

**MAJOR CONFERENCE ISSUES
ACTION LIST
(dollars in thousands)**

Page	Item/Issue No.	Description	Senate	Assembly	Difference	Action
		PUBLIC SAFETY REALIGNMENT				
		Six key elements of the ballot initiative:				
2	1	List of Public Safety Programs to be Realigned to Locals				Adopt Governor's Public Safety Realignment Constitutional Measure and Placeholder Trailer Bill Language Assembly 3-2 Senate 3-2
3	2	Realignment of Revenues to Locals				No Action Needed
3	3	Guarantee of Ongoing Revenues				No Action Needed
3	4	Implementation/Next Steps				No Action Needed
3	5	Other Issues				No Action Needed
		REVENUES				
		Four revenue proposals:				
4	1	Maintain Current Tax Rates for Local Public Safety Realignment for Five Years				No Action Needed
5	2	Maintain 2010 Tax Rates for Education for Five Years				No Action Needed
5	3	Tax Policy Changes				No Action Needed
6	4	Tax Enforcement				No Action Needed

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		REDEVELOPMENT				
		Issue	Governor's Proposal	City Counter Proposal		
7		Status of existing RDAs	Eliminated	Retained		Adopt the Governor's Proposal to Eliminate Redevelopment Agencies. Adopt Placeholder TBL to allow local jurisdictions to address transition issues through financing flexibilities and other strategies. Begin Legislative discussion to establish local successor entity for Redevelopment Agencies including a continuation of affordable housing programs. Assembly 3-1 (Nielsen Abstain) Senate 3-2
7		General Fund relief	\$1.7 billion	\$1.7 billion*		Assembly 3-1 (Nielsen-Abstain) Senate 3-2
7		New 2012-13 and ongoing funding for schools	About \$1 billion	None**		Assembly 3-1 (Nielsen-Abstain) Senate 3-2
7		New 2012-13 and ongoing funding for cities, counties and special districts	About \$900 million	None**		Assembly 3-1 (Nielsen-Abstain) Senate 3-2
7		New budgetary borrowing through bonds	No	Yes		Assembly 3-1 (Nielsen-Abstain) Senate 3-2

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7		Ongoing state subsidy for local redevelopment	No	Yes		Assembly 3-1 (Nielsen-Abstain) Senate 3-2
7		10-year extension of some RDAs	Not applicable	Yes		Assembly 3-1 (Nielsen-Abstain) Senate 3-2
		* Proposal may or may not include a constitutional amendment that would go to voters.				
		** Some new revenue for schools and counties beginning in 2018-19.				
		NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION				
		Proposal				
8	1	Gas Consumption Surcharge: Transfer \$162 million Gas Consumption Surcharge to the GF.	-\$162,000 (transfer to GF)	No Proposal	\$162,000	Conference Compromise \$155 million Assembly 3-1 (Nielsen not voting) Senate 3-2
8	2	Fire Protection Permanent Funding: Permanent General fund and position authority (\$42,760) baseline appropriation	-\$42,760 (deny without prejudice)	-\$3,500	\$39,260	Senate Version Assembly 4-0 (Skinner Not Voting) Senate 3-2
8	3	Off Highway Vehicle Park Program Reduction and Fund Shift: Transfer \$27 million Off Highway Vehicle Fund to General Fund (ongoing)	No Proposal	-\$27,000 (transfer to GF)	\$27,000	Conference Compromise \$10 million transfer to GF with TBL. Reduction to OHV split 50-50 between State Operations and Local Assistance Assembly 3-2 Senate 3-2

