift of the Office of Employment First from the California Health and Human Services Agency to the Department of Rehabilitation (DOR). This is related to the California Health and Human Services Master Plan for Developmental Services to strengthen supports and opportunities for people with intellectual and developmental disabilities who access services across various systems. Establishing the Office of Employment First within DOR advances both the Master Plan for Career Education and for Developmental Services. See related Issue 051 in the California Health and Human Services Agency Finance Letter.

It is also requested that statutory changes be added for both this purpose and for the purpose of renaming DOR to the California Department of Disability Works, which aims to better reflect the services provided through the department for individuals with disabilities.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Christopher Odneal, Principal Program Budget Analyst, at (916) 445-6423.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

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Brendan McCarthy, Deputy Secretary, Health and Human Services Agency
Debra Cooper, Assistant Secretary, Health and Human Services Agency
Joe Xavier, Director, Department of Rehabilitation
Victor Duron, Chief Deputy Director, Department of Rehabilitation
David Kwan, Assistant Deputy Director, Department of Rehabilitation
Rowena Okada, Budget Officer, Department of Rehabilitation



May 14, 2024

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Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Items 5175-101-0890 and 5175-101-8004, Local Assistance, Department of Child Support Services

Local Assistance May Revision (Issue 020)—It is requested that Item 5175-101-0890 be decreased by \$1,501,000 ongoing to update federal fund local assistance expenditures based on additional child support collections data becoming available. It is estimated there will be a corresponding increase in collections received for the federal government's share of child support recoupment.

It is also requested that Item 5175-101-8004 (Child Support Collections Recovery Fund) be increased by \$1,501,000 ongoing to reflect an estimated increase in collections received for the federal government's share of child support recoupment based on updated child support collections information.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Christopher Odneal, Principal Program Budget Analyst, at (916) 445-6423.

JOE STEPHENSHAW
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/s/ Erika Li

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K. Jones, Assistant Secretary, Health and Human Services Agency
David Kilgore, Director, Department of Child Support Services
Kristen Donadee, Chief Deputy Director, Department of Child Support Services
Nan Chen, Chief Financial Officer, Department of Child Support Services



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Amendment to Various Budget Bill Items and Reimbursements, Support and Local Assistance, Statutory Changes, Department of Social Services

Due to lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to prior investments to assist in closing the projected shortfall. These adjustments include the following:

Child Care Slot Expansion (Issue 255)—It is requested that Item 5180-101-0001 be decreased by \$488,956,000 beginning in fiscal year 2024-25 and ongoing to reflect a pause in the expansion of state-subsidized child care slots. It is also requested that Provision 24 be eliminated.

Child Care Emergency Child Care Bridge Program Expansion (Issue 256)—It is requested that Item 5180-101-0001 be decreased by \$25,845,000 in 2024-25 and ongoing and Item 5180-151-0001 be decreased by \$9 million in 2024-25 and ongoing for the Emergency Child Care Bridge Program Expansion.

Housing and Homelessness Programs (Issues 257, 269, and 271)—It is requested that Item 5180-492 be amended to eliminate language (see Attachment 1). It is also requested that Item 5180-495 be amended to reduce funding for the Home Safe Program, Bringing Families Home Program, and Housing and Disability Advocacy Program, respectively, which were appropriated in the 2022 Budget Act (see Attachment 2).

Minimum Nutrition Benefit Pilot (Issue 260)—It is requested that Item 5180-101-0001 be decreased by \$15 million one-time for the Minimum Nutrition Benefit Pilot.

Work Incentive Nutrition Supplement Program (Issue 261)—It is requested that Item 5180-101-0001 be decreased by \$25 million in 2025-26 and ongoing for the Work Incentive Nutrition Supplement Program. It is also requested that statutory changes be added for these purposes.

