

AGENDA

ASSEMBLY BUDGET SUBCOMMITTEE NO. 1 ON HEALTH AND HUMAN SERVICES

ASSEMBLYMEMBER DR. JOAQUIN ARAMBULA, CHAIR

WEDNESDAY, APRIL 26, 2023

1:30 P.M. – STATE CAPITOL, ROOM 444

We encourage the public to provide written testimony before the hearing.

Please send your written testimony to BudgetSub1@asm.ca.gov.

Please note that any written testimony submitted to the committee is considered public comment and may be read into the record or reprinted.

The Capitol will be open for public attendance at this hearing. The public may attend in person or participate by phone. This hearing can be viewed via live stream on the Assembly's website at <https://assembly.ca.gov/todayevents>.

A moderated telephone line will be available to assist with public participation. After all witnesses on all panels and issues have concluded, and after the conclusion of member questions, the public may provide public comment by calling the following toll-free number:

1-877-692-8957 / Access Code: 131 54 44.

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Public Comment will be taken after the completion of all panels and any discussion from the Members of the Subcommittee.

ITEMS TO BE HEARD

0530 CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY (CALHHS), OFFICE OF SYSTEMS INTEGRATION

5180 CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CDSS)

ISSUE 1. REPORT BACK FROM THE LEGISLATIVE ANALYST’S OFFICE (LAO) REGARDING STAKEHOLDER ISSUES RAISED REGARDING THE CALIFORNIA STATEWIDE AUTOMATED WELFARE SYSTEM (CALSAWS) SINGLE SYSTEM REALIZATION AND CONSUMER ISSUES

The questions for the panelists for this issue are:

For the Legislative Analyst’s Office (LAO):

- What are the priority issues and concerns regarding the California Statewide Automated Welfare System (CalSAWS) development and stakeholder engagement?
- What are the goals over the next 12 months and can progress be monitored, measured, and conveyed back to the Legislature over the course of the next year?

For the Office of Systems Integration (OSI), California Department of Social Services (CDSS), and Department of Finance (DOF):

- What are the changes that the Administration can make to improve relationships with stakeholders and increase responsiveness to their concerns on behalf of clients and customers who will use the system to access public benefits?
- What are the Administration’s tangible goals related to stakeholder priorities and what milestones need to and could be reached over the next 12 months to achieve these?

PANELISTS

- Brian Metzker, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office (LAO)
- Representative, Office of Systems Integration (OSI), California Health and Human Services Agency (CalHHS)
- Representative, California Department of Social Services (CDSS)
- Representative, Department of Finance (DOF)

LAO REPORT BACK

The following is the LAO response to the Subcommittee request on CalSAWS advocate stakeholder concerns.

Scope of the Request. During the March 22, 2023 hearing of Assembly Subcommittee No. 1 on Health and Human Services, Chair Arambula requested that the Legislative Analyst's Office (LAO) compile stakeholder concerns about the California Statewide Automated Welfare System (CalSAWS) information technology (IT) project. Specifically, the Subcommittee asked us to meet with advocate stakeholders and both administration and project staff; gather and review concerns raised in those meetings, as well as each parties' responses; and report back to the Subcommittee during its April 26 hearing. This response satisfies the requirements of the request.

Organization of the Response. We organize our response using categories for advocate stakeholder concerns, highlighting specific examples and responses as needed. We conclude with goals that we requested from the administration and project to address some of the stakeholder concerns we heard as well as improve stakeholder engagement over the next twelve months.

Categories of Advocate Stakeholder Concerns. We provide several categories of common advocate stakeholder concerns below to help the Subcommittee understand these concerns and each parties' responses to them. The intent of these categories is not to capture every concern, example, or response, but to help Subcommittee members in their discussion of this issue and potential next steps.

Perceived Lack of Substantive Engagement With Advocate Stakeholders

Advocate Stakeholders Acknowledge Existing Forums for Stakeholder Engagement, But Question Their Efficacy. Advocate stakeholders acknowledged the administration and project's efforts to engage them and receive their input in a variety of forums, but also felt that their engagement was not substantive as required by Welfare and Institutions Code sections 10823.1-10823.3. Section 10823.1, for example, requires the project to "engage with stakeholders to discuss current and planned functionality changes, system demonstrations of public portals and mobile applications, and advocates' identification of areas of concern, especially with the design of public-facing elements and other areas that directly impact clients." The advocate stakeholders cited their lack of consistent involvement in the project's conceptual design sessions – that is, sessions prior to the development and implementation of public-facing elements of CalSAWS – as one of their primary concerns. Also, they felt the project's stakeholder engagement did not translate into the inclusion and prioritization of their proposed changes to public-facing elements through, for example, the project "backlog" (which we discuss in more detail below). Lastly, advocate stakeholders felt that the project's existing forums were contentious and sometimes unproductive, leading to a lack of trust between the parties and a list of unresolved stakeholder concerns and issues.

Administration and Project Cite Extensive Stakeholder Engagement Efforts, But Also Acknowledge Evolution of Processes. The administration and project cited a number of efforts to engage advocate stakeholders and others in project design, development, and implementation. Some examples include design session reviews – that is, review sessions with stakeholders after initial development of public-facing elements of CalSAWS to gather

feedback on, for example, a particular application – public website features such as AskCalSAWS for stakeholders to submit questions and requests on a consistent basis, and quarterly stakeholder meetings with agendas that are directly informed by stakeholders.

Another forum for stakeholder engagement cited by the administration and project is the collaboration model that brings together administration and project staff with advocate stakeholders and others to discuss inclusion and prioritization of system changes and enhancements. The administration and project say these efforts, along with other more ad hoc stakeholder engagement efforts, are substantive and do meet the statutory requirements of Welfare and Institutions Code sections 10823.1-10823.3. At the same time, they also acknowledge their own evolution in how they gather and use feedback from these different forums. For example, the project recently developed a draft form to more systematically gather information about enhancements from advocate stakeholders and others through the collaboration model. The project also developed a draft roadmap to schedule at least some changes and enhancements for future system releases, and to list future changes requiring additional research before potential development and implementation in subsequent system releases.

Uncertainty About Prioritization and Use of Project “Backlog”

Advocate Stakeholders Cite Requested Changes and Enhancements on Project “Backlog,” But Raise Concerns About Prioritization. Advocate stakeholders cited at least some requested changes and enhancements are included in the project’s “backlog” – that is, a list of the system changes and enhancements that have not yet been scheduled consistent with an incremental and iterative (or agile) approach to project development and implementation. In particular, a number of changes to and enhancements of the customer-facing portal BenefitsCal are included in this backlog. However, it is our understanding from the administration, advocate stakeholders, and the project that this backlog now contains around 400 changes and enhancements that have not been thoroughly reviewed, vetted, and prioritized for subsequent system releases. Advocate stakeholders provided evidence of their efforts to help the administration and project prioritize this list, while acknowledging that the initial focus of the project is on the migration of the remaining counties to CalSAWS by the federal deadline of December 31.

