Assembly Bill No. 118

CHAPTER 7

An act to amend Sections 1991, 1995, 10072.3, 11265.15, 12306.16, and 16121 of, to add Sections 16506.5 and 18917.1 to, and to add, repeal, and add Section 16121.5 of, the Welfare and Institutions Code, relating to human services, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor June 27, 2025. Filed with Secretary of State June 27, 2025.]

LEGISLATIVE COUNSEL'S DIGEST

AB 118, Committee on Budget. Human services.

(1) Existing federal law provides for the federal Supplemental Nutrition Assistance Program (SNAP), known in California as CalFresh, under which supplemental nutrition assistance benefits allocated to the state by the federal government are distributed to eligible individuals by each county.

Existing law establishes a statewide electronic benefits transfer (EBT) system, administered by the State Department of Social Services, for the purpose of providing financial and food assistance benefits, including CalFresh benefits. Existing law establishes the California Fruit and Vegetable EBT Pilot Project and requires the department, in consultation with specified entities, to include within the EBT system a supplemental benefits mechanism that allows an authorized retailer to deliver and redeem supplemental benefits and to provide grants for pilot projects to implement and test the mechanism in existing retail settings. Existing law requires the department to evaluate the pilot projects and make recommendations to further refine and expand the supplemental benefits mechanism, as specified.

This bill would require the department to evaluate the pilot projects that operated pursuant to the above-described provisions between February 1, 2023, and January 31, 2025, as specified.

Existing federal law, through Disaster SNAP, provides for short-term food assistance benefits to families suffering in the wake of a major disaster. Existing law requires the State Department of Social Services and the county human services agency, if the President of the United States issues a major disaster declaration for individual assistance, to request to operate a federal Disaster Supplemental Nutrition Assistance Program (D-SNAP) for the regions affected by the major disaster. Existing uncodified law, in the event of a declaration by the Governor or the President of the United States of a major disaster, continuously appropriates to the department from the General Fund an amount necessary to cover specified costs relating to the administration of disaster assistance services, but not to exceed $300,000 per disaster declaration.

This bill would codify that funding provision.

(2) Existing law requires each county to provide cash assistance and other social services for needy families through the California Work Opportunity and Responsibility to Kids (CalWORKs) program using federal Temporary Assistance to Needy Families (TANF) block grant program, state, and county funds. Under existing law, a county is required to annually redetermine eligibility for CalWORKs benefits and, at the time of redetermination, require the family to complete a certificate of eligibility. Existing law additionally requires the county to redetermine recipient eligibility and grant amounts on a semiannual basis and requires the recipient to submit a semiannual report form during the first semiannual reporting period following the application or annual redetermination of eligibility. Existing law requires, to the extent permitted by federal law, the State Department of Social Services to implement the semiannual reporting system, including the use of the semiannual report form, in the CalFresh program. Existing law requires the department to work with specified entities to develop and implement system changes that would prepopulate the semiannual report. Existing law requires counties to provide recipients with a prepopulated semiannual report form instead of a blank form.

This bill would instead, to the extent permitted by federal law, require counties to provide recipients with a prepopulated semiannual report, either via mail or electronically, at the election of the recipient, instead of a blank form. The bill would require the department to complete final policy guidance for changes to the prepopulated semiannual report by August 15, 2025. To the extent that this bill would expand county responsibilities under the CalWORKs program, this bill would impose a state-mandated local program.

(3) Existing federal law, the Community First Choice Option (CFCO) program, authorizes states to provide home- and community-based attendant services and supports to eligible Medicaid enrollees, as specified. Existing federal law provides federal financial participation for a state that provides services under the CFCO program.

Existing state law establishes the In-Home Supportive Services (IHSS) program, administered by the State Department of Social Services and counties, under which qualified aged, blind, and disabled persons are provided with services in order to permit them to remain in their own homes. Existing law requires the state and counties to share the annual cost of providing IHSS pursuant to a specified cost ratio. Existing law requires all counties to have a rebased County IHSS Maintenance of Effort (MOE) and requires the rebased MOE to be adjusted for the annualized cost of increases in provider wages, health benefits, or other benefits, as prescribed. If the state ceases to receive federal financial participation for the provision of services, existing law requires the rebased County IHSS MOE to be adjusted to require a county to pay a 35% share of the enhanced federal financial participation that would have been received.

This bill would, commencing July 1, 2026, require a county to pay, separate from the rebased County IHSS MOE payment, a 100% share of

the enhanced federal financial participation that would have been received if the state ceases to receive that funding for the provision of services due to noncompliance of timely case reassessment for the federal CFCO program. The bill would, for the 2025–26 fiscal year, require the state and county to each pay 50% of the amount of that lost enhanced federal financial participation. The bill would require the department to develop guidance to implement these provisions.

(4) Existing law requires the state, through the State Department of Social Services and county welfare departments, to establish and support a public system of statewide child welfare services to be developed as rapidly as possible and to be available in each county of the state. Existing law requires family maintenance services to be provided or arranged for by county welfare department staff, in order to maintain a child in their own home. Existing law identifies the categories of families to which these services are available. Existing law defines a "child and family team" as a group of individuals who are convened by the placing agency and who are engaged through a variety of team-based processes to identify the strengths and needs of the child or youth and their family, and to help achieve positive outcomes for safety, permanency, and well-being. Existing law defines a "child and family team meeting" as a convening of all or some members of the child and family team that may be requested by any member of the child and family team.

This bill would require, beginning July 1, 2025, all county child welfare agencies to convene child and family team meetings for children and youth receiving family maintenance services. By increasing the duties of county child welfare agencies, this bill would impose a state-mandated local program.

Existing law establishes the Adoption Assistance Program (AAP), administered by the State Department of Social Services, to benefit children residing in foster homes by providing the stability and security of permanent homes. Existing law requires the department or the county, whichever is responsible for determining the child's AAP eligibility, to assess the needs of the child and the circumstances of the family, with the amount of a cash benefit being determined based on those factors. Existing law authorizes payment to be made on behalf of an otherwise eligible child in a state-approved group home, short-term residential therapeutic program, or residential care treatment facility if the department or county responsible for determining payment has confirmed that the placement is necessary, and, if the placement is out-of-state, requires the facility to be eligible for Title IV-E funded placements in the state in which it is situated.

This bill would authorize AAP payments for placement in an out-of-state residential treatment facility, as defined, if one or more of the adoptive parents reside in the state in which the residential treatment facility is located and the responsible public agency, as defined, has confirmed that placement is necessary. The bill would require counties, commencing September 1, 2025, and annually thereafter, to provide specified information to the department regarding out-of-state residential treatment facilities and the

children placed in those facilities, and would require the department to provide guidance to counties regarding steps necessary to document the requirements of these provisions. By imposing duties on counties, this bill would impose a state-mandated local program.

Existing law prohibits the AAP rate paid on behalf of the child for these placements from exceeding the rate paid for a short-term residential therapeutic program. Existing law establishes a Tiered Rate Structure, as specified, upon which the per child per month rate for every child in foster care is based, which includes 3 components, including an amount paid to the foster care provider for care and supervision of the child, a strengths building allocation to provide for a child's strengths building objectives, and an immediate needs allocation to provide for the child's immediate needs, and establishes payment tiers, as specified. Existing law requires the 3 components of the Tiered Rate Structure to become operative on July 1, 2027, or the date that the department notifies the Legislature that the California Statewide Automated Welfare System can perform the necessary automation to implement the Tiered Rate Structure, whichever is later.