In-Home Supportive Services Permanent Backup Provider System (Issues 272 and 314)—It is requested that Item 5180-111-0001 be decreased by \$11,569,000 in 2024-25 and ongoing and reimbursements be decreased by \$13,822,000 in 2024-25 ongoing for the In-Home Supportive Services Permanent Backup Provider System. It is also requested that statutory changes be added for these purposes.

Adult Protective Services Training (Issues 275 and 316)—It is requested that Item 5180-151-0001 be decreased by \$4,769,000 in 2024-25 and ongoing and reimbursements be decreased by \$4,769,000 ongoing for Adult Protective Services Training.

Caregiver Approvals (Issue 278)—It is requested that Item 5180-151-0001 be decreased by \$50 million in 2024-25 and ongoing for processing of foster caregiver applications.

CalWORKs Home Visiting Program (Issue 286)—It is requested that Item 5180-101-0001 be decreased by \$47.1 million in one-time for the CalWORKs Home Visiting Program.

CalWORKs Mental Health and Substance Abuse Services (Issue 288)—It is requested that Item 5180-101-0001 be decreased by \$126.6 million in 2024-25 and ongoing for the CalWORKs Mental Health and Substance Abuse Services.

CalWORKs Single Allocation-Employment Services (Issue 294)—It is requested that Item 5180-101-0001 be decreased by \$272 million one-time in 2024-25 for the Employment Services portion of the CalWORKs Single Allocation.

In-Home Supportive Services for Undocumented Individuals (Issue 298)—It is requested that Item 5180-111-0001 be decreased by \$94,730,000 in 2024-25 and ongoing for In-Home Supportive Services for undocumented individuals. It is also requested that statutory changes be added for these purposes.

California Food Assistance Program Expansion (Issue 300)—It is requested that Item 5180-101-0001 be decreased by \$31.2 million one-time reflecting a two-year delay of the California Food Assistance Program Expansion.

Rapid Response (Issue 303)—It is requested that Item 5180-495 be amended to revert \$29 million for the Rapid Response funding in the 2023 Budget Act (see Attachment 2).

Adult Protective Services Expansion (Issues 304 and 315)—It is requested that Item 5180-151-0001 be decreased by \$40 million in 2024-25 and ongoing and reimbursements be decreased by \$5,714,000 ongoing for the prior expansion of Adult Protective Services.

The May Revision proposes the following adjustments to enable departments to implement recently chaptered legislation:

Daycare Facilities: Incidental Medical Services Plan, Chapter 631, Statutes of 2023 (SB 722) (Issue 044)—It is requested that Item 5180-001-0001 be increased by \$173,000 and 1 position in 2024-25, and by \$169,000 in 2025-26 and 2026-27 to implement the legislation.

Firearms in Family Child Care Homes, Chapter 249, Statutes of 2023 (SB 2) (Issue 047)—It is requested that Item 5180-001-0001 be increased by \$162,000 and 1 position in 2024-25, 2025-26, and 2026-27 to implement the legislation.

Paid Sick Leave Implementation: Chapter 309, Statutes of 2023 (SB 616) (Issue 270)—It is requested that Item 5180-111-0001 be increased by \$17,319,000 ongoing and reimbursements be increased by \$21,024,000 ongoing to implement the legislation.

Facility Management System (FMS) Project Planning Resources Reappropriation (Issue 281)—It is requested that Item 5180-492 be amended to reappropriate up to \$5 million from Item 5180-001-0001 of the 2021 Budget Act and up to \$3 million from Item 5180-001-0001 of the 2022 Budget Act to support planning efforts of the FMS project (see Attachment 1).

Juvenile Court - Dependents Removal: Chapter 618, Statutes of 2023 (SB 578) (Issue 283)—It is requested that Item 5180-151-0001 be increased by \$1,161,000 in 2024-25 and ongoing to implement the legislation.

Assuring Services for Family Reunification: Chapter 458, Statutes of 2023 (AB 937) (Issue 284)—It is requested that Item 5180-151-0001 be increased by \$933,000 in 2024-25 and ongoing to implement the legislation.