Administration and Project Prioritizing Some Backlog Changes and Enhancements, While Acknowledging Limits of Current Backlog-Related Processes. It is our understanding from the administration and the project that the term “backlog” is attributable to the project’s incremental and iterative (or agile) approach to development and implementation, but does not reflect a final list of changes and enhancements to be prioritized for future system releases. Rather, it combines a number of stakeholder requests with other possible features and functionalities identified in the development and implementation of CalSAWS for later consideration. This means that not every entry will be undertaken by the project at some point. For example, there are duplicate entries and entries that are inconsistent with current state policy. Some entries also do not contain the requisite detail and information to begin design, development, and implementation activities. Therefore, the administration and project view the prioritization of the current backlog as premature in the absence of efforts to categorize, de-

duplicate, and vet the list of possible changes and enhancements. Current processes to perform these activities, however, are preliminary. As previously stated, the draft form for the collaboration model and draft roadmap are attempts to pull at least some of the changes and enhancements from the backlog for eventual inclusion in system releases, but no systematic effort is currently underway to comb through the backlog. Therefore, there remains uncertainty between the parties as to how and when the backlog will be used going forward. Furthermore, the administration and project cite the limited number of hours and staff for automation as one constraint on immediate efforts to address the backlog. Migration of remaining counties by the federal deadline remains the priority of the project and, thereafter, a number of legislative mandates also are already in queue.

Unresolved Tension Between Customer Access and Data Security

Advocate Stakeholders Suggest Efforts to Improve Customer Access Not Prioritized By Administration and Project. Advocate stakeholders raised the issue of improved customer access to public-facing elements of CalSAWS, such as BenefitsCal, as a key concern. For example, advocate stakeholders highlighted issues around language access and options for logging into the system as barriers to potential applications for and receipt of benefits from health and human services programs. One particular point of contention was the email address requirement for BenefitsCal accounts, something advocate stakeholders argue is unnecessary as other health and human services IT systems such as the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS) do not require an email address for account creation. Other customer access improvements highlighted by advocate stakeholders include some changes and enhancements related to specific customer populations, such as college students, and website text modifications to clarify certain administrative and legal program requirements.

Administration and Project Acknowledge Customer Access Improvement Requests, But Also Highlight Concerns About Data Security. The administration and project acknowledged continued conversations with advocate stakeholders and others on improved customer access to public-facing elements of CalSAWS, but also raised concerns about customer data security. For example, on the email address requirement for BenefitsCal accounts, the project argued that this requirement allows customers to maintain control over their accounts and perform routine tasks, such as resetting account passwords. Phone numbers, by contrast, might be reused as customers move or purchase new phones, which could allow for the creation of duplicate accounts and the unauthorized access of customer data. The administration and project cited issues with duplicate accounts in CalHEERS as evidence of the downsides to using phone numbers as a login option. Other login options, such as biometric voice identification, are being explored but these efforts are preliminary. The administration and the project also cited the need to coordinate changes between the public-facing elements of CalSAWS and the back-end of CalSAWS to avoid any disruptions to applications for and receipt of program benefits, which might delay at least some of the requested customer access improvements.

Administration and Project Stakeholder Engagement Goals

Below are the goals provided by the administration and the project to begin to address some of the advocate stakeholder concerns summarized in our response:

- On a quarterly basis, share customer and community-based organization (CBO) feedback/insights with stakeholders to help prioritize enhancements in support of Welfare and Institutions Code section 10823.3 to "...minimize client burden in order to improve access to safety net programs and incorporate ongoing applicant and client feedback towards continuous improvement."
- Operationalize the collaboration model processes over the next year to increase the consistency of information gathered about proposed changes and build out a roadmap showing planned changes over the next year. Drafts of the collaboration model charter, enhancement request form, and roadmap have been shared with stakeholders for feedback. Updated documents will be shared at the June 2023 quarterly stakeholder meeting, as the administration and project continue to finalize the documents.
- Increase transparency around the enhancement process by publicly sharing the current implementation status of enhancements prioritized by collaboration model members, along with high priority policy changes.
- Create and publish a stakeholder input document to inform and assist stakeholders' understanding of opportunities for involvement in BenefitsCal design and testing. Seek feedback from stakeholders during the drafting of this document, so that it is beneficial to both stakeholders and the CalSAWS project.

Staff Recommendation: The Subcommittee could request periodic updates from the administration and project staff on progress toward meeting the goals as outlined by the LAO, that could also be prepared with, reviewed by, and shared with stakeholders, starting on a date that could be ascertained as part of the April 26th hearing. Hold open all issues.

4300 DEPARTMENT OF DEVELOPMENTAL SERVICES (DDS)**ISSUE 2. RECENTLY RELEASED LITTLE HOOVER COMMISSION REPORT**

The questions for the panelists for this issue are:

For the Little Hoover Commission Representatives:

- What are the priority recommendations featured in the recently released report from the Little Hoover Commission titled, “A System in Distress: Caring for Californians with Developmental Disabilities.”
- What is the key goal(s) for improvement to address issues identified in the report for this 2023 Budget Act and in the next several fiscal years?

For the Department of Developmental Services (DDS):

- How does the Administration react to the recommendations in the Little Hoover Commission?
- What are tangible, concrete strategies that could promote consistency in the intake and individualized program planning process across the 21 Regional Centers?

For the Legislative Analyst’s Office (LAO) and Department of Finance (DOF):

- Please provide feedback and any other considerations for the Legislature on this subject.

PANELISTS

- Commissioner Bill Emmerson and Commissioner Dion Aroner (both former Members of the California State Assembly), representing the Little Hoover Commission
- Representative, Department of Developmental Services (DDS)
- Representative, Legislative Analyst’s Office (LAO)
- Representative, Department of Finance (DOF)

LITTLE HOOVER COMMISSION REPORT

The Subcommittee heard issues regarding the Department of Developmental Services (DDS), including racial/ethnic disparities in service-delivery and other concerns raised by stakeholders, as part of its February 22, 2023 hearing. The agenda for this hearing is available at <https://abgt.assembly.ca.gov/sub1hearingagendas> and the archived recording of this hearing is available at <https://www.assembly.ca.gov/media-archive>.

The Subcommittee is interested in hearing an overview of the report released on April 17, 2023 by the Little Hoover Commission, titled "[A System in Distress: Caring for Californians with Developmental Disabilities](#)," where the Commission urges state policymakers to address ongoing disparities in the availability and quality of services for the community served. The report highlights broad problems in the state developmental disabilities services system, including inconsistencies in services among racial and ethnic groups and among different regions across the state.