The bill would prohibit the AAP rate for an out-of-state residential treatment facility from exceeding the lesser of the rate paid for a foster care placement in a short-term residential therapeutic program or the rate determined by the ratesetting authority in the state in which the out-of-state residential treatment facility is located. Upon the 3 components of the Tiered Rate Structure becoming operative, this bill would instead prohibit the AAP payment rate from exceeding the lesser of the sum of the 3 components of the Tiered Rate Structure or the rate determined by the ratesetting authority in the state in which the out-of-state residential treatment facility is located.

(5) Existing law establishes the Juvenile Justice Realignment Block Grant program to provide county-based custody, care, and supervision of youth who are realigned from the Division of Juvenile Justice or who would have otherwise been eligible for commitment to the division. Existing law appropriates moneys from the General Fund for the 2021–22, 2022–23, 2023–24, 2024–25, and 2025–26 fiscal years in specified amounts for these purposes, and specifies how those funds are to be allocated to counties based on specified criteria. Existing law requires the Governor and the Legislature to work with stakeholders to establish a distribution methodology.

This bill would make an appropriation for the 2025–26, 2026–27, 2027–28, and 2028–29 fiscal years from the General Fund in the amount of $208,800,000 each year and specify the by-county distribution methodology for each fiscal year, as specified. The bill would require, by January 10, 2030, the Office of Youth and Community Restoration to review the formula within these provisions and report to the Legislature with an assessment of the formula's efficacy in meeting the Legislature's intent to implement public health approaches to support positive youth development and outcomes, build the capacity of a continuum of community-based approaches, and reduce recidivism.

In order to be eligible for funding under the Juvenile Justice Realignment Block Grant program, existing law requires a county to create a

subcommittee of the multiagency juvenile justice coordinating council, as specified, to develop a plan describing facilities, programs, placements, services, supervision and reentry strategies needed to provide appropriate rehabilitation and supervision services for youth who were eligible for commitment to the division. Under existing law, the plan is required to include specified information, including a detailed facility plan.

This bill would additionally require the plan to include a description of less restrictive programs used by the county and an accounting of all expenditures for funding during the prior fiscal year, as specified.

Existing law establishes the Board of State and Community Corrections, with the mission of providing statewide leadership, coordination, and technical assistance to promote effective state and local efforts and partnerships in California's adult and juvenile criminal justice system. Existing law requires the judge of the juvenile court of a county to inspect any jail, juvenile hall, lockup, special purpose juvenile hall, camp, ranch, or secure youth treatment facility that was used for the confinement of a juvenile for more than 24 hours in the preceding calendar year, as specified. Existing law requires the court to notify the operator of the facility of any observed noncompliance, and make a finding of suitability of the facility for the confinement of juveniles. Existing law requires the board to conduct a biennial inspection of each jail, juvenile hall, lockup, special purpose juvenile hall, camp, ranch, or secure youth treatment facility, as specified, and notify the operator of the facility of any noncompliance.

This bill would prohibit a county board of supervisors from allocating funding pursuant to the Juvenile Justice Realignment Block Grant to any juvenile hall, camp, ranch, or secure youth treatment facility that is, or at any time during the prior fiscal year was, unsuitable and used for the confinement of youth on any day when the facility was prohibited by law from being used for the confinement of youth. The bill would authorize the county board of supervisors to withhold funding from any entity that is, or at any time during the prior fiscal year was, operating an unsuitable juvenile hall, camp, ranch, or secure youth treatment facility and is confining or did confine one or more youth in the unsuitable facility on any day when the facility was prohibited by law from being used for confinement of youth, as specified.

(6) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

(7) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 1991 of the Welfare and Institutions Code is amended to read:

1991. (a) There shall be an allocation to the county for use by the county to provide appropriate rehabilitative housing and supervision services for the population specified in subdivision (b) of Section 1990. In making allocations, the county board of supervisors shall consider the plan required in Section 1995. Any entity receiving a direct allocation of funding from the county board of supervisors under this section for any secure residential placement for court-ordered detention will be subject to and shall comply with existing law and regulations, including, but not limited to, Section 209. A county board of supervisors shall not allocate funding to any juvenile hall, camp, ranch, or secure youth treatment facility that is, or at any time during the prior fiscal year was, unsuitable and used for the confinement of youth on any day when the facility was prohibited by law from being used for the confinement of youth pursuant to Section 209. A county board of supervisors may withhold funding from any entity that is, or at any time during the prior fiscal year was, operating an unsuitable juvenile hall, camp, ranch, or secure youth treatment facility and is confining or did confine one or more youth in the unsuitable facility on any day when the facility was prohibited by law from being used for confinement of youth pursuant to Section 209. This section does not preclude a county board of supervisors from allocating funding to an entity if either the entity ceases confining youth in an unsuitable facility, or the unsuitable facility, after reinspection, is found to have remedied the conditions that rendered the facility unsuitable and is found to be a suitable place for confinement of youth. With the exception of county probation departments, a local public agency that has primary responsibility for prosecuting or making arrests or detentions shall not provide rehabilitative and supervision services for the population specified in subdivision (b) of Section 1990 or receive funding pursuant to this section:

(1) For the 2021–22 fiscal year, thirty-nine million nine hundred forty-nine thousand dollars ($39,949,000) shall be appropriated from the General Fund to provide appropriate rehabilitative and supervision services for the population specified in subdivision (b) of Section 1990 based on a projected average daily population of 177.6 wards. The by-county distribution shall be based on 30 percent of the per-county percentage of the average number of wards committed to the Department of Corrections and Rehabilitation, Division of Juvenile Justice, as of December 31, 2018, June 30, 2019, and December 31, 2019, 50 percent of the by-county distribution of juveniles adjudicated for certain violent and serious felony crime categories per 2018 Juvenile Court and Probation Statistical System data, updated annually based on the most recently available data, and 20 percent of the by-county distribution of all individuals between 10 and 17 years of age, inclusive, from the preceding calendar year.

(2) For the 2022–23 fiscal year, one hundred eighteen million three hundred thirty-nine thousand dollars ($118,339,000) shall be appropriated from the General Fund to provide appropriate rehabilitative and supervision services for the population specified in subdivision (b) of Section 1990. The by-county distribution is based on the per-county percentage referenced in paragraph (1) of subdivision (a) and a projected average daily population of 526 wards.

(3) For the 2023–24 fiscal year, one hundred ninety-two million thirty-seven thousand dollars ($192,037,000) shall be appropriated from the General Fund to provide appropriate rehabilitative and supervision services for the population specified in subdivision (b) of Section 1990. The by-county distribution is based on the per-county percentage referenced in paragraph (1) of subdivision (a) and a projected average daily population of 853.5 wards.

(4) For the 2024–25 fiscal year, two hundred eight million eight hundred thousand dollars ($208,800,000) shall be appropriated from the General Fund to provide appropriate rehabilitative and supervision services for the population specified in subdivision (b) of Section 1990. The by-county distribution is based on the per-county percentage referenced in paragraph (1) of subdivision (a) and a projected average daily population of 928 wards.

