

State Budget: FY 2016-17

6/10/2016

Issue Area	Proposal	Assembly Action	Senate Action	Conference Committee Action
Medi-Cal				
County Admin Funding	The Budget includes an additional \$169.9 million total funds for workload associated with ACA. The \$169.9 million would be provided in 2016-17 and again in 2017-18, with work to begin on a new budgeting methodology to take effect no sooner than 2018-19.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Suspend Medi-Cal Admin Cost-of-Living Adjustment (COLA) for 2016-17	The Budget proposes trailer bill language (TBL) to suspend the Medi-Cal county administrative funding COLA for 2016-17.	Approved.	Approved.	Approved as budgeted.
Medi-Cal Housing Program	The Assembly housing package includes \$60 million one-time GF to create a Medi-Cal Housing Program, through the Whole Person Care Pilot program.	Approved.	No action.	Adopted Senate version - no funding provided.
Continuum of Care Reform (CCR)				
Foster Family Recruitment, Retention, and Support (FPRRS) Funding	The Budget includes an additional \$26.1 million GF for FPRRS, bringing total GF to \$43.3 million. Of the total, \$27.7 million would be for county child welfare agencies and \$15.6 million would be for county probation. The budget also includes budget bill language (BBL) to enable unspent funding from 2015-16 to be spent in 2016-17.	Approved as budgeted; approved BBL.	Approved as budgeted; approved BBL.	Approved as budgeted; approved BBL.
Resource Family Approval (RFA)	The Budget includes \$12.0 million (\$8.0 million GF) for activities related to the implementation of the RFA process, beginning January 1, 2017 for most counties. This level of funding does not include funding for the updated cost of a social worker for RFA activities.	Approved budget plus an additional \$2.4 million GF to fund the updated cost of a social worker for RFA activities.	Approved as budgeted.	Adopted Senate version - approved as budgeted with no additional funding to update the cost of a social worker for RFA activities.

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Child and Family Teams (CFTs)	The Budget includes \$27.4 million (\$22.0 million) for half-year funding to implement CFTs for all cases beginning January 1, 2017. This funding level includes funding for the updated cost of a social worker for CFT activities.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Accreditation	The Budget includes \$2.8 million (\$1.4 million GF) to support 50 percent of FFA and STRTP costs in meeting new accreditation requirements. This support will be available to agencies through 2017-18.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Second Level Administrative Review	The Budget includes \$29,000 (\$23,000 GF) for county deputy director review and approval for children residing in an STRTP exceeding six months.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Outcomes and Accountability	The Budget includes \$2.5 million (\$1.7 million GF) to develop an outcomes and accountability system to measure provier performance, out-of-home client satisfaction, and the RFA process, as well as \$500,000 (\$250,000 GF) to support associated automation changes in CWS/CMS.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Case Planning Assessment	The Budget includes \$3.5 million (\$2.4 million GF) for county placing agencies to utilize an IT tool with common domains for case planning.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Training	The Budget includes \$4.6 million (\$1.5 million GF) for county mental health, county social worker, and probation officer training to support CCR implementation and use of case planning assessment tools.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.

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Foster Family Agency Rates	The Budget includes \$3.8 million GF to continue the 15% increase to the social work portion of the FFA rate through Dec. 1, 2016. Beginning Jan. 1, 2017, the social worker rate is subsumed in the new Home-Based Care rate.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Home-Based Care Rate	The Budget includes \$35.7 million (\$32.9 million GF) to support the proposed new rate structure under CCR.	Approved funding as budgeted. The Assembly also adopted TBL that requires CDSS to convene stakeholders beginning July 1, 2017 to discuss the adequacy of the proposed new rates and report back by August 10, 2016 on the results of the discussions.	Approved funding as budgeted. The Senate adopted SRL that requires CDSS to convene stakeholders in July 2016 to discuss the adequacy of the proposed new rates.	Approved funding as budgeted; approved Assembly version of TBL.
LAO Supplemental Reporting Language (SRL)	At the request of Senate and Assembly budget staff, the LAO drafted SRL that requires CDSS and DHCS provide monthly in-person reports and quarterly written reports on various aspects of CCR implementation.	Adopted SRL.	Adopted SRL.	Approved as budgeted.
LA Emergency Bridge Child Care Proposal	Los Angeles County requested \$31 million increase access for foster youth statewide to the general child care system. The proposal would provide \$22 million for a time-limited voucher for foster families of youth ages 0 through 3 to pay for child care up to six months; provide \$4 million for navigators to work with foster families receiving the short-term vouchers to find stable, long-term child care; and \$5 million to provide trauma-informed training to child care providers.	Approved \$22 million for the child care voucher component of the proposal.	No action.	Adopted Senate version - no funding provided.