Childcare Dual Language Learners: Chapter 435, Statutes of 2023 (AB 393) (Issues 285 and 290)—It is requested that Item 5180-001-0001 be increased by \$764,000 and 4 positions in 2024-25 and \$742,000 and 4 positions ongoing beginning in 2025-26, and Item 5180-101-0001 be increased by \$297,000 ongoing to implement the legislation.

Lesbian, Gay, Bisexual, Transgender Disparities Reduction Act, Chapter 832, Statutes of 2023 (AB 1163) (Issue 293)—It is requested that Item 5180-141-0001 be increased by \$519,000 one-time in 2024-25 to implement the legislation. See related Issue 016 in the Department of Community Services and Development Finance Letter, Issue 059 in the Department of Aging Finance Letter, Issue 282 in the Department of Health Care Services Finance Letter, and Issue 317 in the Department of Public Health Finance Letter.

Cal-Learn Pregnancy or Parenting, Chapter 615, Statutes of 2023 (SB 521) (Issue 296)—It is requested that Item 5180-141-0001 be increased by \$294,000 one-time to implement the legislation.

Cal-Learn Sanctioned Grants Repeal, Chapter 615, Statutes of 2023 (SB 521) (Issue 297)—It is requested that Item 5180-101-0001 be increased by \$18,000 in 2024-25 and \$37,000 in 2025-26 and ongoing to implement the legislation.

Family Reunification Services for Financial Hardship Noncompliance: Chapter 552, Statutes of 2023 (AB 954) (Issue 307)—It is requested that Item 5180-151-0001 be increased by \$1,866,000 ongoing. It is also requested that Item 5180-151-0890 be increased by \$673,000 ongoing.

Pupil Meals, Chapter 600, Statutes of 2023 (SB 348) (Issue 308)—It is requested that Item 5180-001-0001 be increased by \$907,000 in 2024-25 and \$883,000 in 2025-26 and ongoing to implement the legislation.

Refugee Internet Resources, Chapter 399, Statutes of 2023 (SB 465) (Issue 311)—It is requested that Item 5180-151-0001 be increased by \$82,000 in 2023-24 to implement the legislation.

Elderly and Dependent Adult Abuse - Mandated Reporting: Chapter 580, Statutes of 2023 (AB 1417) (Issues 313)—It is requested that Item 5180-001-0001 be increased by \$173,000 in 2024-25 and \$169,000 in 2025-26 on a limited-term basis to implement the legislation.

Included below are the remaining adjustments included in the May Revision:

Support

Maintenance of County Expense Claim Reporting Information System (Issue 188)—It is requested that Item 5180-001-0001 be increased by \$730,000 and 4 positions in 2024-25 and \$533,000 and 4 positions in 2025-26 and ongoing to continue maintenance and operations activities for the County Expense Claim Reporting Information System. It is also requested that Item 5180-001-0890 be increased by \$183,000 in 2024-25 and \$356,000 in 2025-26 and ongoing for this purpose.

Summer EBT (Issue 198)—It is requested that Item 5180-001-0001 be increased by \$1,253,000 in 2024-25, \$1,234,000 in 2025-26 and ongoing to assist with program support for the Summer EBT program.

Child Welfare Training Program: Funding Shift from Local Assistance to State Operations (Issue 203)—It is requested that Item 5180-001-0001 be increased by \$210,000 and 1.2 positions in 2024-25 and \$205,000 and 1.2 positions in 2025-26 and ongoing, to continue to support statewide coordination for the Child Welfare Training Program in compliance with federal requirements. It is also requested that Item 5180-001-0890 be increased by \$142,000 in 2024-25 and \$139,000 in 2025-26 and ongoing, and 0.8 positions, for this purpose. These adjustments reflect a net-zero shift of existing funds for this program from local assistance to state operations (see Issue 302 below).