The Commission called on the Legislature to further expand state oversight of the 21 regional centers, and to establish more consistent policies, procedures and a core set of services offered statewide. The following is the executive summary from the report, highlighting the seven recommendations that are discussed in more detail in the report:

California's system for providing services to individuals with intellectual and developmental disabilities needs reform.

The system is coordinated by a network of 21 nonprofit agencies called regional centers, with oversight from the California Department of Developmental Services. The regional center structure was created in 1969 to help individuals and families access available health, public health, and education systems and provide guidance on how to navigate these systems to meet their unique needs.

Decades of research has identified persistent and ongoing disparities in the availability and quality of services among racial and ethnic groups and among geographic localities. The Commission found inconsistencies in data reporting, technologies, vendorization processes, support for regional center governing boards, and availability of client support.

This report includes seven recommendations to reduce geographic and ethnic disparities so that all who are entitled to services receive similar access.

Recommendation 1: Increase Consistency in Client Experiences Across Regional Centers

Each of the state's 21 regional centers currently has discretion to establish its own processes to assess individuals for services, to determine the array of services offered, and to craft policies for providing information to those seeking help. This means the level of care can vary significantly for different individuals – even if they have similar needs.

Strategies for Change:

- a. The Department of Developmental Services should create a consistent intake process to be used by all regional centers.
- b. The Department and regional centers should use technology to make it easier for people to find out what services are available.

- c. The Legislature should require the Department to identify a standard set of core services that should be delivered by every regional center by 2025.

Recommendation 2: Target and Reduce Racial and Ethnic Disparities

Numerous research studies, as well as anecdotal evidence gathered through our investigation, show that there are pervasive disparities in the quality and availability of services among different racial and ethnic groups. The Department of Developmental Services could better use data to identify disparities in spending and service access.

Strategies for Change:

- a. Lawmakers should require the Department to create standard categories to measure the racial and ethnic characteristics of clients receiving services.
- b. The Department should conduct robust analyses using existing data to better understand disparities.
- c. The Department should require regional centers to consistently report on additional metrics by various demographic characteristics.

Recommendation 3: Strengthen State Oversight of the Developmental Disabilities System

The system's emphasis on local control makes it difficult for the state to provide oversight and address regional disparities. The Department of Developmental Services has an obligation to understand what is and is not working across the 21 regional centers and to step in and address systemwide problems when necessary.

Strategies for Change:

- a. Lawmakers should amend statute to grant the Director of the Department the authority to issue general directives over the system of regional centers.
- b. The Department should issue detailed guidance to assist regional centers and others to understand the regulations regarding service codes and how they may be used.
- c. Lawmakers should conduct an evaluation of the regional center system to identify policy and procedural differences among the 21 regional centers, assess effectiveness in achieving client outcomes, and identify opportunities for additional standardization.

Recommendation 4: Modernize Technology

The current data systems used by the Department of Developmental Services were developed in the 1980s and lack the functionality to provide real-time financial and client data, making it

difficult for the department to provide effective oversight of the regional center system. Further, regional centers use six different case management systems, none of which interfaces with the others.

Strategies for Change:

- a. Lawmakers should amend statutory language to require all regional centers to also use a single system to track service delivery.
- b. The Department should articulate a project scope, plan, budget, and timeframe for the development of unified accounting and case management systems, as well as describe their intended functionality and how the new systems will solve existing technology problems.

Recommendation 5: Standardize the Vendorization Process

The licensing process service providers must undergo to become vendors is inconsistent across regional centers. Challenges for service providers to enter the system can impact the availability of services.

Strategies for Change:

- a. Lawmakers should require the Department to standardize the vendorization process to make it easier for service providers to participate in the system.

Recommendation 6: Strengthen and Enhance Support for Regional Center Governing Boards

Regional governing boards make critical decisions about services provided in their communities. More should be done to ensure board decisions are independent and board members are fully equipped to participate in board decisions.

Strategies for Change:

- a. Lawmakers should add Gubernatorial board appointees, restrict regional center executive staff from involvement in board selection, and enhance board protections from retaliatory action.
- b. Lawmakers should require the Department to increase facilitation services to improve consumer participation on boards and enhance board training opportunities.

Recommendation 7: Improve Service Coordination

State law includes a requirement for individuals and families to access all “generic” resources before receiving services through the regional center. While some families have access to

help to navigate these programs, many do not. Limited resources are available to provide additional needed support.

Strategies for Change:

- a. The Department should convene a taskforce with relevant state and county agencies to streamline the process of accessing generic services.
- b. The Department should develop, and the Legislature should fund, a competitive grant program to enhance navigation services for regional center clients.

Staff Recommendation: The Subcommittee could request technical assistance from the Administration on what it would mean and how much it may cost, if an additional cost is required, to create a consistent intake process to be used by all regional centers. The Subcommittee could choose to request assistance from the LAO with conveying this information back to the Legislature by a date certain prior to the May Revision. Hold open all issues.

ISSUE 3. REPORT BACK ON INTERIM EVALUATION ON DISPARITY GRANTS FROM GEORGETOWN UNIVERSITY
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The questions for the panelists for this issue are:

For the Georgetown Representative and the Department of Developmental Services (DDS):

- What are the key findings and priority recommendations from the interim report?
- Are there lessons from the service access and equity grants funding that can be applied and required statewide, e.g. as best practices to reduce disparities and improve equity in the system?

For the Legislative Analyst's Office (LAO) and Department of Finance (DOF):

- Please provide feedback and any other considerations for the Legislature on this subject.

PANELISTS

- Tawara Goode, Director of both the Georgetown University National Center for Cultural Competence and the Georgetown University Center for Excellence in Developmental Disabilities, and Lead for the Review of the DDS Service Access and Equity Grant Program
- Representative, Department of Developmental Services (DDS)
- Representative, Legislative Analyst's Office (LAO)
- Representative, Department of Finance (DOF)

INTERIM REPORT FROM GEORGETOWN

The Subcommittee heard issues regarding the Department of Developmental Services (DDS), including racial/ethnic disparities in service-delivery and other concerns raised by stakeholders, as part of its February 22, 2023 hearing. The agenda for this hearing is available at <https://abgt.assembly.ca.gov/sub1hearingagendas> and the archived recording of this hearing is available at <https://www.assembly.ca.gov/media-archive>.

At the time of the hearing, the interim evaluation of the DDS Service Access and Equity Grant Program was anticipated from Georgetown in the spring. The interim report has been received and below is a summary provided by DDS:

In 2016, the Legislature and Governor Jerry Brown enacted legislation (AB X2 1) to establish the Service Access and Equity (SAE) Grant Program. This grant program allocated \$11 million annually to the Department of Developmental Services (DDS) to assist Regional Centers (RCs) to implement strategies within their respective centers that reduce disparities in

purchase of services among the state's racially, ethnically, culturally, and linguistically diverse populations. In fiscal year 2017-2018, this legislation was further amended to allow community-based organizations to receive funds from the SAE Grant Program. In 2021, DDS awarded Georgetown University National Center for Cultural Competence (NCCC) a contract to conduct an independent review of the SAE Grant Program. NCCC partnered with Mission Analytics to conduct the comprehensive review. NCCC has completed an interim report with the final report to be released early summer 2023.