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Child Care TBL	CWDA proposed TBL that would clarify the income eligibility requirements of foster youth for access to the general child care system and would ensure continuity of child care for foster youth. This language was dropped upon agreement of California Department of Education to clarify these issues in regulation.	No action.	No action.	No action.
County Behavioral Health	The Budget provides \$11.7 million (\$5.2 million GF) to support county behavioral health activities associated with CCR implementation including: \$10.2 million (\$6.6 million GF) for county behavioral health participation on CFTs; \$277,000 (\$139,000 GF) to perform mental health assessments; and \$1.5 million GF to support training for county behavioral health staff.	Approved funding as budgeted. The Assembly also adopted placeholder TBL that requires CDSS and DHCS to report on behavioral health funding and responsibilities.	Approved as budgeted.	Approved as budgeted; adopted Assembly TBL.

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CWS/Foster Care				
Commercial Sexual Exploitation of Children (CSEC)	CWDA requested \$19.7 million GF for services and training for county child welfare agencies for CSEC youth.	Approved request and carved out an amount to be determined to fund CDSS staff to support the CSEC program.	Approved request and carved out an amount to be determined to fund CDSS staff to support the CSEC program.	Reopened and approved \$5 million GF including funding for two CDSS positions.
Approved Relative Caregiver (ARC) Program	The Budget provides \$31.6 million GF, which includes the California Necessities Index increase of 2.76%, to fully fund the ARC base caseload statewide.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
ARC Program Parity	The Budget includes TBL that would ensure that relative caregivers of non-federally eligible foster youth receive the same rate as relative caregivers of federally eligible youth.	Adopted TBL.	Adopted TBL.	Adopted TBL.
Reports of Near Fatalities	The Budget includes TBL that would implement recent changes in federal requirements for the public disclosure of near fatalities and \$576,000 (\$229,000 GF) for counties to comply with this new requirement.	Approved funding as budgeted and adopted placeholder TBL with implementation details still to be resolved.	Approved funding as budgeted and adopted placeholder TBL with implementation details still to be resolved.	Reopened and adopted no TBL. Deferred issue to policy process.
Bringing Families Home Program	The Senate's No Place Like Home housing initiative includes \$10 million GF (ongoing) for the Bringing Families Home program, a county matching grant program to reduce homelessness among families that are part of the child welfare system.	No action.	Approved.	Approved \$10 million GF on a one-time basis.

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Foster Youth Teen Pregnancy Prevention	CWDA and the John Burton Foundation requested \$10 million GF for a two-part proposal including: \$5.5 million GF in increase and provide earlier in the pregnancy the infant supplement grant for foster youth; and \$4.5 million GF for county child welfare agencies to fund specific activities associated with supporting the delivery of evidenced-based prevention services for foster youth.	Approved funding with placeholder TBL to implement.	No action.	Approved \$5.0 million (\$4.0 million GF) to increase the infant supplement by \$489 per month.
Chaffee Education and Training Voucher (ETV) Grants	The John Burton Foundation requested \$3.63 million GF to provide Chaffee ETV grants to all eligible foster youth who apply by September 2 of each year.	Approved funding with placeholder TBL to implement.	No action.	Approved \$3 million GF ongoing to increase the number of grants.
Modify Eligibility for the Transitional Housing Program (THP) for Former Foster Youth	The John Burton Foundation requested \$5 million GF to expand THP eligibility to youth who exited foster care to adoption, unification, or guardianship after age 16.	Approved funding with placeholder TBL to implement.	No action.	Adopted Senate version - no funding provided.
Public Health Nurse (PHN) Monitoring	Adovate requested \$1.65 million GF for the hiring of additional PHNs to meet requirements of recent legislation regarding psychotropic medication use among foster youth.	No action.	Approved.	Adopted Senate version - provided \$1.7 million GF ongoing.
IHSS				
Minimum Wage Impact	The Budget includes \$39.6 million (\$18.4 million GF) to fund the increased costs of the state minimum wage increase to \$10.50 effective January 1, 2017.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.