(5) For the 2025–26 fiscal year, two hundred eight million eight hundred thousand dollars ($208,800,000) shall be appropriated from the General Fund to provide appropriate rehabilitative and supervision services for the population specified in subdivision (b) of Section 1990. The by-county distribution is based on the per-county percentage referenced in paragraph (1) and a projected average daily population of 928 wards.

(6) For the 2026–27 fiscal year, two hundred eight million eight hundred thousand dollars ($208,800,000) shall be appropriated from the General Fund to provide appropriate rehabilitative and supervision services for the population specified in subdivision (b) of Section 1990 and the by-county distribution shall be based on the following:

(A) Twenty-five percent of the per-county percentage of the total number of wards adjudicated for an offense listed in subdivision (b) of Section 707, per county data submissions to the Office of Youth and Community Restoration pursuant to paragraph (2) of subdivision (g) of Section 2200, from the preceding calendar year.

(B) Twenty percent of the per-county percentage of the total number of wards adjudicated for an offense listed in subdivision (b) of Section 707 who were not committed to a secure youth treatment facility, per county data submissions to the Office of Youth and Community Restoration pursuant to paragraph (2) of subdivision (g) of Section 2200, from the preceding calendar year.

(C) Thirty-five percent of the per-county percentage of all individuals between 10 and 17 years of age, inclusive, from the preceding calendar year.

(D) Twenty percent of the per-county percentage of the total number of wards adjudicated for an offense listed in subdivision (b) of Section 707 who were committed to a secure youth treatment facility and then transferred

to a less restrictive program, per county data submissions to the Office of Youth and Community Restoration pursuant to paragraph (2) of subdivision (g) of Section 2200.

(7) For the 2027–28 fiscal year, two hundred eight million eight hundred thousand dollars ($208,800,000) shall be appropriated from the General Fund to provide appropriate rehabilitative and supervision services for the population specified in subdivision (b) of Section 1990 and the by-county distribution shall be based on the following:

(A) Twenty percent of the per-county percentage of the total number of wards adjudicated for an offense listed in subdivision (b) of Section 707, per county data submissions to the Office of Youth and Community Restoration pursuant to paragraph (2) of subdivision (g) of Section 2200, from the preceding calendar year.

(B) Twenty percent of the per-county percentage of the total number of wards adjudicated for an offense listed in subdivision (b) of Section 707 who were not committed to a secure youth treatment facility, per county data submissions to the Office of Youth and Community Restoration pursuant to paragraph (2) of subdivision (g) of Section 2200, from the preceding calendar year.

(C) Thirty-five percent of the per-county percentage of all individuals between 10 and 17 years of age, inclusive, from the preceding calendar year.

(D) Ten percent of the per-county percentage of the total number of wards adjudicated for an offense listed in subdivision (b) of Section 707 who were committed to a secure youth treatment facility and then transferred to a less restrictive program, per county data submissions to the Office of Youth and Community Restoration pursuant to paragraph (2) of subdivision (g) of Section 2200.

(E) Fifteen percent of the per-county percentage of the total number of wards adjudicated for an offense listed in subdivision (b) of Section 707 who were committed to a secure youth treatment facility and then transferred to a less restrictive program that is not in a facility regulated by Subchapter 5 (commencing with Section 1300) of Chapter 1 of Division 1 of Title 15 of the California Code of Regulations, per county data submissions to the Office of Youth and Community Restoration pursuant to paragraph (2) of subdivision (g) of Section 2200.

(8) For the 2028–29 fiscal year and ongoing, two hundred eight million eight hundred thousand dollars ($208,800,000) shall be appropriated from the General Fund to provide appropriate rehabilitative and supervision services for the population specified in subdivision (b) of Section 1990 and the by-county distribution shall be based on the following:

(A) Twenty percent of the per-county percentage of the total number of wards adjudicated for an offense listed in subdivision (b) of Section 707, per county data submissions to the Office of Youth and Community Restoration pursuant to paragraph (2) of subdivision (g) of Section 2200, from the preceding calendar year.

(B) Twenty percent of the per-county percentage of the total number of wards adjudicated for an offense listed in subdivision (b) of Section 707

who were not committed to a secure youth treatment facility, per county data submissions to the Office of Youth and Community Restoration pursuant to paragraph (2) of subdivision (g) of Section 2200, from the preceding calendar year.

(C) Thirty-five percent of the per-county percentage of all individuals between 10 and 17 years of age, inclusive, from the preceding calendar year.

(D) Five percent of the per-county percentage of the total number of wards adjudicated for an offense listed in subdivision (b) of Section 707 who were committed to a secure youth treatment facility and then transferred to a less restrictive program, per county data submissions to the Office of Youth and Community Restoration pursuant to paragraph (2) of subdivision (g) of Section 2200.

(E) Twenty percent of the per-county percentage of the total number of wards adjudicated for an offense listed in subdivision (b) of Section 707 who were committed to a secure youth treatment facility and then transferred to a less restrictive program that is not in a facility regulated by Subchapter 5 (commencing with Section 1300) of Chapter 1 of Division 1 of Title 15 of the California Code of Regulations, per county data submissions to the Office of Youth and Community Restoration pursuant to paragraph (2) of subdivision (g) of Section 2200.

(9) By January 10, 2030, the Office of Youth and Community Restoration shall review the formula described in this section and report to the Legislature with an assessment of the formula's efficacy in meeting the Legislature's intent to implement public health approaches to support positive youth development and outcomes, build the capacity of a continuum of community-based approaches, and reduce recidivism. This assessment may be included in the annual report required pursuant to paragraph (5) of subdivision (c) of Section 2200.

(10) The Department of Finance shall increase to no more than two hundred fifty thousand dollars ($250,000) the award amount for any county whose allocation as calculated pursuant to paragraphs (1), (2), (3), (4), (5), (6), (7), and (8) totals less than two hundred fifty thousand dollars ($250,000). The appropriation in paragraphs (1), (2), (3), (4), (5), (6), (7), and (8) shall be increased by the amounts needed to bring each county's allocation to two hundred fifty thousand dollars ($250,000).

(b) Commencing with the 2024–25 fiscal year, the allocations determined by paragraphs (4), (5), (6), (7), (8), and (10) of subdivision (a) shall be adjusted annually by a rate commensurate with any applicable growth in the Juvenile Justice Growth Special Account in the prior fiscal year. Each year, this growth shall become additive to the next year's base allocation. Any applicable growth amounts pursuant to this subdivision shall be allocated based on a schedule provided by the Department of Finance, as described in subdivision (c), to the Controller consistent with the timelines for other 2011 Public Safety Realignment growth allocations.

(c) By July 1, 2021, and by July 31 annually thereafter, the Department of Finance shall allocate the amount calculated in paragraphs (1), (2), (3), (4), (5), (6), (7), (8), and (10) of subdivision (a) from the General Fund and

provide a schedule for the allocation of funds among counties to the Controller. The controller shall allocate these funds no later than August 31 each year, consistent with the schedule provided by the Department of Finance.

SEC. 2. Section 1995 of the Welfare and Institutions Code is amended to read:

1995. (a) To be eligible for funding described in Section 1991, a county shall create a subcommittee of the multiagency juvenile justice coordinating council, as described in Section 749.22, to develop a plan describing the facilities, programs, placements, services, supervision and reentry strategies that are needed to provide appropriate rehabilitation and supervision services for the population described in subdivision (b) of Section 1990.