Guardian Background Check System Maintenance and Operations (Issue 208)—It is requested that Item 5180-001-0001 be increased by \$312,000 in 2024-25 and 2025-26, and \$612,000 in 2026-27, on a limited-term basis, for increased maintenance and operations costs for the existing Guardian Background Check System.

Preschool Development Grant Reimbursement Authority (Issue 211)—It is requested that Item 5180-001-0890 be increased by \$328,000 one-time to allow the Department of Social Services to assist the California Health and Human Services Agency with the administration of the Preschool Development Grant, which is described in Issue 037 of the California Health and Human Services Agency Letter. Additionally, it is requested that provisional language be added to allow the Department of Finance to adjust expenditure authority to Schedule (1) for future Preschool Development Grant awards (see Attachment 3).

Provisional Language Only: Fiscal Responsibility Act (FRA) Alternative Accountability Pilot Opportunity—It is requested that provisional language be added to Item 5180-001-0001 to allow the Department of Finance to augment this item for costs associated with participation in the FRA Pilot no sooner than 30 days after notification in writing is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chair of the Joint Legislative Budget Committee if the State of California is selected for participation the work outcomes pilot pursuant to section 302 of H.R. 3746, the Fiscal Responsibility Act (see Attachment 4).

Provisional Language Only: Able-Bodied Adult Without Dependents Rule—It is requested that provisional language be added to Items 5180-001-0001 and 5180-001-0890 to allow the Department of Finance to increase expenditure authority in this item up to \$250,000 to comply with the federal Able-Bodied Adult Without Dependents rule if State Operations resources are necessary (see Attachments 3 and 4).

Local Assistance

May Revision Caseload Adjustments (Issues 219, 220, 221, 222, 223, 252, 291, 301, 305, 309, and 310)—The May Revision proposes a net ongoing increase of \$1,960,607,000 in 2024-25 that primarily result from updated caseload estimates since the Governor's Budget, composed of a \$755,188,000 Fund ongoing decrease to General Fund, a \$1,961,819,000 ongoing increase to federal funds, a \$27,000 ongoing decrease to special funds, and a \$754,003,000 ongoing increase to reimbursements. Realigned programs are displayed for the purpose of federal fund and other technical adjustments. Caseload and workload changes since the Governor's Budget are displayed in the following table:

Program	Item	Change from Governor's Budget
California Work Opportunity and Responsibility to Kids (CalWORKs)	5180-101-0001	(799,802,000)
	5180-101-0890	665,010,000
Child Care	5180-101-0001	(159,450,000)
	5180-101-0890	126,527,000
	5180-104-0001	(368,000)
	Reimbursements	2,442,000
Kinship Guardianship Assistance Payment	5180-101-0001	(145,000)
Supplemental Security Income/State Supplementary Payment (SSI/SSP)	5180-111-0001	(31,357,000)
In-Home Supportive Services (IHSS)	5180-111-0001	104,445,000
	Reimbursements	723,748,000
Other Assistance Payments	5180-101-0001	76,926,000
	5180-101-0122	(27,000)
	5180-101-0890	1,034,869,000
	5180-101-8075	-
	Reimbursements	-
County Administration and Automation Projects	5180-141-0001	50,152,000
	5180-141-0890	34,467,000
	Reimbursements	25,968,000
Child Welfare Services	5180-151-0001	3,612,000
	5180-151-0890	21,320,000
Special Programs	5180-151-0001	799,000
Adult Protective Services	Reimbursements	81,000
Realigned Programs		
Adoption	5180-101-0001	-
	5180-101-0890	81,242,000
Foster Care	5180-101-0001	-
	5180-101-0890	(4,140,000)
	5180-141-0890	3,515,000
Child Welfare Services	5180-151-0001	-
	5180-151-0890	(991,000)
	Reimbursements	1,559,000
Adult Protective Services	Reimbursements	205,000

It is requested that provisional language be amended in Item 5180-101-0001 to reflect an update for the statutorily-required cost-of-living adjustment for the Child and Adult Care Food Program from 0.76 percent to 1.07 percent (see Attachment 5). In addition to caseload adjustments, 2023-24 expenditure estimates also align with proposed changes in the federal Home and Community-Based Services (HCBS) Spending Plan.