Under the leadership of Professor Tawara Goode, NCCC Director and Director of the Georgetown University Center for Excellence in Developmental Disabilities, NCCC spent the last year conducting a comprehensive independent evaluation of the Department's SAE Grant Program by:

- Conducting quantitative and qualitative data analysis of grant project reports to assess increased access and/or disparities reduction, including:
 - Listening sessions with families, CBOs, and cultural specialists to better understand the experiences of individuals served or who directly benefitted from the SAE grant program;
 - Completing structured interviews with multiple directors of RCs and DDS leadership staff; and,
 - Conducting surveys with CBOs to analyze the extent to which the SAE Grant Program impacted disparities reduction and/or promoted equity.
- Conducting an analysis of the SAE Grant Program using data generated by the grantees and administrative data from DDS to identify changes that would improve the grant program's effectiveness in increasing access and reducing disparities.

Observations and Preliminary Findings from Georgetown's Interim Report.

The information below are early observations from the interim report as reviewed by DDS and only briefly summarized. The final report will be submitted to DDS by NCCC and will include quantitative and qualitative data that was analyzed as well as final recommendations. In summary, observations and preliminary findings in the interim include:

1. Establish a comprehensive glossary of terms for the Department and RC system to learn and improve understanding of terms used in the effort to improve service access and equity efforts.
2. To achieve desired outcomes of the SAE program and given the complexity of some of the grant projects, utilize a logic model and a theory of change framework.
3. Update measures with stakeholder input that include clear pre/post survey data for each grant to demonstrate impact.

4. The following are additional observations that are highlighted to improve the effectiveness of the SAE program:
- Establish a definition of equity.
 - Establish grant measures in person-centered language.
 - Reduce the number of project types and allow for longer grant periods.
 - To be more inclusive, change terminology of “target population” to “focus population/identified community.”
 - Identify unified data collection systems in RCs.
 - Encourage applications from those who provide services during non-traditional work hours.
 - Outreach-focused project types are essential to introducing RCs and CBOs to new populations, but no real measurements are involved to evaluate their impact on disparity reduction.

The Department anticipates the release of the final report in June 2023.

Staff Recommendation: This is an informational item, however, there may be issues or requests heard in the course of this discussion that may lead to Subcommittee actions after the receipt of the May Revision and as the Assembly forms its version of the Budget. Hold open all issues.

4100 STATE COUNCIL ON DEVELOPMENTAL DISABILITIES (SCDD) 4300 DEPARTMENT OF DEVELOPMENTAL SERVICES (DDS)

ISSUE 4. REPORT BACK ON EFFORTS WITH THE STATE COUNCIL ON DEVELOPMENTAL DISABILITIES TO PHASE-OUT SUBMINIMUM WAGE PRACTICES

The questions for the panelists for this issue are:

For the Department of Developmental Services (DDS) and the State Council on Developmental Disabilities (SCDD):

- Have DDS and SCDD been able to decide together on shared goals, timelines, and approaches to achieve phaseout of subminimum wage by the timeline pursuant to current state law?
- Have you been able to work together to set mutual goals for increasing employment for persons served in the developmental services system to more fully realize “employment first” in California?

For the Legislative Analyst’s Office (LAO) and Department of Finance (DOF):

- Please provide feedback and any other considerations for the Legislature on this subject.

PANELISTS

- Representative, State Council on Developmental Disabilities (SCDD)
- Representative, Department of Developmental Services (DDS)
- Representative, Legislative Analyst’s Office (LAO)
- Representative, Department of Finance (DOF)

REQUEST MADE BY THE SUBCOMMITTEE AND REPORT BACK

The Subcommittee heard issues regarding the Department of Developmental Services (DDS), including an implementation review and oversight item titled, “Transition Plan to Phase Out Subminimum Wage,” as part of its February 22, 2023 hearing. The agenda for this hearing is available at <https://abgt.assembly.ca.gov/sub1hearingagendas> and the archived recording of this hearing is available at <https://www.assembly.ca.gov/media-archive>.

At the conclusion of the discussion on that item, the Chair requested that DDS and SCDD return at the April 26, 2023 hearing to report back on coordination efforts shared between DDS and SCDD to implement the requirements of current law.

Staff Recommendation: This is an informational item, however, there may be issues or requests heard in the course of this discussion that may lead to Subcommittee actions after the receipt of the May Revision and as the Assembly forms its version of the Budget. Hold open all issues.

5180 CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CDSS)

ISSUE 5. REPORT BACK ON THE CALWORKS WORK PARTICIPATION RATE (WPR) AND CAL-OAR OPTIMIZATION WORKGROUP AND PENDING REPORT

For the California Department of Social Services (CDSS):

- What is the status of the CalWORKs Work Participation Rate (WPR) and CalWORKs Outcomes and Accountability Review (Cal-OAR) Optimization Workgroup report, which was due on April 15, 2023? When will the report be released?
- What were the high-level comments and feedback from stakeholders in the meetings that led to the pending report?

For the Legislative Analyst's Office (LAO) and Department of Finance (DOF):

- Please provide feedback and any other considerations for the Legislature on this subject.

PANELISTS

- Representative, California Department of Social Services (CDSS)
- Representative, Legislative Analyst's Office (LAO)
- Representative, Department of Finance (DOF)

CDSS REPORT BACK ON CALWORKS PENDING REPORT

The Subcommittee heard issues regarding the CalWORKs Work Participation Rate (WPR) and CalWORKs Outcomes and Accountability Review (Cal-OAR) Optimization Workgroup and the pending report as part of its March 8, 2023 hearing. The agenda for this hearing is available at <https://abgt.assembly.ca.gov/sub1hearingagendas> and the archived recording of this hearing is available at <https://www.assembly.ca.gov/media-archive>.

At the conclusion of the discussion on that item, the Chair requested that CDSS return at the April 26, 2023 hearing to present on the expected report's release and content. The Subcommittee has received notification that the report is delayed and is anticipated to be released at the May Revision.

Staff Recommendation: The Subcommittee will anticipate receiving the report at the May Revision. Hold open all issues.

ISSUE 6. REPORT BACK ON THE CALWORKS SINGLE ALLOCATION METHODOLOGY AND PROPOSED FUNDING LEVEL
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For the California Department of Social Services (CDSS):

- What conversations have occurred regarding the level of funding as provided by the CalWORKs Single Allocation Methodology and the realities for CalWORKs funding and operations across eligibility and employment activities as experienced by the counties and anticipated for the coming fiscal year?
- What are the areas of agreement and disagreement? Will the methodology be reviewed in light of the pressures the counties are raising?