(b) The subcommittee shall be composed of the chief probation officer, as chair or cochair, and one representative each from the district attorney's office, the public defender's office, the department of social services, the department of mental health, the county office of education or a school district, and a representative from the court. The subcommittee shall also include no fewer than three community members who shall be defined as individuals who have experience providing community-based youth services, youth justice advocates with expertise and knowledge of the juvenile justice system, or have been directly involved in the juvenile justice system. Any member may be selected as cochair of the subcommittee using a process determined by the subcommittee.

(c) The plan described in subdivision (a) shall be developed with review and participation of the subcommittee community members as defined in subdivision (b) and shall be approved by a majority of the subcommittee.

(d) The plan described in subdivision (a) shall include all of the following elements:

(1) A description of the realignment target population in the county that is to be supported or served by allocations from the block grant program, including the numbers of youth served, disaggregated by factors including their ages, offense and offense histories, gender, race or ethnicity, and other characteristics, and by the programs, placements, or facilities to which they are referred.

(2) A description of the facilities, programs, placements, services and service providers, supervision, and other responses that will be provided to the target population.

(3) A description of how grant funds will be applied to address each of the following areas of need or development for realigned youth:

(A) Mental health, sex offender treatment, or related behavioral or trauma-based needs.

(B) Support programs or services that promote healthy adolescent development.

(C) Family engagement in programs.

(D) Reentry, including planning and linkages to support employment, housing, and continuing education.

(E) Evidence-based, promising, trauma-informed, and culturally responsive practices.

(F) Whether and how the plan will include services or programs for realigned youth that are provided by nongovernmental or community-based providers.

(4) A detailed facility plan indicating which facilities will be used to house or confine realigned youth at varying levels of offense severity and treatment need, and improvements to accommodate long-term commitments. This shall include a description of less restrictive programs used by the county, including whether the programs are in a facility regulated by Subchapter 5 (commencing with Section 1300) of Chapter 1 of Division 1 of Title 15 of the California Code of Regulations. This element of the plan shall also include information on how the facilities will ensure the safety and protection of youth having different ages, genders, special needs, and other relevant characteristics.

(5) A description of how the plan will incentivize or facilitate the retention of realigned youth within the jurisdiction and rehabilitative foundation of the juvenile justice system in lieu of transfers of realigned youth into the adult criminal justice system.

(6) A description of any regional agreements or arrangements to be supported by the block grant allocation pursuant to this chapter.

(7) A description of how data will be collected on the youth served and outcomes for youth served by the block grant program, including a description the outcome measures that will be utilized to measure or determine the results of programs and interventions supported by block grant funds.

(8) A description of progress made regarding any elements described in this subdivision and any objectives and outcomes set forth in the plan submitted to the Office of Youth and Community Restoration the previous calendar year.

(9) A summary of expenditures from the prior fiscal year, including, but not limited to, total expenditures, a description of whether the expenditures were or were not consistent with the plan described in subdivision (a), and a description of how these expenditures improve outcomes for the realignment target population described in Section 1990. The summary shall be in a format designated by the Office of Youth and Community Restoration.

(e) In order to receive 2022–23 funding pursuant to Section 1991, a plan shall be filed with the Office of Youth and Community Restoration by January 1, 2022. In order to continue receiving funding, the subcommittee shall convene no less frequently than twice per year to consider the plan and shall update the plan annually. The plan shall be submitted to the Office of Youth and Community Restoration by May 1 of each year.

(f) The Office of Youth and Community Restoration shall review the plan to ensure that the plan contains all the elements and follows the planning process described in this section and may return the plan to the county for revision as necessary or to complete the required planning process prior to

final acceptance of the plan. Any actions of the Office of Youth and Community Restoration pursuant to this section shall have no delay or withholding effect on the allocation of funds to counties pursuant to Section 1991.

(g) The Office of Youth and Community Restoration shall prepare and make available to the public on its internet website a summary and a copy of the annual county plans submitted pursuant to this section and date of the Office of Youth and Community Restoration's final acceptance of each plan.

SEC. 3. Section 10072.3 of the Welfare and Institutions Code is amended to read:

10072.3. (a) This section shall be known, and may be cited, as the California Fruit and Vegetable EBT Pilot Project.

(b) For purposes of this section, the following definitions apply:

(1) "Authorized pilot retailer" means any retail establishment that is authorized to accept CalFresh benefits, including, but not limited to, grocery stores, corner stores, farmers' markets, farm stands, and mobile markets.

(2) "Fresh fruits and vegetables" means any variety of whole or cut fruits and vegetables without added sugars, fats, oils, or salt and that have not been processed with heat, drying, canning, or freezing.

(3) "Supplemental benefits" means additional funds delivered to a CalFresh recipient's EBT card upon purchase of fresh fruits and vegetables using CalFresh benefits, and to be redeemed only for purchases allowed under the CalFresh program at an authorized retailer.

(c) The department, in consultation with the Department of Food and Agriculture, county CalFresh administrators, and stakeholders with experience operating CalFresh nutrition incentive programs, shall include within the EBT system a supplemental benefits mechanism that allows an authorized pilot retailer to deliver and redeem supplemental benefits. The supplemental benefits mechanism shall be compatible with operational procedures at farmers' markets with centralized point-of-sale terminals and at grocery stores with integrated point-of-sale terminals. The supplemental benefits mechanism shall ensure all of the following:

(1) Supplemental benefits can be transferable across any CalFresh program authorized retailer.

(2) Supplemental benefits can be accrued, tracked, and redeemed by CalFresh recipients in a seamless, integrated process through the EBT system.

(3) Supplemental benefits can only be accrued by CalFresh recipients through the purchase of fresh fruits and vegetables from an authorized pilot retailer.

(4) Supplemental benefits can only be redeemed to make eligible purchases under the CalFresh program from an authorized retailer.

(5) The supplemental benefits mechanism complies with all applicable state and federal laws governing procedures to ensure privacy and confidentiality.

(6) Authorized pilot retailers that use EBT-only point-of-sale terminals, such as farmers' markets, and those that use integrated point-of-sale terminals, such as grocery stores, shall be able to integrate the new supplemental benefits mechanism into their existing systems, including the free state-issued hardware provided to certified farmers' markets and farmers.

(7) The supplemental benefits mechanism provides a CalFresh benefits to supplemental benefits match ratio of at least 1:1.

(8) A CalFresh household may only accrue up to a limited amount of supplemental benefits, as determined by the department.

(9) There shall be no expiration date for use of supplemental benefits, but the benefits may be expunged in accordance with federal Supplemental Nutrition Assistance Program (SNAP) regulations.

(d) There is hereby created in the State Treasury the California Fruit and Vegetable EBT Grant Fund. The fund shall consist of moneys from state, federal, and other public and private sources to provide grants pursuant to subdivision (e).

(e) Upon the deposit of sufficient moneys into the California Fruit and Vegetable EBT Grant Fund, as determined by the department, and upon the appropriation of moneys from the fund by the Legislature for this purpose, the department shall provide grants for pilot projects to implement and test the supplemental benefits mechanism in existing retail settings. The goal of the pilot project is to develop and refine a scalable model for increasing the purchase and consumption of fresh fruits and vegetables by delivering supplemental benefits to CalFresh recipients in a way that can be easily adopted by authorized retailers of various types, sizes, and locations in the future. The department, in consultation with the Department of Food and Agriculture, shall develop and adopt guidelines for awarding the grants, which shall include, at a minimum, all of the following requirements:

(1) (A) A minimum of three grants shall be awarded to nonprofit organizations or government agencies.