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9	4	Water Rights Program: \$3.6 million shift from Water Rights Fund to GF.	\$3,570	\$0	\$3,570	Assembly Version Assembly 3-2 Senate 3-2
9	5	Renewable Electricity Program: Reduction to Air Resources Board Program.	-\$2,000	No Proposal	-\$2,000	Conference Compromise Denied \$750,000 without Prejudice Assembly 3-2 Senate 5-0
9	6	FloodSAFE: Reducing funding for DKIP and Conservation Strategy	-\$2,575	No Proposal	-\$2,575	Senate Version +Denied without Prejudice Assembly 5-0 Senate 3-2
		CHILD CARE & DEVELOPMENT PROGRAMS				
		Proposal				
10		34.6 Percent Subsidy Reduction. Governor proposed \$577 million in savings from reducing child care subsidies by 35 percent across-the-board. Rejected the Governor's subsidy reduction.	Rejected	Rejected		Adopt Conference Compromise Package Assembly 3-2 Senate 3-2
10		Across-the-Board Reductions. Approved the reduction to all contracts by 13 percent (excluding CalWORKs State 1 and Stage 2, and Pre-School), for a savings of \$165 million.	adopted			Adopt Conference Compromise Package Assembly 3-2 Senate 3-2
10		Across-the-Board Reductions. Approved the reduction to all contracts by 10 percent (excluding CalWORKs State 1 and State 2), for a savings of \$178 million.		adopted		Adopt Conference Compromise Package Assembly 3-2 Senate 3-2

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10		Eliminate Eligibility for 11-12 Year-Olds. Approved Governor's proposal eliminate state subsidized child care services for 11-12 year old children, but exempt children in non-traditional hours of care, for a savings of \$41 million.	adopted			Adopt Conference Compromise Package Assembly 3-2 Senate 3-2
10		Income Eligibility Ceiling Reduction. Adopted the Governor's Proposal to reduce the income eligibility ceiling for child care programs from 75 percent of SMI to 60 percent of SMI (Governor's proposal provided savings of \$79 million). Senate extended the proposal to cover preschool, for a total savings of \$150 million.	adopted			Adopt Conference Compromise Package Assembly 3-2 Senate 3-2
10		Income Eligibility Ceiling Reduction. Adopted a reduction of the income eligibility ceiling for child care programs from 75 percent of SMI to 70 percent of SMI, for a savings of \$40 million.		adopted		Adopt Conference Compromise Package Assembly 3-2 Senate 3-2
10		Reduced Administrative Costs. Approved to reduce the Alternative Payment Programs' administrative cap from 17.5 percent to 15 percent, for a savings of \$15 million.	adopted			Adopt Conference Compromise Package Assembly 3-2 Senate 3-2
10		Child Care Deferral. Approved \$150 million in ongoing inter-year deferrals.		adopted		Adopt Conference Compromise Package Assembly 3-2 Senate 3-2

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10		Child and Dependent Care Expense Credit. Approved elimination of the refundable portion of the Child and Dependent Care Expense Credit and allocated the savings from this proposal (\$100 million) to Stage II child care. The Senate only proposes to eliminate the refundable portion of the credit and does not make any changes to the core tax credit program.	adopted			Adopt Senate Refundable Tax Credit Proposal, but no related TANF Shift. Assembly 3-2 Senate 3-2
10.1		CalWORKs				Adopt CalWORKs Package Assembly 5-0 Senate 5-0
		PROPOSITION 98				
	6110-128-0001	Department of Education				
12	381	Restore Budget Year Funding for the Economic Impact Aid Program	\$0	\$56,000	\$56,000	Adopt Conference Compromise Package Assembly 3-2 Senate 3-2
	6110-220-0001	Department of Education				
12	276	Reduce Funding for the Charter School Facility Grant Program	-\$25,000	\$0	-\$25,000	Adopt Conference Compromise Package Assembly 3-2 Senate 3-2

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	6110-295-0001	Department of Education				
12	384	Defer K-14 Mandates for 2011-12	\$0	-\$89,857	-\$89,857	Adopt Conference Compromise Package Assembly 3-2 Senate 3-2
14		Proposition 10				Adopt Conference Compromise Assembly 3-2 (Harkey-Abstain) Senate 3-2
		IN-HOME SUPPORTIVE SERVICES				
		IHSS Actions Taken by Both Houses				
15		Health Care Certification. Approved a requirement for IHSS recipients to have certification that personal care services are necessary to prevent out-of-home care, with savings of \$152 million GF (savings are estimated by DOF to be higher than in the Governor's budget because of interactions between proposals when taken together).	Assembly adopted	Senate adopted		Adopt Conference Compromise Assembly 3-2 Senate 3-2
15		Caseload Adjustment. Reduced caseload estimates based on more recent, actual data, for savings of \$83.2 million GF from the program in 2010-11 and 2011-12.	Assembly adopted	Senate adopted		Adopt Conference Compromise Assembly 3-2 Senate 3-2