For the Legislative Analyst's Office (LAO) and Department of Finance (DOF):

- Please provide feedback and any other considerations for the Legislature on this subject.

PANELISTS

- Representative, California Department of Social Services (CDSS)
- Representative, Legislative Analyst's Office (LAO)
- Representative, Department of Finance (DOF)

CDSS REPORT BACK ON CALWORKS SINGLE ALLOCATION FUNDING ISSUE

The Subcommittee heard issues regarding the CalWORKs Single Allocation as part of its March 8, 2023 hearing, where the County Welfare Directors Association of California (CWDA) raised concerns about underfunding within the CalWORKs Single Allocation for the eligibility component by \$84.1 million. The agenda for this hearing is available at <https://abgt.assembly.ca.gov/sub1hearingagendas> and the archived recording of this hearing is available at <https://www.assembly.ca.gov/media-archive>.

At the conclusion of the discussion on that item, the Chair requested that a conversation occur apart from the hearing on this subject and that the Administration return at the April 26, 2023 hearing to update on what was learned through that dialogue.

Staff Recommendation: This is an informational item, however, there may be issues or requests heard in the course of this discussion that may lead to Subcommittee actions after the receipt of the May Revision and as the Assembly forms its version of the Budget. Hold open all issues.

ISSUE 7. REPORT BACK ON THE FEDERAL FAMILY FIRST PREVENTION SERVICES ACT (FFPSA) IMPLEMENTATION OF PARTS I AND IV AND THE PENDING REPORT ON DISPROPORTIONALITIES FROM THE LEGISLATIVE ANALYST’S OFFICE (LAO)

For the California Department of Social Services (CDSS):

- Please provide a summary overview of the FFPSA implementation of Parts I and IV. What the areas of earlier or on-time success and where have there been challenges, impediments, or delays in implementation?
- What are the specific targets and timelines for reducing disparities in the child welfare system?

For the Legislative Analyst’s Office (LAO):

- Please provide feedback and any other considerations for the Legislature regarding what was shared recently on FFPSA implementation in response to the Supplemental Report Language (SRL) adopted as part of the 2023 Budget and published by the LAO.
- Please provide an update on the expected receipt of the LAO’s pending report on disproportionalities in the child welfare system.

For the Department of Finance (DOF):

- Please provide feedback and any other considerations for the Legislature on this subject.

PANELISTS

- Representative, California Department of Social Services (CDSS)
- Representative, Legislative Analyst’s Office (LAO)
- Representative, Department of Finance (DOF)

REPORT BACKS ON FFPSA AND DISPROPORTIONALITIES

The Subcommittee heard issues regarding the implementation of the Federal Family First Prevention Services Act (FFPSA) and child welfare disproportionalities at its March 22, 2023 hearing. The agenda for this hearing, with more information about both subjects, is available at <https://abgt.assembly.ca.gov/sub1hearingagendas> and the archived recording of this hearing is available at <https://www.assembly.ca.gov/media-archive>.

At the conclusion of the discussion on these issues, the Chair requested that the Administration return at the April 26, 2023 hearing to present on the SRL information.

Staff Recommendation: This is an informational item, however, there may be issues or requests heard in the course of this discussion that may lead to Subcommittee actions after the receipt of the May Revision and as the Assembly forms its version of the Budget. Hold open all issues.

0530 CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY (CALHHS), OFFICE OF SYSTEMS INTEGRATION

ISSUE 8. APRIL 1 FINANCE LETTER – HUMAN SERVICES ISSUES ONLY FOR CALHHS AND APRIL BUDGET CHANGE PROPOSAL (BCP) FOR OSI

For the Administration:

- Please briefly review each request made in the April 1, 2023 Finance letter (only for the Human Services issues listed below) seeking changes or adjustments to the Governor’s Budget. The Health issues, or the balance of what is not included below, including the April 1 BCP regarding SB 852, for CalHHS will be covered under the Health assignment for the Subcommittee.
- Please briefly review the proposal in the April Budget Change Proposal (BCP). How many positions are currently dedicated to this type of work and what is the specific justification for adding these additional three positions?

For the Legislative Analyst’s Office (LAO):

- Please provide feedback and any other considerations for the Legislature on this subject.

PANELISTS

- Representative, California Health and Human Services Agency (CalHHS)
- Representative, Office of Systems Integration (OSI)
- Representative, Department of Finance (DOF)
- Representative, Legislative Analyst’s Office (LAO)

CALHHS HUMAN SERVICES APRIL 1 FINANCE LETTER CONTENT

Employee Compensation Technical Program Adjustment (Issue 042)—It is requested that Item 0530-001-3209 be adjusted to shift \$71,000 from program 0296 Center for Data Insights and Innovations to program 0295 Office of the Patient Advocate. This technical adjustment correctly budgets for employee compensation by program.

Funding Information Technology Management and Communications – Office of Systems Integration Enterprise (Issue 059)—It is requested that Item 0530-001-9745 be increased by \$600,000 Health and Human Services Automation Fund for three positions to establish the necessary leadership structure to continue to enhance enterprise-wide capabilities improve project delivery outcomes, and increase technical services capabilities.

These resources would support project management, public relations, subject matter expertise, and help projects eliminate duplication and increase efficiencies.

Language Only

Short-term General Fund Loan Authority for Cashflow—It is requested that statutory changes be made to provide authority for CalHHS to receive up to \$200 million in short term General Fund loans in the event that reimbursements do not come in on time to pay vendors. To the extent possible, CalHHS will frontload contracts to minimize need for General Fund loans. The attached language also includes changes related to the Office of Systems Integration name change to Office of Technology and Solutions Integration requested in the Governor’s Budget and clean-up of outdated references (see Attachment 5 for 0530 CalHHS in the “Legislative, Judicial, and Executive” April 1 Letter here: <https://dof.ca.gov/2023-24-proposed-april-1st-adjustments-to-the-governors-budget/>).

OSI APRIL 1 BUDGET CHANGE PROPOSAL

Office of the Agency Information Officer and Office of Systems Integration Enterprise Resources. The California Health and Human Services Agency, Office of the Agency Information Officer and Office of Systems Integration requests 3.0 positions and \$600,000 California Health and Human Services Automation Fund expenditure authority for fiscal year 2023-24 and ongoing to establish the necessary structure to continue to enhance enterprise-wide capabilities and improve project delivery outcomes and technical services capabilities in support of the Agency’s guiding principles and strategic priorities.

The full April 1 BCP is available on the Department of Finance website, or [here](#).

Staff Recommendation: The Subcommittee could request responses in writing and by a date certain for all questions posed in the hearing to facilitate its review of these April 1 requests. Stakeholders are encouraged to weigh in as soon as possible if there are questions or concerns regarding any proposal. Hold open all issues.