(B) At least one of the grants shall provide the ability to test the supplemental benefit mechanism at farmers' markets. A farmers' market that operates a centralized point-of-sale terminal and a scrip system and that also participates as a pilot project pursuant to this section may disburse scrips for supplemental benefits and for fresh fruits and vegetables concurrently.

(2) Selection criteria shall require that grant applicants demonstrate all of the following:

(A) Previous experience and effectiveness in administering CalFresh nutrition incentive programs, or similar supplemental benefits programs.

(B) Partnership commitment from at least one existing authorized retailer that already accepts CalFresh benefits and sells fresh fruits and vegetables.

(C) Ability to ensure that supplemental benefits are only accrued and delivered when purchasing fresh fruits and vegetables with CalFresh benefits and will be used only to make purchases authorized under the CalFresh program.

(D) Status as a nonprofit organization or government agency.

(E) Ability to provide the minimum data deemed necessary for the department to successfully evaluate the pilot project, as described in paragraph (1) of subdivision (f).

(F) Any other criteria that the department deems necessary for successful pilot project implementation, such as the level of need in the community, the size of the CalFresh population, and the need for geographic diversity.

(3) Grantees shall be responsible for all of the following:

(A) Securing the commitment of at least one authorized retailer willing to participate in the pilot project.

(B) Conducting community outreach.

(C) Providing evaluation data to the department.

(D) Ensuring the integrity of the pilot project following guidelines adopted by the department pursuant to this subdivision.

(f) (1) The department shall evaluate the pilot projects that operated pursuant to this section between February 1, 2023, and January 31, 2025, and make recommendations to further refine and expand the supplemental benefits mechanism. These recommendations shall also include a strategy for CalFresh client education, developed in consultation with county CalFresh administrators and advocates. The evaluation shall examine the efficacy of supplemental benefits accrual, delivery, and redemption from the perspective of CalFresh recipients, participating retailers, and state administrators. The evaluation shall also provide recommendations for further modifications that would make the mechanism easier for CalFresh recipients to use, for a variety of authorized retailer types to adopt, and for the department to administer. The department may contract with an independent evaluator to conduct this evaluation.

(2) (A) The department shall provide information on the timing and steps that would be necessary to transition the pilot project to a supplemental benefits program that is fully state managed, without grantee intermediaries.

(B) The information to be submitted under this paragraph shall include both of the following:

(i) The results of the evaluation required pursuant to paragraph (1).

(ii) Scoping the staff or other resources and timelines for all of the following:

(I) Engaging with and enrolling interested retailers directly on an ongoing basis, if the state makes additional funding available for further expansion.

(II) The staffing and technical resources needed by the Office of Technology and Solutions Integration to certify new retailers' EBT systems when they are onboarded into the program.

(III) Resources needed to align the EBT system and the California Statewide Automated Welfare System (CalSAWS) to fully automate financial reconciliation of fruit and vegetable supplemental benefits as the program expands.

(IV) Expansion to include online CalFresh transactions and grocery delivery services.

(3) (A) By July 1, 2025, the department shall submit a report to the Legislature on the topics described by paragraphs (1) and (2).

(B) The report submitted pursuant to subparagraph (A) shall be submitted in compliance with Section 9795 of the Government Code.

(g) Notwithstanding any other law, all of the following apply for the purposes of this section:

(1) Contracts or grants awarded pursuant to this section shall be exempt from the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

(2) Contracts or grants awarded pursuant to this section are exempt from the Public Contract Code and the State Contracting Manual, and are not subject to the approval of the Department of General Services or the Department of Technology.

(3) The state is immune from any liability resulting from the implementation of this section.

(4) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement, interpret, or make specific this section without taking any regulatory action.

(h) Notwithstanding Sections 18927 and 11004, the supplemental benefits described in this section are not subject to recovery for an overissuance caused by intentional program violation, fraud, inadvertent household error, or administrative error, and are not subject to review under Section 10950.

(i) The supplemental benefits described in this section are not entitlement benefits, and the department shall provide those benefits pursuant to this section only to the extent that funding is appropriated in the annual Budget Act for purposes of this section.

(j) The department shall seek any necessary federal approvals to establish this pilot project.

(k) This section shall remain in effect only until January 1, 2027, and as of that date is repealed.

SEC. 4. Section 11265.15 of the Welfare and Institutions Code is amended to read:

11265.15. (a) The department shall work with the County Welfare Directors Association of California, representatives of county eligibility workers, the Statewide Automated Welfare System, and client advocates to develop and implement the necessary system changes to prepopulate the semiannual report form described in Section 11265.1.

(b) Upon certification that the Statewide Automated Welfare System can perform the necessary automation to implement this section, and to the extent permitted by federal law, counties shall provide recipients with a prepopulated semiannual report, either via mail or electronically, at the election of the recipient, instead of a blank form to comply with the requirement described in paragraph (2) of subdivision (c) of Section 11265.1. Final policy guidance for changes to the prepopulated semiannual report shall be completed by the department by August 15, 2025.

SEC. 5. Section 12306.16 of the Welfare and Institutions Code, as amended by Section 58 of Chapter 43 of the Statutes of 2023, is amended to read:

12306.16. (a) Commencing July 1, 2019, all counties shall have a rebased County IHSS Maintenance of Effort (MOE).

(b) (1) The statewide total rebased County IHSS MOE base for the 2019–20 fiscal year shall be established at one billion five hundred sixty-three million two hundred eighty-two thousand dollars ($1,563,282,000).

(2) The Department of Finance shall consult with the department and the California State Association of Counties to determine each county's share of the statewide total rebased County IHSS MOE base amount. The rebased County IHSS MOE base shall be unique to each individual county.

(3) (A) The amount of General Fund moneys available for county administration and public authority administration is limited to the amount of General Fund moneys appropriated for those specific purposes in the annual Budget Act, and increases to this amount do not impact the rebased County IHSS MOE.

(B) The state shall pay 100 percent of the allowable nonfederal share of county administration and public authority administration costs for each county. Once the county's share of the appropriated General Fund moneys is exhausted, the county shall pay 100 percent of the remaining nonfederal share of county administration and public authority administration costs. Each county shall pay 100 percent of any costs for public authority administration that are in excess of the county's approved rate approved pursuant to subdivision (a) of Section 12306.1. At the end of the fiscal year, any remaining unspent General Fund moneys allocated for IHSS county administration or public authority administration shall be redistributed through a methodology determined in conjunction with the County Welfare Directors Association of California or the California Association of Public Authorities.

(C) Amounts expended by a county or public authority on administration in excess of the amount described in subparagraphs (A) and (B) shall not be attributed towards the county meeting its rebased County IHSS MOE requirement.

(D) The department shall consult with the California State Association of Counties, the County Welfare Directors Association of California, and the California Association of Public Authorities to determine the county-by-county distribution of the amount of General Fund moneys appropriated in the annual Budget Act for county administration and public authority administration.

(c) Beginning on July 1, 2020, and annually thereafter, the rebased County IHSS MOE from the previous year shall be adjusted by an inflation factor of 4 percent.