CalWORKs AB 85 Maximum Aid Payment Increase (Issue 219)—It is requested that Item 5180-101-0001 be increased by \$12,522,000 ongoing to reflect a 0.3-percent increase to the CalWORKs Maximum Aid Payment levels. The increased grant costs are funded entirely by 1991 Realignment revenue in the Child Poverty and Family Supplemental Support Subaccount.

Elimination of Comparable Disqualification (Issue 224)—It is requested that Item 5180-101-0001 be increased by \$80,000 in 2024-25 and ongoing and Item 5180-141-0001 be decreased by \$206,000 in 2024-25 and ongoing, and Item 5180-141-0890 be decreased by \$308,000 in 2024-25 and ongoing as a result of the elimination of Welfare-to-Work comparable disqualification to align the California Food Assistance Program and CalFresh policy.

Federal Reporting and Communication Requirements with National Center for Missing and Exploited Children (Issue 225)—It is requested that Item 5180-151-0001 be increased by \$432,000 ongoing for additional workload for county child welfare agencies and probation departments to comply with additional federal reporting and communication requirements when reporting missing youth. It is also requested that Item 5180-151-0890 be increased by \$311,000 ongoing for this purpose. It is also requested that statutory changes be added for these purposes.

Los Angeles County Child Welfare Stabilization (Issue 244)—It is requested that Item 5180-495 be amended to eliminate a reversion proposed at Governor's Budget which is no longer feasible (see Attachment 2).

Child Care General Fund Offset (Issue 276)—It is requested that Item 5180-101-0001 be decreased by \$596,802,000 in 2023-24 and \$375,514,000 in 2024-25, and a one-time increase of \$375,514,000 in 2024-25 for reimbursements. These projected savings are based on use of other available fund balances.

Child Welfare Training Program: Funding Shift from Local Assistance to State Operations (Issue 302)—It is requested that Item 5180-151-0001 be decreased by \$210,000 in 2024-25 and \$205,000 in 2025-26 and ongoing to shift funds to state operations to continue to support statewide coordination for the Child Welfare Training Program in compliance with federal requirements. It is also requested that Item 5180-151-0890 be decreased by \$142,000 in 2024-25 and \$139,000 in 2025-26 and ongoing for the same purpose. These adjustments reflect a net-zero shift of existing funds for this program from local assistance to state operations (see issue 203 above).

Foster Care Rate Reform Automation (Issue 306)—It is requested that Item 5180-141-0001 be increased by \$2,465,000 one-time to update foster care rate reform automation costs proposed at Governor's Budget.

Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) Reappropriation—It is requested that Item 5180-494 be amended to reappropriate up to \$2,657,000 General Fund for an additional year for workforce training and county readiness activities to support implementation of Child and Family Teams for family maintenance cases associated with the implementation of BH-CONNECT (see Attachment 6).

Provisional Language Only: Family First Prevention Services Reappropriation—It is requested that Item 5180-493 be amended to reflect a technical change to correct the item number for the State Block Grant in support of the Family First Prevention Services Act (see Attachment 7).

Provisional Language Only: Fiscal Responsibility Act (FRA) Alternative Accountability Pilot Opportunity—It is requested that provisional language be added to Item 5180-101-0001 to allow the Department of Finance to increase expenditure authority in this item up to \$2.4 million to implement the Fiscal Responsibility Act Pilot (Federal H.R. 3746) if California is selected to participate in the FRA pilot (see Attachment 5).

Provisional Language Only: Fiscal Responsibility Act (FRA) Alternative Accountability Pilot Opportunity—It is requested that provisional language be added to Item 5180-141-0001 to allow the Department of Finance to augment this item for costs associated with participation in the FRA pilot upon selection of the State of California for participation in the pilot pursuant to section 302 of H.R. 3746, the Fiscal Responsibility Act (see Attachment 8).