4170 CALIFORNIA DEPARTMENT OF AGING

ISSUE 9. CDA APRIL 1 FINANCE LETTER AND APRIL BUDGET CHANGE PROPOSALS

For the Administration:

- Please briefly review each request made in the April 1, 2023 Finance letter seeking changes or adjustments to the Governor’s Budget.
- Please briefly review the proposals in the April Budget Change Proposals (BCPs), if the topic was not covered fully as part of the DOF April 1 Finance letter presentation.

For the Legislative Analyst’s Office (LAO):

- Please provide feedback and any other considerations for the Legislature on this subject.

PANELISTS

- Representative, California Department of Aging (CDA)
- Representative, Department of Finance (DOF)
- Representative, Legislative Analyst’s Office (LAO)

CDA APRIL 1 FINANCE LETTER CONTENT

CalFresh Healthy Living Program Expansion (Issue 007)—It is requested that Item 4170-001-0001 and reimbursements be increased by \$660,000 in fiscal year 2023-24 and \$645,000 in 2024-25 and ongoing to support 5 permanent positions to provide increased services, site expansion, and enhanced curricula for nutritional programs to older adults. It is also requested that Item 4170-101-0001 and reimbursements be increased \$2,540,000 in 2023-24 and \$2,555,000 in 2024-25 and ongoing.

Statewide No Wrong Door Feasibility Assessment (Issue 042)—It is requested that Item 4170-001-0890 be increased by \$291,000 in 2023-24 and \$120,000 in 2024-25 one-time to support two-year limited term resources equivalent to 1 position to evaluate the feasibility of establishing a statewide No Wrong Door State Leadership Council, which would oversee statewide coordination of long-term services and supports for older adults.

Language Only

Administrative Efficiencies for Area Agency on Aging Funding—It is requested that Provision 4 be added to Item 4170-101-0001 to authorize the California Department of Aging to, contingent upon demonstrated need, advance available funds to an area agency on aging in an amount up to one-fourth of the annual allocation of that area agency on aging (see

Attachment 1). It is also requested that Provision 5 be added to Item 4170-101-0001 to authorize the California Department of Aging to provide annual local assistance to area agencies on aging via direct allocations to support older adult programs (see Attachment 1).

Attachment 1 Language -- Add Provisions 4 and 5 to Item 4170-101-0001 as follows:

4. Notwithstanding any other law, the California Department of Aging may advance available funds to an area agency on aging in an amount up to one-fourth of the annual allocation when necessary to continue the provision of services or operations when a cashflow problem has been demonstrated, according to the criteria set forth by the California Department of Aging. In addition to this item, this provision shall be applicable to Items 4170-101-0289, 4170-101-0890, 4170-101-3098, and 4170-102-0942.

5. Notwithstanding any other law, the California Department of Aging may provide annual local assistance by direct allocation to an area agency on aging to support older adult programs. Direct allocations will be provided via Memorandum of Understanding and supplemental agreements, wherever necessary, between the department and the area agency on aging. In addition to this item, this provision shall be applicable to Items 4170-101-0289, 4170-101-0890, 4170-101-3098, and 4170-102-0942.

Technical Cleanup—It is requested that Provisions 2(a) and 2(c) of Item 4170-102-0942 be amended to make technical corrections to program dates to update timelines for the 2023-24 fiscal year (see Attachment 2).

Attachment 2 Language - Amend Provision 2 of Item 4170-102-0942 as follows:

2. (a) Notwithstanding any other law, the Department of Finance may augment this item by not more than \$1,000,000 from the applicable fund balance available in the State Health Facilities Citation Penalties Account, Special Deposit Fund, as of June 30, ~~2022~~ 2023.

(b) For the purposes of this provision, the applicable fund balance is defined as the yearend fund balance exceeding \$6,000,000 and excluding any amount of the balance which the Department of Finance determines is necessary to be expended or encumbered by the State Department of Public Health in accordance with Section 1417.2 of the Health and Safety Code.

(c) The Department of Aging, in coordination with the Department of Public Health and the Department of Finance, shall publish the projected amount of the applicable fund balance for the following fiscal year subsequent to the publication of the 2024-25 ~~2023-24~~ Governor's Budget and the ~~2023-24~~ 2024-25 May Revision."

This content is also available at Department of Finance website, within the "Health and Human Services" April 1 Letter here: <https://dof.ca.gov/2023-24-proposed-april-1st-adjustments-to-the-governors-budget/>.

CDA APRIL 1 BUDGET CHANGE PROPOSALS

Administrative Efficiencies for Area Agency on Aging Funding. The California Department of Aging (CDA) requests authority, via provisional budget bill language, to provide annual Local Assistance funding, via direct allocations, to the department's thirty-three (33) Area Agencies on Aging (AAAs) partners that receive funds to support older adults, adults with disabilities, their families, caregivers, and residents in long-term care (LTC) facilities. Additionally, CDA requests provisional budget bill language to increase the maximum amount allowable for advanced payments to AAAs.

CalFresh Healthy Living Program Expansion. The California Department of Aging (CDA) requests an increase of \$3.2 million in reimbursement authority to support 5.0 permanent positions and increased Local Assistance funding in Fiscal Year 2023-24 and ongoing to provide increased services, program site expansion, and enhanced curricula for the CalFresh Healthy Living (CFHL) – Supplemental Nutrition Assistance Program Nutrition Education Obesity Prevention Program (SNAP-Ed) activities targeted to low-income adults aged 60 and older.

Statewide No Wrong Door Feasibility Assessment. The California Department of Aging requests federal authority of \$411,000 to support 1.0 position in Fiscal Year 2023-24 and 2024-25. CDA was awarded funding by the Federal Health and Human Services, Administration for Community Living for the purpose of assessing individual and family caregiver access to the statewide No Wrong Door System for Long-Term Services and Supports to further the implementation of the Recognize, Assist, Include, Support, and Engage Family Caregivers Act of 2017 that directs the development of a National Family Caregiver Strategy.

The full April 1 BCPs are available on the Department of Finance website, or [here](#).

Staff Recommendation: The Subcommittee could request responses in writing and by a date certain for all questions posed in the hearing to facilitate its review of these April 1 requests. Stakeholders are encouraged to weigh in as soon as possible if there are questions or concerns regarding any proposal. Hold open all issues.

4300 DEPARTMENT OF DEVELOPMENTAL SERVICES (DDS)**ISSUE 10. DDS APRIL 1 FINANCE LETTER AND APRIL BUDGET CHANGE PROPOSALS****For the Administration:**

- Please briefly review each request made in the April 1, 2023 Finance letter seeking changes or adjustments to the Governor's Budget.
- Please briefly review the proposals in the April Budget Change Proposals (BCPs), if the topic was not covered fully as part of the DOF April 1 Finance letter presentation.