(d) In addition to the adjustment in subdivision (c), the rebased County IHSS MOE shall be adjusted for the annualized cost of increases in provider wages, health benefits, or other benefits that are locally negotiated, mediated,

or imposed, on or after July 1, 2019, including any increases in provider wages, health benefits, or other benefits adopted by ordinance pursuant to Article 1 (commencing with Section 9100) of Chapter 2 of Division 9 of the Elections Code or any future increases resulting from the same, including increases to health benefit premiums. For health benefit premium increases only, for any memorandum of understanding or collective bargaining agreement between the recognized employee organization and the county, public authority, or nonprofit consortium, executed or extended and submitted to the department for approval prior to July 1, 2019, through the end date, as specified in the memorandum of understanding or collective bargaining agreement described in this subdivision, the state shall cover 100 percent of the nonfederal share of health benefit premium increases, and there shall not be an adjustment to the rebased County IHSS MOE.

(1) (A) If the department approves the rate for an increase in provider wages or health benefits that are locally negotiated, mediated, imposed, or adopted by ordinance pursuant to Section 12306.1, the state shall pay 65 percent, and the affected county shall pay 35 percent, of the nonfederal share of the cost increase, in accordance with subparagraph (B).

(B) With respect to any increase in provider wages or health benefits approved on or after July 1, 2019, pursuant to subparagraph (A), the state shall participate in that increase as provided in subparagraph (A) up to the amount specified in paragraphs (1), (2), and (3) of subdivision (d) of Section 12306.1. The county shall pay the entire nonfederal share of any cost increase exceeding the amount specified in paragraphs (1), (2), and (3) of subdivision (d) of Section 12306.1.

(C) With respect to an increase in benefits, other than individual health benefits, locally negotiated, mediated, or imposed by a county, public authority, or nonprofit consortium, or adopted by ordinance, the county's County IHSS MOE shall include a one-time adjustment equal to 35 percent of the nonfederal share of the increased benefit costs. If the department, in consultation with the California State Association of Counties, determines that the increase is one in which the state does not participate, the county's County IHSS MOE shall include a one-time adjustment for the entire nonfederal share.

(2) If the department does not approve the rate for an increase in provider wages or health benefits, or increase in other benefits pursuant to subparagraph (C) of paragraph (1), that are locally negotiated, mediated, imposed, or adopted by ordinance pursuant to Section 12306.1, or increase to the public authority administrative rate, the county shall pay the entire cost of the increase.

(3) The county share of increased expenditures pursuant to subparagraphs (A) to (C), inclusive, of paragraph (1), shall be included in the rebased County IHSS MOE, in addition to the amount established under subdivision (c). For any increase in provider wages or health benefits, or increase in other benefits pursuant to subparagraph (C) of paragraph (1), that becomes effective on a date other than July 1, the department shall adjust the county's rebased County IHSS MOE to reflect the annualized cost of the county's

share of the nonfederal cost of the wage or health benefit increase. This adjustment shall be calculated based on the county's 2019–20 paid IHSS hours and the appropriate cost-sharing ratio as grown by the applicable number of inflation factors pursuant to subdivision (c) that have occurred up to and including the fiscal year in which the increase becomes effective.

(4) (A) With respect to any rate increases to existing contracts that a county has already entered into pursuant to Section 12302, the state shall pay 65 percent, and the affected county shall pay 35 percent, of the nonfederal share of the amount of the rate increase up to the maximum amounts established pursuant to Sections 12302.1 and 12303. The county shall pay the entire nonfederal share of any portion of the rate increase exceeding the maximum amount established pursuant to Sections 12302.1 and 12303. This adjustment shall be calculated based on the county's 2019–20 paid IHSS contract hours, or the paid contract hours in the fiscal year in which the contract becomes effective if the contract becomes effective on or after July 1, 2019, using the appropriate cost-sharing ratio as grown by the applicable number of inflation factors pursuant to subdivision (c) that have occurred up to and including the fiscal year in which the increase becomes effective.

(B) With respect to rates for new contracts entered into by a county pursuant to Section 12302 on or after July 1, 2019, the state shall pay 65 percent, and the affected county shall pay 35 percent, of the nonfederal share of the difference between the locally negotiated, mediated, imposed, or adopted by ordinance provider wage and the contract rate for all of the hours of service to IHSS recipients to be provided under the contract up to the maximum amounts established pursuant to Sections 12302.1 and 12303. The county shall pay the entire nonfederal share of any portion of the contract rate exceeding the maximum amount established pursuant to Sections 12302.1 and 12303. This adjustment shall be calculated based on the county's paid contract hours in the fiscal year in which the contract becomes effective using the appropriate cost-sharing ratio.

(5) The county share of the expenditures described in paragraph (4) shall be included in the rebased County IHSS MOE, in addition to the amounts established under subdivision (c). For any rate increases for existing contracts or rates for new contracts, entered into by a county pursuant to Section 12302 on or after July 1, 2019, that become effective on a date other than July 1, the department shall adjust the county's rebased County IHSS MOE to reflect the annualized cost of the county's share of the nonfederal cost of the increase or rate for new contracts. This adjustment shall be calculated as follows:

(A) For a contract described in subparagraph (A) of paragraph (4), the first-year cost of the amount of the rate increase calculated using the pro rata share of the number of hours of service provided in the contract for the fiscal year in which the increase became effective.

(B) For a contract described in subparagraph (B) of paragraph (4), the first-year cost of the difference between the locally negotiated, mediated, imposed, or adopted by ordinance provider wage and the contract rate for

all of the hours of service to IHSS recipients calculated using the pro rata share of the number of hours of service provided in the contract for the fiscal year in which the contract became effective.

(6) If the state ceases to receive enhanced federal financial participation for the provision of services pursuant to Section 1915(k) of the federal Social Security Act (42 U.S.C. Sec. 1396n(k)), the rebased County IHSS MOE shall be adjusted one time to reflect a 35-percent share of the enhanced federal financial participation that would have been received pursuant to Section 1915(k) of the federal Social Security Act (42 U.S.C. Sec. 1396n(k)) for the fiscal year in which the state ceases to receive the enhanced federal financial participation.

(7) Beginning July 1, 2026, if the state ceases to receive enhanced federal financial participation for the provision of services pursuant to Section 1915(k) of the federal Social Security Act (42 U.S.C. Sec. 1396n(k)) due to noncompliance of timely case reassessment for the Community First Choice Option program, the county shall pay, separate from the rebased County IHSS MOE payment, a 100-percent share of the enhanced federal financial participation that would have been received pursuant to Section 1915(k) of the federal Social Security Act (42 U.S.C. Sec. 1396n(k)) for the months in which the state did not receive the enhanced federal financial participation. For the 2025–26 fiscal year, the state and county shall each pay 50 percent of the amount of lost enhanced federal financial participation described in this paragraph. The department shall develop guidance, in consultation with the County Welfare Directors Association of California, to implement this paragraph.

(8) The rebased County IHSS MOE shall not be adjusted for increases in individual provider wages that are locally negotiated pursuant to subdivision (a) of, and paragraphs (1) and (2) of subdivision (d) of, Section 12306.1 when the increase has been specifically negotiated to take effect at the same time as, and to be the same amount as, state minimum wage increases.