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Restoration of 7% Across-the-Board Cut	The Budget includes \$571.8 million GF (\$265.8 million GF) for the continued restoration of the 7% reduction to IHSS service hours. The Budget also includes TBL that would make the restoration contingent on continuation of the MCO tax.	Approved funding and TBL.	Approved funding and TBL.	Approved funding and TBL.
Contract Mode Adjustments to IHSS MOE TBL	The Budget includes TBL that would adjust a contract mode county's IHSS MOE for all increased costs of contracts.	Adpoted placeholder TBL that would adjust a contract mode county's IHSS MOE only for the increased contract costs associated with locally negotiated provider wages and health benefits.	Adpoted placeholder TBL that would adjust a contract mode county's IHSS MOE only for the increased contract costs associated with locally negotiated provider wages and health benefits.	No action - Administration withdrew TBL.
Universal Assessment Tool	The Budget assumes that the pilot counties will be selected in December 2016, rather than July 2016, to test a single, universal assessment tool that will streamline eligibility and level-of-need determinations for home and community-based services, and includes \$500,000 (\$251,000 GF) for the vendor to assess and evaluate the pilot.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.

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Coalition FLSA Proposals	The IHSS Coalition (including CWDA) has proposed policy changes to better support implementation of FLSA including: extension of the grace period for not issuing violations until Sept. 1, 2016 and necessary automation changes in CMIPS II to support county operations; require CDSS mail an information notice and exemptions request form to a limited number of providers who meet exemption criteria; require CDSS establish written state-level appeals process for providers not granted exemptions; extend the current 5-day county review process before violations issued to no less than 10 business days; authorize counties to rescind violations based on timesheet errors; and specify that all providers may work no more than 70.75 hours per week.	Approved \$40 million GF to fund the cost of IHSS Coalition policy changes.	Approved \$40 million GF to fund the cost of IHSS Coalition policy changes.	Reopened and rejected \$40 million GF for IHSS Coalition policy changes.

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CalWORKs				
Maximum Family Grant (MFG) Rule	CWDA (among a broad coalition of advocates) requested full repeal of the MFG rule, which denies CalWORKs assistance to families for children born while the family is on aid.	Adopted full repeal of the MFG rule effective January 1, 2017, with additional grant costs to be paid from the Child Poverty and Supplemental Support Subaccount in 1991 Realignment (and GF until sufficient funding is available in the Child Poverty Subaccount to fully fund the repeal).	Adopted full repeal of the MFG rule effective January 1, 2017, with additional grant costs to be paid from the Child Poverty and Supplemental Support Subaccount in 1991 Realignment (and GF until sufficient funding is available in the Child Poverty Subaccount to fully fund the repeal).	Adopted full repeal of the MFG rule effective January 1, 2017, with additional grant costs to be paid from the Child Poverty and Supplemental Support Subaccount in 1991 Realignment (and GF until sufficient funding is available in the Child Poverty Subaccount to fully fund the repeal).
Grant Increase	The Budget includes a 1.43% grant increase effective October 1, 2016 to be funded with available revenues from the Child Poverty and Supplemental Support Subaccount in 1991 Realignment.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Caseload Reductions	The Budget assumes caseload reductions in overall CalWORKs caseload and in employment services caseload, resulting in a reduction to the eligibility and employment services components of the Single Allocation of \$163.5 million.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Housing Support Program (HSP)	CWDA requested a \$15 million GF augmentation to the HSP. Senate's No Place Like Home housing initiative also included \$15 million for HSP.	Approved.	Approved.	Reopened and adopted \$12 million GF ongoing.
Family Stabilization	The Budget includes a \$7.8 million increase in funding for Family Stabilization services, bringing total funding to \$37.6 million	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Mental Health/Substance Abuse	The Budget includes \$126.6 million for Mental Health and Substance Abuse services (flat funding).	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.

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Expanded Subsidized Employment	The Budget includes \$134 million for the Expanded Subsidized Employment program (flat funding).	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Subsidized Employment Simplification	CWDA proposed TBL to consolidate the AB 98 and Expanded Subsidized Employment programs to simplify administration of subsidized employment.	Approved TBL.	Approved TBL.	Approved TBL.
Eliminate the Temporary Assistance Program (TAP)	The Budget includes TBL to eliminate the TAP, which has never been implemented due to technical barriers.	Approved suspension of TAP until Legislature specifically appropriates funding for the program in the Budget Act.	Approved suspension of TAP until Legislature specifically appropriates funding for the program in the Budget Act.	Adopted permanent suspension of TAP, with the TAP language remaining in statute.
Housing Assistance Program	Advocates proposed to lift the once-in-a-lifetime restriction on the temporary and permanent housing benefits available in the program, making this assistance available once every 12 months, beginning January 1, 2017.	Approved.	No action.	Adopted Assembly version - lifted the once-in-a-lifetime restriction beginning January 1, 2017.
Diaper Vouchers	Assemblymember request for \$16 million GF for a five-year period for CDSS to provide one \$50 monthly voucher for the purchase of diapers, per child age two or younger, to families enrolled in CalWORKs Welfare to Work who qualify for child care as a supportive service.	Approved.	No action.	Adopted Supplemental Report Language requiring CDSS and OSI to consider and inform the Legislature about options to provide diaper purchase assistance to low-income families by February 1, 2017.
Workforce Innovation and Opportunity Act (WIOA) Career Pathways TBL	The Budget includes TBL to require that welfare-to-work participants in an approved WIOA Career Pathway are deemed to meet the 24-month time clock hourly requirements, regardless of the actual number of hours participated, if participants are making satisfactory progress.	Approved.	Approved.	Approved.