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15		Community First Choice Option. Adopted \$121.1 million GF savings due to expected approval of six percent increase in federal financial participation as a result of IHSS qualifying under the new federal Community First Choice Option.	Assembly adopted	Senate adopted		Adopt Conference Compromise Assembly 3-2 Senate 3-2
15		Advisory Committees. Reduced GF spending by \$1.4 million for IHSS Advisory Committees and eliminated the mandate, while retaining \$3,000 for each of the 56 Public Authorities.	Assembly adopted	Senate adopted		Adopt Conference Compromise Assembly 3-2 Senate 3-2
						Adopt Conference Compromise Assembly 3-2 Senate 3-2
		IHSS Actions Taken by the Senate				Adopt Conference Compromise Assembly 3-2 Senate 3-2
15		Domestic & Related Services Reduction. Adopted a modified version of the Governor's proposal on domestic and related services that included additional exceptions. More specifically, excluded: i) households where the only occupants are all IHSS recipients; ii) individuals whose housemates are neither their family members nor their IHSS providers; iii) domestic and related tasks that require the use of universal precautions; and iv) individuals whose housemates are not both able and available to meet the recipient's specified needs.	Senate adopted			Adopt Conference Compromise Assembly 3-2 Senate 3-2

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15		Across-the-Board Reduction As Needed. Adopted an across-the-board reduction to correspond to any remaining amount of savings needed to reach a total \$486.1 million GF savings. Later estimates from DOF indicated that no across-the-board reduction was needed to reach the total savings adopted.	Senate adopted			Adopt Conference Compromise Assembly 3-2 Senate 3-2
		IHSS Actions Taken by the Assembly				
15		Adopted an additional savings target of \$160 million (which becomes \$128.4 million given the above-mentioned change to estimates for the health care certification action) to reach a total \$486.1 million GF savings and placeholder trailer bill on proposals to be determined, which may include, but are not limited to, proposals regarding medication compliance, nursing home intervention and diversion, and expanded goals for the Community Transitions Program.		Assembly adopted		Adopt Conference Compromise Assembly 3-2 Senate 3-2

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		LONG TERM CARE PROGRAMS				
		Multi-Purpose Senior Services Program (MSSP)				
17		<p>Senate Action. A \$5 million reduction to MSSP and rejected the remainder of the proposed reduction. Adopted budget bill language directing Departments of Aging and Health Care Services to consult with federal government on how to achieve savings.</p> <p>Assembly Action. Rejected the Governor's proposal and fully restored funding for MSSP.</p>	-\$5,000 BBL	\$19,900	\$14,900 BBL	No Higher than \$2.5 +Senate BBL Assembly 5-0 Senate 3-2
		Adult Day Health Care (ADHC) Program				
17		<p>Senate Action. In lieu of maintaining the ADHC Benefit, Senate recast services and took the following actions:</p>				<p>(1) Eliminate the ADHC benefit as a Medi-Cal Optional Benefit Assembly 5-0 Senate 5-0 (2) Conference Compromise Hand Out Modified to Include TBL on New ADHC Assembly 3-2 Senate 3-2</p>