(9) (A) A county may negotiate a wage supplement.

(i) The wage supplement shall be in addition to the highest wage rate paid in the county.

(ii) The first time the wage supplement is applied, the county's rebased County IHSS MOE shall include a one-time adjustment by the amount of the increased cost resulting from the supplement, as specified in paragraph (1).

(B) A wage supplement negotiated pursuant to subparagraph (A) shall subsequently be applied to the minimum wage when the minimum wage increase is equal to or exceeds the county wage paid without inclusion of the wage supplement and the increase to the county wage paid takes effect at the same time as the minimum wage increase.

(10) The Department of Finance shall consult with the California State Association of Counties to develop the computations for the annualized amounts pursuant to this subdivision.

(e) The rebased County IHSS MOE shall only be adjusted pursuant to subdivisions (c) and (d).

SEC. 6. Section 16121 of the Welfare and Institutions Code is amended to read:

16121. (a) (1) For initial adoption assistance agreements executed on or prior to December 31, 2007, the adoptive family shall be paid an amount of aid based on the child's needs otherwise covered in AFDC-FC payments and the circumstances of the adopting parents, but that shall not exceed the basic foster care maintenance payment rate structure in effect on December 31, 2007, that would have been paid based on the age-related state-approved foster family home rate, and any applicable specialized care increment, for a child placed in a licensed or approved family home.

(2) For initial adoption assistance agreements executed from January 1, 2008, to December 31, 2009, inclusive, the adoptive family shall be paid an amount of aid based on the child's needs otherwise covered in AFDC-FC payments and the circumstances of the adopting parents, but that shall not exceed the basic foster care maintenance payment rate structure in effect on December 31, 2009, that would have been paid based on the age-related state-approved foster family home rate, and any applicable specialized care increment, for a child placed in a licensed or approved family home.

(3) Notwithstanding any other provision of this section, for initial adoption assistance agreements executed on January 1, 2010, to June 30, 2011, inclusive, or the effective date specified in a final order, for which the time to appeal has passed, issued by a court of competent jurisdiction in California State Foster Parent Association, et al. v. William Lightbourne, et al., (U.S. Dist. Ct. No. C 07-08056 WHA), whichever is earlier, where the adoption is finalized on or before June 30, 2011, or the date specified in that order, whichever is earlier, the adoptive family shall be paid an amount of aid based on the child's needs otherwise covered in AFDC-FC payments and the circumstance of the adopting parents, but that amount shall not exceed the basic foster care maintenance payment rate structure in effect on June 30, 2011, or the date immediately before the date specified in the order described in this paragraph, whichever is earlier, and any applicable specialized care increment, that the child would have received while placed in a licensed or approved family home. Adoption assistance benefit payments shall not be increased based solely on age. This paragraph shall not preclude any reassessments of the child's needs, consistent with other provisions of this chapter.

(4) Notwithstanding any other provision of this section, for initial adoption assistance agreements executed on or after July 1, 2011, or the effective date specified in a final order, for which the time to appeal has passed, issued by a court of competent jurisdiction in California State Foster Parent Association, et al. v. William Lightbourne, et al. (U.S. Dist. Ct. No. C 07-05086 WHA), whichever is earlier, where the adoption is finalized on or after July 1, 2011, or the effective date of that order, whichever is earlier, and before December 31, 2016, and for initial adoption assistance agreements executed before July 1, 2011, or the date specified in that order, whichever

is earlier, where the adoption is finalized on or after the earlier of July 1, 2011, or that specified date, and before December 31, 2016, the adoptive family shall be paid an amount of aid based on the child's needs otherwise covered in AFDC-FC payments and the circumstances of the adopting parents, but that amount shall not exceed the basic foster family home rate structure effective and available as of December 31, 2016, plus any applicable specialized care increment. These adoption assistance benefit payments shall not be increased based solely on age. This paragraph shall not preclude any reassessments of the child's needs, consistent with other provisions of this chapter.

(5) Notwithstanding any other provision of this section, for initial adoption assistance agreements executed on or after January 1, 2017, and before July 1, 2027, or the effective date specified in paragraph (9) of subdivision (h) of Section 11461, as applicable, the adoptive family shall be paid an amount of aid based on the child's needs otherwise covered in AFDC-FC payments and the circumstances of the adopting parents, but that amount shall not exceed the home-based family care rate structure developed pursuant to subdivision (g) of Section 11461 and Section 11463, inclusive of any level of care determination, plus any applicable specialized care increment. This paragraph shall not preclude any reassessments of the child's needs consistent with other provisions of this chapter.

(6) (A) For initial adoption assistance agreements executed on and after the date specified in paragraph (9) of subdivision (h) of Section 11461, the adoptive family shall be paid an amount of aid based on the child's needs otherwise covered in AFDC-FC payments and the circumstances of the adopting parents, but that amount shall not exceed Tier 1 of the Care and Supervision component of the Tiered Rate Structure, as described in subdivision (h) of Section 11461, plus any applicable specialized care increment. This paragraph shall not preclude any reassessments of the child's needs consistent with other provisions of this chapter.

(B) Notwithstanding subparagraph (A), the department shall issue written guidance regarding the specific conditions under which an adoptive family may be paid an amount of aid based on the child's needs that exceeds Tier 1, but shall not exceed Tier 2, of the Care and Supervision component of the Tiered Rate Structure, as described in subdivision (h) of Section 11461, plus any applicable specialized care increment.

(b) Payment may be made on behalf of an otherwise eligible child in a state-approved group home, short-term residential therapeutic program, or residential care treatment facility if the department or county responsible for determining payment has confirmed that the placement is necessary for the temporary resolution of mental or emotional problems related to a condition that existed before the adoptive placement. Out-of-home in-state placements shall be in accordance with the applicable provisions of Chapter 3 (commencing with Section 1500) of Division 2 of the Health and Safety Code and other applicable statutes and regulations governing eligibility for AFDC-FC payments for placements in in-state facilities. If the placement is out-of-state, payments may be made only if the provisions of Section

16121.5 are met. The Adoption Assistance Program (AAP) rate paid on behalf of the child shall not exceed the rate paid for a short-term residential therapeutic program. The designation of the placement facility shall be made after consultation with the adoptive family by the department or county welfare agency responsible for determining the Adoption Assistance Program eligibility and authorizing financial aid. Group home, short-term residential therapeutic program, or residential placement shall only be made as part of a plan for return of the child to the adoptive family, that shall actively participate in the plan. Adoption Assistance Program benefits may be authorized for payment for an eligible child's group home, short-term residential therapeutic program, or residential treatment facility placement if the placement is justified by a specific episode or condition and does not exceed an 18-month cumulative period of time. After an initial authorized group home, short-term residential therapeutic program, or residential treatment facility placement, subsequent authorizations for payment for a group home, short-term residential therapeutic program, or residential treatment facility placement may be based on an eligible child's subsequent specific episodes or conditions.

(c) (1) Payments on behalf of a child who is a recipient of AAP benefits who is also a consumer of regional center services shall be based on the rates established by the State Department of Social Services pursuant to Section 11464 and subject to the process described in paragraph (1) of subdivision (d) of Section 16119.

(2) (A) Except as provided for in subparagraph (B), this subdivision shall apply to adoption assistance agreements signed on or after July 1, 2007.