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Child Care				
Voucher TBL	The Budget includes TBL that would require the California Department of Education to develop a plan to convert all contracted programs and funding into vouchers over the next five years.	Rejected.	Rejected.	Rejected.
Early Education Block Grant	The Budget proposed establishing an Early Education Block Grant, which would consolidate the state-subsidy early learning programs, target children most in need, align pre-kindergarten programs with school district priorities, and address funding distribution inequities.	Rejected.	Rejected.	Rejected.
Stage 1	The Budget assumes slowing caseload growth in Stage 1 child care, leading to a reduction in the child care component of the Single Allocation of \$16.6 million in 2016-17.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Stage 2	The Budget includes \$421.4 million for Stage 2 child care reflecting a decrease in the Stage 2 child care offset by an increase in the cost per case.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Stage 3	The Budget includes \$273.6 million for Stage 3 child care reflecting decreases in Stage 3 caseload and cost per case.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.

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Legislative Early Education/Child Care Packages		Assembly package provides \$618.6 million (\$405 million Non Prop 98 GF and \$213.5 million Prop. 98) and includes: increasing the SRR by 15%; increasing the RMR to the 80th percentile of the 2014 survey; increasing Licensed Exempt rates to 80% of the current Family Child Care Home rate; implementing streamlined 12 month eligibility reporting; increasing income eligibility to 85% of the current SMI; adding 10,000 new preschool slots (7,500 part day and 2,500 full day); adding 6,000 APP slots; \$78.4 million in various one-time and ongoing quality improvement activities.	Senate package provides \$99 million (\$64 million Non Prop. 98 GF and \$35 million Prop. 98) and includes: increasing the RMR to the 75th percentile of the 2014 survey beginning January 1, 2017; increasing the SRR by 4% effective July 1, 2016; and providing 2,000 APP slots effective October 1, 2016.	Adopted a compromise packages that includes: increasing the RMR to the 75th percentile of the 2104 survey; increasing licensed exempt rates from 65% to 70% of the Family Child Care Home rates of January 1, 2017; increasing SRR by 10% across the board effective January 1, 2017; adopted placeholder TBL expressing legislative intent on setting the 85th percentile of the RMR as the long term goal for reimbursement rate; and adding 8,877 full-day preschool slots to be phased in over four years, beginning with 2,959 slots in 2016-17.
CalFresh				
Caseload	The Budget assumes slowing CalFresh caseload growth leading to a \$2.6 million GF increase (0.41%) in the CalFresh Administration allocation in 2016-17.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
TBL to Maximize Recertification Period	Advocates proposed TBL to ensure that CalFresh certification periods are expanded to the maximum period allowable under federal law.	Approved.	No action.	Adopted Assembly version - adopted TBL.
State Emergency Food Assistance Program	Advocates requested \$10 million GF on an ongoing basis for the State Emergency Food Assistance Program.	No action.	Approved \$2 million GF.	Adopted \$2 million GF on a one-time basis.