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17		- \$25 million (GF) Appropriation. Appropriates \$25 million (GF), with potential federal fund match, to assist with transitioning individuals to other Medi-Cal health services and social service and respite programs.	Senate adopted			(1) Eliminate the ADHC benefit as a Medi-Cal Optional Benefit Assembly 5-0 Senate 5-0 (2) Conference Compromise Hand Out Modified to Include TBL on New ADHC Assembly 3-2 Senate 3-2
17		- Budget Bill Language for Appropriation. Budget Bill Language states: "Of the amount appropriated in this Item, \$25 million (GF) shall be allocated to grants to provide social activities and respite assistance for individuals who otherwise may have been receiving Adult Day Health Care Services. The purpose of this funding is to facilitate, as applicable and needed, transitions from ADHC services."	Senate adopted			(1) Eliminate the ADHC benefit as a Medi-Cal Optional Benefit Assembly 5-0 Senate 5-0 (2) Conference Compromise Hand Out Modified to Include TBL on New ADHC Assembly 3-2 Senate 3-2
17		- Placeholder Trailer bill Language. Placeholder trailer bill language was adopted for the DHCS to provide assistance with transitioning individuals from ADHC services to other Medi-Cal provided health and medical services as offered under the Medi-Cal Program.	Senate adopted			(1) Eliminate the ADHC benefit as a Medi-Cal Optional Benefit Assembly 5-0 Senate 5-0 (2) Conference Compromise Hand Out Modified to Include TBL on New ADHC Assembly 3-2 Senate 3-2
17		- Reduces General Fund. This action reduces Medi-Cal by a net \$151.6 million (GF).	Senate adopted			(1) Eliminate the ADHC benefit as a Medi-Cal Optional Benefit Assembly 5-0 Senate 5-0 (2) Conference Compromise Hand Out Modified to Include TBL on New ADHC Assembly 3-2 Senate 3-2

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		Assembly ADHC Action. Assembly maintained ADHC benefit and reduced by \$28.2 million (GF). The reduction is to be achieved as follows:		Assembly's Estimated General Fund Savings		(1) Eliminate the ADHC benefit as a Medi-Cal Optional Benefit Assembly 5-0 Senate 5-0 (2) Conference Compromise Hand Out Modified to Include TBL on New ADHC Assembly 3-2 Senate 3-2
18	1	Stakeholder Process. Create stakeholder process with DHCS to identify chronically non-compliant ADHC facilities and implement a new ADHC Medical Necessity and Document Self-Audit tool for a 10 percent reduction in beneficiaries based on tighter eligibility criteria. Some filed testing has already been completed.		-\$21,200		(1) Eliminate the ADHC benefit as a Medi-Cal Optional Benefit Assembly 5-0 Senate 5-0 (2) Conference Compromise Hand Out Modified to Include TBL on New ADHC Assembly 3-2 Senate 3-2
18	2	Streamline Administration. Move ADHC unit from Department of Aging to DHCS and streamline administration.		-\$1,700		(1) Eliminate the ADHC benefit as a Medi-Cal Optional Benefit Assembly 5-0 Senate 5-0 (2) Conference Compromise Hand Out Modified to Include TBL on New ADHC Assembly 3-2 Senate 3-2
18	3	Consolidate Licensing & Certification. Consolidate licensing and certification at DHCS and replace GF with federal funds.		-\$1,200		(1) Eliminate the ADHC benefit as a Medi-Cal Optional Benefit Assembly 5-0 Senate 5-0 (2) Conference Compromise Hand Out Modified to Include TBL on New ADHC Assembly 3-2 Senate 3-2

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18	4	Carry-Over Days. Eliminate reimbursement for "carry-over" days. This eliminates the ability for beneficiaries to make-up absences during the last week of one month into the first week of the next month.				(1) Eliminate the ADHC benefit as a Medi-Cal Optional Benefit Assembly 5-0 Senate 5-0 (2) Conference Compromise Hand Out Modified to Include TBL on New ADHC Assembly 3-2 Senate 3-2
				-\$400		
18	5	Non-Billable Holidays. Mandate 10 non-billable "holidays" for all ADHC entities.				(1) Eliminate the ADHC benefit as a Medi-Cal Optional Benefit Assembly 5-0 Senate 5-0 (2) Conference Compromise Hand Out Modified to Include TBL on New ADHC Assembly 3-2 Senate 3-2
				-\$3,700		