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Gabrielle Santoro, Aanam Khan, or Kia Cha, Principal Program Budget Analysts, at (916) 445-6423.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review
Committee
Attention: Elisa Wynne, Staff Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Christian Griffith, Chief Consultant
Honorable Corey Jackson, Chair, Assembly Budget Subcommittee No. 2
Honorable Caroline Menjivar, Chair, Senate Budget and Fiscal Review
Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Kirk Feely, Fiscal Director, Senate Republican Fiscal Office
Christopher W. Woods, Senate President pro Tempore's Office
Joseph Shinstock, Fiscal Director, Assembly Republican Caucus, Office of Policy
and Budget
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Mark Ghaly, Secretary, California Health and Human Services Agency
Marko Mijic, Undersecretary, Health and Human Services Agency
Brendan McCarthy, Deputy Secretary, Health and Human Services Agency
K. Jones, Assistant Secretary, Health and Human Services Agency
Kim Johnson, Director, Department of Social Services
Claire Ramsey, Chief Deputy Director, Department of Social Services
Jennifer Troia, Chief Deputy Director, Department of Social Services
Marcela Ruiz, Chief Deputy Director, Department of Social Services
Juliana Vignalats, Acting Chief Operating Officer, Department of Social Services
Yang Lee, Chief Financial Officer, Department of Social Services
Nathan Hart, Budget Bureau Chief, Department of Social Services

Amend Item 5180-492 as follows:

"5180-492—Reappropriation, State Department of Social Services. The amount specified in the following citations are reappropriated for the purposes provided in those appropriations and shall be available for encumbrance or expenditure until June 30, 2026:

0001—General Fund

~~(1) \$80,000,000 of the amount appropriated in Schedule (1) of Item 5180-151-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the Bringing Families Home Program.~~

~~(2) \$65,000,000 of the amount appropriated in Schedule (1) of Item 5180-151-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the Home Safe Program.~~

~~(3) \$50,000,000 of the amount appropriated in Schedule (2) of Item 5180-151-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the Housing and Disability Advocacy Program.~~

(4) Up to \$5,000,000 of the amount appropriated in Schedule (2) of Item 5180-001-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), to support planning efforts of the Facility Management System Project.

(5) Up to \$3,000,000 of the amount appropriated in Schedule (2) of Item 5180-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), to support planning efforts of the Facility Management System Project."

Amend Item 5180-495 as follows:

“5180-495—Reversion, State Department of Social Services. As of June 30, 2024, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

(1) Item 5180-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022). \$336,600,000 appropriated in Program 4270010-CalWORKs for CalWORKs Single Allocation.

(2) Item 5180-101-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023). \$40,800,000 appropriated in Program 4270010-CalWORKs for CalWORKs Single Allocation.

(3) Item 5180-101-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023). \$54,960,000 appropriated in Program 4270010-CalWORKs for CalWORKs Family Stabilization.

(4) Item 5180-101-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023). \$134,100,000 appropriated in Program 4270010-CalWORKs for CalWORKs: Expanded Subsidized Employment.

~~(5.) Item 5180-151-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023). \$100,000,000 appropriated in Program 4275019-Children and Adult Services and Licensing for Los Angeles County Child Welfare Stabilization.~~

(6) Item 5180-151-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023). \$5,200,000 appropriated in Program 4275028-Special Programs for CSU Immigration Legal Services Fund.

(7) Item 5180-151-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023). \$10,000,000 appropriated in 4275028-Special Programs for Temporary Protected Status Immigration Services.

(8) Item 5180-151-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022). \$65,000,000 appropriated in Program 4275019—Children and Adult Services and Licensing for the Home Safe Program.

(9) Item 5180-151-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
\$80,000,000 appropriated in Program 4275019—Children and Adult Services and
Licensing for the Bringing Families Home Program.