For the Legislative Analyst's Office (LAO):

- Please provide feedback and any other considerations for the Legislature on this subject.

PANELISTS

- Representative, Department of Developmental Services (DDS)
- Representative, Department of Finance (DOF)
- Representative, Legislative Analyst's Office (LAO)

DDS APRIL 1 FINANCE LETTER CONTENT

Headquarters Position Authority (Issue 068)—It is requested that Item 4300-001-0001 be increased by 57 positions and reimbursements be increased by 14 positions ongoing. This adjustment supports departmental operations and aligns personnel needs with previously funded policy initiatives that did not include position authority at the time of appropriation.

Compliance with Federal Home and Community-Based Services Requirements (Issue 070)—It is requested that Item 4300-001-0001 be increased by \$1,071,000 and 7 positions and reimbursements be increased by \$268,000 and 2 positions ongoing. Additionally, it is requested that Item 4300-101-0001 be increased by \$2,709,000 and reimbursements be increased by \$1,335,000 ongoing. These resources support ongoing statewide efforts to maintain service provider compliance with the federal Home and Community-Based Services Final Rule, which took effect on March 17, 2023.

Information Security Office Support (Issue 071)—It is requested that Item 4300-001-0001 be increased by \$139,000 and 1 position and reimbursements be increased by \$35,000 ongoing. These adjustments provide a dedicated position focused on supporting regional center information security efforts, augmenting the Department's Information Security Office Support Budget Change Proposal included in the Governor's Budget.

Porterville Developmental Center Facility Support (Issue 072)—It is requested that Item 4300-001-0001 be increased by \$161,000 and 1 position and reimbursements be increased by \$40,000 ongoing. These adjustments provide on-the-ground support and expertise for facility repairs and maintenance activities at Porterville Developmental Center.

This content is also available at Department of Finance website, within the “Health and Human Services” April 1 Letter here: <https://dof.ca.gov/2023-24-proposed-april-1st-adjustments-to-the-governors-budget/>.

DDS APRIL 1 BUDGET CHANGE PROPOSALS

Compliance with Federal Home and Community-Based Services Requirements. The Department of Developmental Services (DDS) requests \$5.4 million (\$3.8 million General Fund) in fiscal year 2023-24 and \$6.7 million (\$4.6 million General Fund) in 2024-25 and ongoing for the conversion of three (3.0) Community Program Specialist II positions funded with limited-term resources to permanent positions, six (6.0) additional permanent positions, and regional center resources to address and sustain new and ongoing efforts that align California’s developmental disabilities system with federal requirements necessary for continued federal funding for Home and Community-Based Services programs.

Headquarters Position Authority. The Department of Developmental Services requests position authority for 71.0 positions to support existing initiatives and other operational needs. These positions will be funded with existing resources.

Information Security Office Support. The Department of Developmental Services (DDS) requests \$174,000 (\$139,000 General Fund) and one (1.0) permanent position ongoing to support regional center (RC) information security efforts, augmenting DDS’s Information Security Office Support Budget Change Proposal from the 2023 Governor’s Budget.

Porterville Developmental Center Facility Support. The Department of Developmental Services (DDS) requests \$201,000 (\$161,000 General Fund) and one (1.0) permanent Associate Construction Analyst position ongoing to support project and facility maintenance activities at the Porterville Developmental Center.

The full April 1 BCPs are available on the Department of Finance website, or [here](#).

Staff Recommendation: The Subcommittee could request responses in writing and by a date certain for all questions posed in the hearing to facilitate its review of these April 1 requests. Stakeholders are encouraged to weigh in as soon as possible if there are questions or concerns regarding any proposal. Hold open all issues.

5160 DEPARTMENT OF REHABILITATION (DOR)

ISSUE 11. DOR APRIL 1 FINANCE LETTER AND APRIL BUDGET CHANGE PROPOSAL

For the Administration:

- Please briefly review each request made in the April 1, 2023 Finance letter seeking changes or adjustments to the Governor's Budget.
- Please briefly review the proposal in the April Budget Change Proposals (BCP), if the topic was not covered fully as part of the DOF April 1 Finance letter presentation.

For the Legislative Analyst's Office (LAO):

- Please provide feedback and any other considerations for the Legislature on this subject.

PANELISTS

- Representative, Department of Rehabilitation (DOR)
- Representative, Department of Finance (DOF)
- Representative, Legislative Analyst's Office (LAO)

DOR APRIL 1 FINANCE LETTER CONTENT

Disability Innovation Fund—California Subminimum Wage to Integrated Employment Project (Issue 022)—It is requested that Item 5160-001-0890 be increased by \$2,767,000 in fiscal year 2023-24, \$2,822,000 in 2024-25, and \$2,805,000 in 2025-26 and 2026-27 to enable the Department to perform project activities and provide program oversight for the California Subminimum Wage to Integrated Employment Project. This research project will provide a comprehensive set of interventions and supports to increase competitive integrated employment outcomes, economic self-sufficiency, independence, and inclusion for individuals with the most significant disabilities currently in, or contemplating entering, subminimum wage employment. The Department received a grant award of approximately \$13,944,000 from the Disability Innovation Fund. This federal grant is available until September 30, 2027, and does not require a state match. Per the Section 28.00 notification in December 2022, the Department anticipates spending \$2,745,000 in 2022-23, and the remaining \$11,199,000 over the next four fiscal years. This request enables the Department to fully expend the funds by the end of the grant period.

It is also requested that provisional language be added to Item 5160-001-0890 to make the grant funds available for encumbrance or expenditure through September 30, 2027 to provide flexibility for the Department to expend the funds by the end of the grant period (see Attachment 1).

Attachment 1 Language -- Add the following provision to Item 5160-001-0890:

1. The amount appropriated in Schedule (1) of this item from the Federal Disability Innovation Fund for the California Subminimum Wage to Integrated Employment Project shall be available for encumbrance or expenditure until September 30, 2027, to support this research project.

DOR This content is also available at Department of Finance website, within the “Health and Human Services” April 1 Letter here: <https://dof.ca.gov/2023-24-proposed-april-1st-adjustments-to-the-governors-budget/>.

DOR APRIL 1 BUDGET CHANGE PROPOSAL

Disability Innovation Fund – California Subminimum Wage to Competitive Integrated Employment Project. The Department of Rehabilitation requests \$11,199,000 in federal fund authority over four fiscal years (\$2,767,000 in 2023-24, \$2,822,000 in 2024-25, and \$2,805,000 in 2025-26 and 2026-27) to perform project activities and provide program oversight for the California Subminimum Wage to Competitive Integrated Employment Project. This project, a research project that pilots new service delivery practices, will provide a comprehensive set of interventions and supports to increase competitive integrated employment outcomes, economic self-sufficiency, independence, and inclusion for individuals with the most significant disabilities currently in, or contemplating entering, subminimum wage employment. This federal grant from the Disability Innovation Fund does not require a state match. In addition, the Department is requesting provisional language to make the grant funds available for encumbrance or expenditure through September 30, 2027.