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Adult Protective Services (APS)				
Training Funding	CWDA requested \$5 million GF to support a statewide training system for APS workers.	Approved.	No action.	Adopted \$3 million GF on a one-time basis.
Supplemental Security Income/State Supplemental Program (SSI/SSP)				
SSP COLA	The Budget includes \$36.5 million GF to provide a 2.76 COLA to the SSP portion of the grant (based on the CNI), effective January 1, 2017.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
SSI Advocacy	The Senate's No Place Like Home Initiative includes \$50 million GF annually (for 2016-17 and 2017-18) for a county grant program for SSI outreach and housing assistance to increase participation among homeless persons with disabilities who may be eligible for disability benefits programs.	No action.	Approved.	Adopted \$45 million GF for 2016-17 only for the SSI outreach and housing assistance program as approved by the Senate.
SSP Grant Increase	The Senates' No Place Like Home Initiative includes \$44.6 million GF to provide an additional increase to the SSP portion of the grant that, when combined with the SSP COLA, equals a \$10 per month increase.	No action.	Approved.	Adopted Assembly version - no funding for additional SSP grant increase.
Automation				
CWS-New System	The Budget includes \$55.5 million (\$27.8 million GF) total funds to support development of the new system using the "agile" methodology that is now being used with the project and associated BBL.	Approved as budgeted with changes to the BBL to increase Legislative oversight.	Approved as budgeted with changes to the BBL to increase Legislative oversight.	Approved as budgeted with changes to the BBL to increase Legislative oversight.
CWS-New System TBL	CWDA proposed TBL to codify involvement of counties in development and governance of new system and reporting requirements.	Adopted.	Adopted.	Adopted.
County Expense Claim Reporting Information System (CECRIS)	The Budget includes \$1.5 million (\$1.1 million GF) to support resumption of this project.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.

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Online CalWORKs Appraisal Tool (OCAT)	The Budget includes \$3.7 million to support the integration of OCAT into SAWS beginning in 2016-17.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
SB 1341 Implementation	The Budget includes \$15.8 million (\$7.9 million GF) for 2016-17 to support Phase II of SB 1341 implementation, which supports the SAWS generation of NOAs for households that have family members receiving services under MAGI Medi-Cal, Non-MAGI Medi-Cal, and/or Advanced Premium Tax Credit.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Horizontal Integration	The Budget includes \$1.5 million (\$611,000 GF) for SAWS programming changes to their online portals to support a streamlined application for CalWORKs and/or CalFresh for people who have completed a health coverage application through CalHEERS.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
EBT 3 Transition and Development	The Budget includes \$7.9 million (\$3.3 million GF) to support county transition efforts to the new EBT contract expected to begin in early 2016.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.
Able Bodied Adults Without Dependents (ABAWDs)	The Budget includes \$4.2 million (\$1.5 million GF) for 2016-17 to address the automation changes needed in the SAWS in order to adhere to the ABAWDs rules that will come back into effect for CalFresh when the statewide waiver expires on January 1, 2018. When the waiver expires, ABAWDs who are not participating in a qualifying work activity for an average of 20 hours per week will be limited to three months of CalFresh benefits in a 36 month period.	Approved as budgeted.	Approved as budgeted.	Approved as budgeted.

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CMIPS II	Advocates requested reprogramming of CMIPS II to allow managed care plans to pay IHSS providers additional hours authorized by the CCI. Estimated one-time costs of \$6 million (\$3 million GF) in 2016-17 and \$1 million (\$500,000) ongoing.	Approved.	No action.	Adopted Supplemental Report Language requiring CDSS and OSI to provide a cost assessment to the Legislature by January 10, 2017 for reprogramming CMIPS II to allow managed care plans to pay IHSS providers additional hours authorized by the CCI.
CCR New Rate Structure	After the release of the May Revision, the Administration proposed adding \$5 million (\$2 million GF) to the Budget for 2016-17 to enable SAWS to begin programming associated with the new rate structure under CCR.	Approved.	Approved.	Reopened and adopted \$3 million GF for SAWS automation of the new CCR rate structure.
Other				
Immigration Services Program	Member request for a \$25 million GF augmentation for the Immigrations Services Program (bringing total funding to \$40 million GF).	Approved \$10 million GF augmentation.	Approved \$10 million GF augmentation.	Reopened and adopted \$15 million GF on an on-going basis.
Children's Mental Health Crisis Services		Approved \$50 million in redirected county jail construction funds to establish a one-time grant program to build capacity for the continuum of children's crisis services including crisis residential programs, crisis stabilization services, mobile crisis support teams, family support services, and training.	Approved \$80 million in redirected county jail construction funds to establish a one-time grant program to build capacity for the continuum of children's crisis services including crisis residential programs, crisis stabilization services, mobile crisis support teams, family support services, and training.	Adopted \$40 million in total funds on a one-time basis including: \$10 million GF one-time; \$6 million reappropriated GF; \$11 million MHSA State Administration one-time (California Health Facilities Financing); and \$3 million MHSA State Administration one-time (Mental Health Oversight and Accountability Commission).
Temporary Housing Assistance for Homeless Individuals	The Senate's No Place Like Home Initiative includes \$50 million GF annually for four years for temporary housing assistance for homeless individuals.	No action.	Approved.	Adopted \$45 million GF for 2016-17 only.