

Legislative Update

February 22, 2010

With the close of special session, legislators this week are poised to send Governor Schwarzenegger roughly \$5 billion in Budget solutions for the Current and Budget years. The solutions include a complicated gas-tax swap, the capping of state payroll costs, deferral of corporate tax breaks, plus a few cash-flow gimmicks – and no cuts to IHSS.

The proposals, now on the Assembly and Senate Floors, were driven by a short set of Senate Budget Committee hearings that left legislators with no clear cut options for saving money on IHSS. The program cuts proposed by the Governor in January – the ending all services to the 87 percent of consumers with Functional Index Scores below 4.0, and capping State participation in wages and benefits at \$8.60 per hour – were essentially a repeat of the ravagings he offered last year. However, softer versions of those cuts, which legislators approved, remain enjoined in federal court (*V.L. et al v. Wagner*, and *Martinez et al v. Schwarzenegger*), which left few options for legislators to make cuts in the special session, short of zeroing out the entire program.

During the Senate Budget Committee proceedings, Chair Denise Ducheny (D-San Diego) urged CDSS and Dept. of Finance officials to consider “regionalizing” the Public Authorities as option for saving money. CAPA Legislative Chair Mary Tinker, Director Ann Guerra, and CAPA Staff subsequently met with the Senator to discuss her statements, which she said are motivated by a desire to change the collective bargaining process. She did acknowledge that she hadn’t fully considered the degree to which Public Authority funding had been cut last year, and for the moment, did not seem intent on introducing any specific proposals to restructure the PAs.

CAPA staff contacted all offices of Assembly and Senate Budget Committee members as part of the special session, and was assured by several legislators and staffers that no IHSS cuts would be forthcoming in Special Session. That said, IHSS remains under great threat entering the regular 2010-2011 Budget process. In his May Budget Revision, the Governor may repeat his proposal to kill IHSS outright (along with CalWORKS, Healthy Families, and other HHS programs) if the federal government does not offer an unlikely \$6.9 billion in Budget relief. Much will also depend on the month-to-month showing of state tax revenue, with much attention centering on the April personal tax returns.

On the policy front, CAPA’s Legislative Committee will be reviewing a range of proposals introduced ahead of the Feb. 19 deadline for 2010 bill introductions. Some of these include:

[AB 1763](#) (Lieu) – Providers would receive a certificate upon clearing a background check, which would be valid for providing services in other counties.

[AB 1801](#) (Yamada) – CDSS would continue to convene a stakeholder group beyond 2010 which would make recommendations on program quality and funding. UDW sponsored.

[AB 1970](#) (Fong) – In declared emergencies, shelter operators could work with the PA registries to provide IHSS services in the shelters.

[AB 2274](#) (Beall) – Anticipating the new Medi-Cal Waiver, this bill allows for IHSS services to be provided through entities named in the Section 1115 waiver.

[AB 2374](#) (Nestande) – Spot language deferring implementation to 2011 of a voluntary five-county pilot to expand IHSS participation. Removes requirement that the pilot be limited to consumers who are severely impaired.

[SB 886](#) (Florez) – Authorizes use of “electronic timekeeping” to verify provider completion of tasks.

[SB 998](#) (Liu) – Bill sponsored by Disability Rights California requires, among other provisions, that all Medi-Cal patients referred by hospitals to a nursing home receive an assessment of their long-term care needs before the nursing home can be reimbursed for services.

[SB 1062](#) (Strickland) – Bill requires CORI recipients to convey the report to applicants who don’t clear the DOJ check.