(10) Item 5180-151-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
\$50,000,000 appropriated in Program 4725028—Special Programs and for the Housing
and Disability Advocacy Program.

(11) Item 5180-151-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) as
reappropriated by Item 5180-496, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).
\$29,000,000 in Program 4725028—Special Programs for the Rapid Response Program."

Add the following provisions to Item 5180-001-0890 as follows:

4. The Department of Finance may increase expenditure authority in this item up to \$250,000 to comply with the federal Able-Bodied Adult Without Dependents rule.

5. Notwithstanding any other law, upon selection of the State of California, the Department of Finance may augment this item in Schedule (1) for future annual expenditure authority to expend funding awarded through the Preschool Development Grant, no sooner than 30 days after notification in writing is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.

Add the following provisions to Item 5180-001-0001 as follows:

12. The Department of Finance may increase expenditure authority in this item up to \$250,000 to comply with the federal Able-Bodied Adult Without Dependents rule.

13. Notwithstanding any other law, upon selection of the State of California for participation the work outcomes pilot pursuant to section 302 of H.R. 3746, the Fiscal Responsibility Act, the Department of Finance may augment this item for costs associated with participation in the pilot no sooner than 30 days after notification in writing is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.

Amend Provisions 12, 13, and 14 of Item 5180-101-0001 as follows:

"12. Of the funds appropriated in Schedule (3), ~~\$1,759,492,000~~ \$1,300,953,000 shall be allocated for Alternative Payment Program, General Child Care and Migrant Child Care slots to expand child care access, with a priority for General Child Care slots serving children who are 0 to 3 years of age.

13. (a) Funds allocated for Resource and Referral, California Child Care Initiative, Quality Improvement, and Local Planning Councils shall be allocated to meet federal requirements to improve the quality of child care and shall be used in accordance with the approved California State Plan for the federal Child Care and Development Fund that is developed pursuant to the requirements of Section 10211.5 of the Welfare and Institutions Code.

(b) Notwithstanding any other law, funds in accounts payable are available for alternative payment programs for actual and allowable costs incurred for additional services, pursuant to Section 10228.1 of the Welfare and Institutions Code. The State Department of Social Services shall give priority for the allocation of these funds for accounts payable.

(c) (1) The State Department of Social Services shall conduct monthly analyses of CalWORKs Stage 2 and Stage 3 caseloads and expenditures and adjust agency contract maximum reimbursement amounts and allocations as necessary to ensure funds are distributed proportionally to need.

(2) Notwithstanding any other law or any other provision of this act, the Department of Finance may augment the appropriation for CalWORKs Stage 3 if the estimate of expenditures, as determined by the Department of Finance, will exceed the expenditures authorized in Schedule (3). The Department of Finance shall report any augmentation pursuant to this paragraph to the Joint Legislative Budget Committee. At the time the report is made, the amount of the appropriation made in Schedule (3) shall be increased by the amount of the augmentation.

(3) An augmentation may be authorized not sooner than 30 days after notification in writing of the necessity to exceed the limitations is provided to the Joint Legislative Budget Committee, or whatever lesser time the chairperson of the joint committee may determine. Any request made by the State Department of Social Services to augment the CalWORKs Stage 3 appropriation shall be approved only in order to cover increases in costs that are consistent with assumptions of this act. This provision shall not be construed to treat Stage 3 as an entitlement.

(d) Notwithstanding any other law, the funds in Schedule (3) are reserved exclusively for continuing child care for the following families:

(1) Former CalWORKs families who are working, have left cash aid, and have exhausted their two-year eligibility for transitional services in either Stage 1 or Stage 2 pursuant to subdivision (c) of Section 10371 or Section 10372 of the Welfare and Institutions Code, respectively, but still meet eligibility requirements for receipt of subsidized childcare services.

