



COUNTY WELFARE DIRECTORS ASSOCIATION OF CALIFORNIA
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CWDA

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To: All County Social Service Directors and Fiscal Officers

From: CWDA Staff

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RE: State Budget Update #5 – Budget Conference Committee Completes Work

Last night, the Budget Conference Committee completed its work reconciling the differences between the Senate and Assembly versions of the 2015-16 budget. The current plan is that the budget will be voted on by each house on Monday, June 15, the statutory deadline for the Legislature to pass a budget for the upcoming fiscal year. Unlike previous years, however, the actions that the Conference Committee took were not based on agreements in advance between the Legislature and the Governor. Legislative leadership and the Governor are still in negotiations, so the budget adopted by the Budget Conference Committee could change prior to Monday, including the actions described below.

The following is a high-level summary of the actions taken by the Budget Conference Committee for those issues we've been tracking in the Health and Human Services areas. If an issue is not addressed here, it was not in conference. Please refer to Budget Update #4 for issues where the two houses already took the same action.

CalWORKs

Housing Support Program (HSP) Augmentation – The Conference Committee adopted the \$30 million GF augmentation for the HSP, bringing total funding for this program to \$50 million in 2015-16.

Maximum Family Grant – Both the Senate and Assembly already adopted the full repeal of the Maximum Family Grant, but the Conference Committee took action to adopt a delay in the implementation date to January 1, 2016 (from October 1, 2015).

Grant Increase – The Conference Committee did not adopt an increase to CalWORKs grants, but they did adopt the reinstatement of statutory annual cost-of-living adjustment for CalWORKs grants, effective January 1, 2019.

24-Month Time Clock Suspension – The Conference Committee adopted trailer bill language to suspend the 24-month time clock.

Single Allocation Adjustment – The Conference Committee adopted the Legislative Analyst’s Office caseload estimates for Employment Services and Stage 1 Child Care, which are lower than the Administration’s May Revision caseload estimates. This results in a \$29 million reduction to the Single Allocation compared to what was provided in the May Revision. There is still a year-over-year increase in 2015-16 in the Single Allocation as a whole estimated to be about \$35 million.

In-Home Supportive Services

Restoration of 7 Percent Reduction in Services Hours – The Conference Committee restored the 7 percent reduction effective July 1, 2015. For 2015-16, the restoration would be funded with GF. For 2016-17 and subsequent fiscal years, funding for the restoration would be contingent on the passage of a new MCO tax.

FLSA – Overtime Rules – The Conference Committee adopted funding to move forward with FLSA implementation with an estimated implementation date of October 1, 2015 and trailer bill language to remove barriers for clients in accessing overtime.

Child Welfare Services/Foster Care

Foster Parent and Relative Recruitment, Retention, and Support Funding – The Conference Committee adopted \$25 million GF for foster parent and relative recruitment and support, and trailer bill language regarding allowable activities and county reporting. This \$25 million is in addition to the \$2.8 million GF already provided in the May Revision.

Bringing Families Home Program – The Conference Committed adopted \$7 million for this program, which provides housing supports for child welfare-involved families.

Foster Youth Services Program – The Conference Committee adopted \$25 million in Proposition 98 funding and trailer bill language to expand the existing Foster Youth Services program to include foster youth in kinship residences, effective September 1, 2015.

Child Care

Child Care Package – The Conference Committee adopted a child care package costing \$329 million in 2015-16 and over \$500 million ongoing, most of which is non-Proposition 98 GF. The elements of the package include: 5,000 new full-day preschool slots and additional part-day preschool slots; 12,000 new AP voucher slots; a 7.5 percent increases to the Standard Reimbursement Rate; a 10 percent increase to the part-day preschool rate, a change to the RMR to 70 percent of the 2014 survey; a change in license-exempt rates from 60 percent to 70 percent of the FCCH rate; an increase in eligibility for subsidized child care to 80 percent of the current SMI; and funding for a quality rating system and consumer education database.

We will update you further next week on any changes that may result from the budget negotiations between Legislative leaders and the Governor and on the final budgets passed by the Legislature.