The full April 1 BCPs are available on the Department of Finance website, or [here](#).

Staff Recommendation: The Subcommittee could request responses in writing and by a date certain for all questions posed in the hearing to facilitate its review of these April 1 requests. Stakeholders are encouraged to weigh in as soon as possible if there are questions or concerns regarding any proposal. Hold open all issues.

5180 CALIFORNIA DEPARTMENT OF SOCIAL SERVICES (CDSS)

ISSUE 12. CDSS APRIL 1 FINANCE LETTER AND APRIL BUDGET CHANGE PROPOSALS

For the Administration:

- Please briefly review each request made in the April 1, 2023 Finance letter seeking changes or adjustments to the Governor's Budget.
- Please briefly review the proposals in the April Budget Change Proposals (BCPs), if the topic was not covered fully as part of the DOF April 1 Finance letter presentation.

For the Legislative Analyst's Office (LAO):

- Please provide feedback and any other considerations for the Legislature on this subject.

PANELISTS

- Representative, California Department of Social Services (CDSS)
- Representative, Department of Finance (DOF)
- Representative, Legislative Analyst's Office (LAO)

CDSS APRIL 1 FINANCE LETTER CONTENT

Promise Neighborhood State Operations Funding Shift (Issue 156)—It is requested that Item 5180-001-0001 be increased by \$500,000 one-time to reflect a shift of resources from fiscal year 2022-23 to 2023-24 to support the distribution of grants to Promise Neighborhoods.

California Statewide Automated Welfare System (CalSAWS) Migration and Ongoing Support (Issue 137)—It is requested that Item 5180-001-0001 be increased by \$922,000 and 5 positions ongoing to provide continued oversight of policy functionality in CalSAWS post-migration. The requested resources convert 5 previously approved limited-term subject matter expert resources into permanent positions, maintaining continuity of expertise over CalSAWS maintenance and operations.

Facility Management System (FMS) Project Planning Resources (Issue 138)—It is requested that Item 5180-001-0001 be increased by 1 position one-time for the FMS project. It is also requested that Item 5180-493 be added to reappropriate up to \$21,136,000 to support planning efforts of the FMS project (see Attachment 1).

Attachment 1 Language -- 5180-493—Reappropriation, State Department of Social Services. The amount specified in the following citation are reappropriated for the purposes

provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2026:

0001—General Fund

(1) Up to \$21,136,000 in Item 5180-001-0001, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020 and Ch. 4, Stats. 2021), to support planning efforts of the Facility Management System project.

Statewide Verification Hub Staff and Technical Resources (Issue 149)—It is requested that Item 5180-001-0001 be increased by \$1,599,000 in fiscal year 2023-24, \$11,000 in 2024-25 and ongoing and provisional language be added (see Attachment 2). It is also requested that Item 5180-001-0890 be increased by \$400,000 in 2023-24, and \$1,000 in 2024-25 and ongoing, to support planning contracts and continued development of the Statewide Verification Hub IT project.

Attachment 2 Language -- Add the following provisions to Item 5180-001-0001:

13. Of the funds appropriated in Schedule (1) of this item, \$1,599,000 is available for encumbrance or expenditure until June 30, 2025, for planning contracts for the Statewide Verification Hub project.

14. Of the funds appropriated in Schedule (1) of this item, \$1,870,000 is available for encumbrance or expenditure until June 30, 2025, to support the planning efforts of the California Supporting Providers and Reaching Kids Core project. Upon approval of the Department of Finance, the amount available for expenditure in Schedule (1) shall be increased by up to \$4,000,000 for encumbrance or expenditure until June 30, 2025, to further support the planning efforts of the California Supporting Providers and Reaching Kids Core project.

Attachment 3 Language -- Add the following provision to Item 5180-001-0890:

4. Of the funds appropriated in Schedule (1) of this item, \$4,000,000 is available for encumbrance or expenditure until June 30, 2025, to support planning efforts of the California Supporting Providers and Reaching Kids Core project.

This content is also available at Department of Finance website, within the “Health and Human Services” April 1 Letter here: <https://dof.ca.gov/2023-24-proposed-april-1st-adjustments-to-the-governors-budget/>.

CDSS APRIL 1 BUDGET CHANGE PROPOSALS

California Statewide Automated Welfare System (CalSAWS) Migration and Ongoing Support. This proposal requests the establishment of two (2.0) permanent, full-time CDSS positions and the conversion of three (3.0) existing CDSS positions to permanent, previously approved by the Department of Finance (DOF) as limited term through SFY 2022-23. These positions will continue to support the implementation and ongoing support of the Statewide

Automated Welfare System (SAWS) consolidation, known as CalSAWS, to comply with state and federal program requirements and timely implementation of critical policy implementation across CDSS programs.

Promise Neighborhood State Operations Funding. The California Department of Social Services requests to shift unexpended state operations funding for Promise Neighborhoods included in 2022 Budget Act to the 2023-24 fiscal year.

Statewide Verification Hub Staff and Technical Resources. This proposal requests technical consulting resources to continue the planning of the Statewide Verification Hub. This proposal requests \$1.9 million (\$1.6 million General Fund) to support the continued planning, design, development, and implementation of the Statewide Verification Hub project. Of the requested resources, \$1,987,000 (\$1,588,000 General Fund) is requested one-time available over two fiscal years for vendor contracts related to Stages 3 and 4 of the California Department of Technology's (CDT) Project Approval Lifecycle (PAL) process and \$12,000 (\$11,000 General Fund) ongoing is necessary for the reclassification of an existing permanent, full-time, IT Specialist II to an Information Technology Manager I. The California Department of Social Services (CDSS) and DHCS, in conjunction with the California Health and Human Services (CHHS) Agency, seek to streamline and modernize the processes of obtaining required eligibility verifications for means-tested human services programs, improve accuracy of benefit calculation, improve client experience, enhance reporting capabilities and simplify the verification process across departments and programs as part of its ongoing commitment to continuously improve access to benefits for Californians in need of assistance.

The full April 1 BCPs are available on the Department of Finance website, or [here](#).

Staff Recommendation: The Subcommittee could request responses in writing and by a date certain for all questions posed in the hearing to facilitate its review of these April 1 requests. Stakeholders are encouraged to weigh in as soon as possible if there are questions or concerns regarding any proposal. Hold open all issues.

**PUBLIC COMMENT
(PUBLIC COMMENT WILL BE TAKEN ON ALL ITEMS)**

This agenda and other publications are available on the Assembly Budget Committee's website at: <https://abgt.assembly.ca.gov/sub1hearingagendas>. You may contact the Committee at (916) 319-2099. This agenda was prepared by Nicole Vazquez.