(2) Families who received lump-sum diversion payments or diversion services under Section 11266.5 of the Welfare and Institutions Code and have spent two years in Stage 2 off of cash aid, but still meet eligibility requirements for receipt of subsidized childcare services.

(e) Notwithstanding any other law, each local planning council receiving funds appropriated in Schedule (3) shall meet the requirements of Section 10486 of the Welfare and Institutions Code to the extent feasible and to the extent data is readily accessible.

(f) (1) Notwithstanding any other law, families shall be disenrolled from subsidized childcare services consistent with the priorities for services specified in subdivision (b) of Section 10271 of the Welfare and Institutions Code. Families shall be disenrolled in the following order:

(A) Families with the highest income below 85 percent of the State Median Income (SMI) adjusted for family size.

(B) Of families with the same income level, those that have been receiving childcare services for the longest period of time.

(C) Of families with the same income level, those that have a child with exceptional needs.

(D) Families with children who are receiving child protective services or are at risk of being neglected or abused, regardless of family income.

(2) Notwithstanding any other law, the implementation of paragraph (1) of this subdivision is not subject to the appeal and resolution procedures for agencies that contract with the State Department of Social Services for the provision of childcare services or the due process requirements afforded to families that are denied services specified in Chapter 19 (commencing with Section 18000) of Division 1 of Title 5 of the California Code of Regulations.

(3) The reimbursement for meals served in child care centers and homes shall be ~~\$0.2153~~ \$0.2160 per meal.

14. Of the amount appropriated in Schedule (3), up to ~~\$8,551,000~~ \$8,768,000 shall be available for the child nutrition program state match for the program."

Add Provision 25 to Item 5180-101-0001 as follows:

25. (a) The Department of Finance may increase expenditure authority in this item up to \$2,400,000 to implement the Fiscal Responsibility Act Pilot (Federal H.R. 3746.)

(b) The Department of Finance may authorize the transfer of funds from Schedule (1) of this item to Schedule (1), Program 4270037, of Item 5180-141-0001, County Administration and Automation Projects.

Amend Item 5180-494 as follows:

"5180-494—Reappropriation, State Department of Social Services. The amounts specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2025:

0001—General Fund

(1) Up to \$190,000,000 of the amount appropriated in Schedule (1) of Item 5180-101-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) for the CalWORKs Housing Support Program.

(2) Up to \$92,500,000 of the amount appropriated in Schedule (1) of Item 5180-151-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) for the Bringing Families Home Program.

(3) Up to \$92,500,000 of the amount appropriated in Schedule (1) of Item 5180-151-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) for the Home Safe Program.

(4) Up to \$150,000,000 of the amount appropriated in Schedule (2) of Item 5180-151-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) for the Housing and Disability Advocacy Program.

(5) Up to \$2,657,000 of the amount appropriated in Schedule (1) Item 5180-151-0001, Budget Act of 2023 (Chs.12, 38, and 189, Stats. 2023), for Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment."

Amend Item 5180-493 as follows:

“5180-493—Reappropriation, State Department of Social Services. The amount specified in the following citation is reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2028:

0001—General Fund

(1) Up to \$222,446,000 of the amount appropriated in Schedule (1) of Item ~~5180-001-0001~~ 5180-151-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) for the State Block Grant in support of the Family First Prevention Services Act.”

Amend Provision 11 to Item 5180-141-0001 as follows:

"11. The Department of Finance may authorize the transfer of amounts in this item to Item 5180-001-0001 in order to fund the costs of administration and implementation of the ~~Summer Electronic Benefit Transfer program~~ SUN Bucks California established pursuant to Section 1762 of Title 42 of the United States Code."

Add Provision 12 to Item 5180-141-0001 as follows:

12. Notwithstanding any other law, upon selection of the State of California for participation the work outcomes pilot pursuant to section 302 of H.R. 3746, the Fiscal Responsibility Act, the Department of Finance may augment this item for costs associated with participation in the pilot no sooner than 30 days after notification in writing is provided to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.