(B) Rates paid on behalf of regional center consumers who are recipients of AAP benefits and for whom an adoption assistance agreement was executed before July 1, 2007, shall remain in effect, and may only be changed in accordance with Section 16119.

(i) If the rates paid pursuant to adoption assistance agreements executed before July 1, 2007, are lower than the rates specified in paragraph (1) of subdivision (c) or paragraph (1) of subdivision (d) of Section 11464, respectively, those rates shall be increased, as appropriate and in accordance with Section 16119, to the amount set forth in paragraph (1) of subdivision (c) or paragraph (1) of subdivision (d) of Section 11464, effective July 1, 2007. Once set, the rates shall remain in effect and may only be changed in accordance with Section 16119.

(ii) For purposes of this clause, for a child who is a recipient of AAP benefits or for whom the execution of an AAP agreement is pending, and who has been deemed eligible for or has sought an eligibility determination for regional center services pursuant to subdivision (a) of Section 4512, and for whom a determination of eligibility for those regional center services has been made, and for whom, before July 1, 2007, a maximum rate determination has been requested and is pending, the rate shall be determined through an individualized assessment and pursuant to subparagraph (C) of paragraph (1) of subdivision (c) of Section 35333 of Title 22 of the California

Code of Regulations as in effect on January 1, 2007, or the rate established in subdivision (b) of Section 11464, whichever is greater. Once the rate has been set, it shall remain in effect and may only be changed in accordance with Section 16119. Other than the circumstances described in this clause, regional centers shall not make maximum rate benefit determinations for the AAP.

(3) Regional centers shall separately purchase or secure the services contained in the child's IFSP or IPP, pursuant to Section 4684.

(4) Regulations adopted by the department pursuant to this subdivision shall be adopted as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and for the purposes of that chapter, including Section 11349.6 of the Government Code, the adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health, safety, and general welfare. The regulations authorized by this paragraph shall remain in effect for no more than 180 days, by which time final regulations shall be adopted.

(d) (1) In the event that a family signs an adoption assistance agreement where a cash benefit is not awarded, the adopting family shall be otherwise eligible to receive Medi-Cal benefits for the child if it is determined that the benefits are needed pursuant to this chapter.

(2) Regional centers shall separately purchase or secure the services that are contained in the child's Individualized Family Service Plan (IFSP) or Individual Program Plan (IPP) pursuant to Section 4684.

(e) The adoption assistance payment rate structure identified in subdivision (a) shall be adjusted by the percentage changes in the California Necessities Index, beginning with the 2011–12 fiscal year, and shall not require a reassessment.

SEC. 7. Section 16121.5 is added to the Welfare and Institutions Code, to read:

16121.5. (a) Adoption Assistance Program (AAP) payments may be made on behalf of an otherwise eligible child for placement in out-of-state residential treatment facility if one or more of the adoptive parents reside in the state in which the residential treatment facility is located and the responsible public agency has confirmed that placement in the an out-of-state residential treatment facility is necessary for the temporary resolution of the mental health, behavioral health, or emotional health needs of the child and related to a condition that existed before the adoptive placement.

(b) AAP benefits may be authorized for payment for an eligible child's placement in an out-of-state residential treatment facility if the responsible public agency has determined that both of the following conditions exist:

(1) One or more of the adoptive parents reside in the state in which the residential treatment facility is located.

(2) The placement is justified by a specific condition and does not exceed a 12-month cumulative period of time. For the purpose of transitioning the child home, payment at the rate described in subdivision (d) may continue

for up to an additional 60 calendar days if the child remains placed at the out-of-state residential treatment facility.

(c) The designation of the placement facility shall be made, after consultation with the adoptive family, by the responsible public agency. Placement in an out-of-state residential treatment facility shall only be made as part of a plan for return of the child to the adoptive family and the adoptive parents shall actively participate in the reunification plan.

(d) The AAP rate paid on behalf of the child for an out-of-state residential treatment facility shall not exceed the lesser amount of the following:

(1) The rate paid for a foster care placement in a short-term residential therapeutic program, as defined in paragraph (18) of subdivision (a) of Section 1502 of the Health and Safety Code.

(2) The rate determined by the ratesetting authority in the state in which the out-of-state residential treatment facility is located.

(e) (1) For the purpose of this section, "out-of-state residential treatment facility" means a facility that is located in a state outside of California, is licensed and in good standing or otherwise approved and in good standing by the applicable state or tribal authority, is eligible as a Title IV-E funded placement in the state in which it is situated, and provides an integrated program of specialized and intensive care and supervision, services and supports, treatment, and short-term, 24-hour, trauma-informed care and supervision to children. An out-of-state residential treatment facility may be called another name, including a group home, a residential facility, or a residential care treatment facility. An out-of-state residential treatment facility shall have a trauma-informed therapeutic focus to treat a child's mental health, behavioral health, emotional health, and attachment needs, and shall have a mental health clinic program.

(2) For purposes of this section, "out-of-state residential treatment facility" shall not include wilderness programs, boot camps, detention facilities, any facility operated primarily for the detention of youth who are involved in the juvenile justice system, academies, or schools, including, but not limited to, boarding schools and military schools.

(3) For purposes of this section, "responsible public agency" means the department or licensed county adoption agency responsible for determining a child's AAP eligibility and initial and subsequent payment amount.

(f) (1) Prior to the authorization of AAP benefits in the out-of-state residential treatment facility, the adoptive family shall provide proof of licensing and accreditation to the responsible public agency. The adoptive family shall provide verification that the out-of-state residential treatment facility is all of the following:

(A) Licensed or otherwise approved by the applicable state or tribal authority.

(B) In good standing.

(C) Eligible as a Title IV-E funded placement.

(D) A qualified residential treatment program, as defined in the federal Social Security Act (42 U.S.C. Sec. 672(k)(4)).

(2) The documentation required by paragraph (1) shall originate from the government agency or tribal authority that licenses or otherwise approves the out-of-state residential treatment facility, or the appropriate state or tribal Title IV-E agency.

(g) Commencing September 1, 2025, and annually thereafter, county adoption agencies shall provide all of the following information to the department:

(1) The total number of children in out-of-state residential treatment facilities.

(2) The name and location of each out-of-state residential treatment facility during the reporting period.

(3) The number of days each child placed in an out-of-state residential treatment facility remained in that facility.

(h) Nothing in this section shall be interpreted to invalidate or alter the terms or conditions of adoption assistance agreements executed before the effective date of this section. For a child who is placed in an out-of-state residential treatment facility before June 30, 2025, or the effective date of this section, whichever date is later, and remains in placement on June 30, 2025, or the effective date of this section, whichever date is later, payment at the negotiated benefit amount shall not exceed the timeframe authorized in the adoption assistance agreement in effect on June 30, 2025, or the effective date of this section, whichever date is later, unless the responsible public agency and the adoptive parents have negotiated and agreed upon up to an additional 60 calendar days for the purpose of transitioning the child home.

(i) The department shall engage child welfare advocates, county child welfare agencies, tribes, and interested stakeholders to update policies regarding the use of AAP for wraparound and out-of-home placements, and shall provide to the Legislature proposed statutory changes no later than February 1, 2026.

(j) (1) The department shall provide guidance to counties regarding the steps necessary to document the requirements described in this section and shall develop processes to regularly document that the out-of-state residential treatment facility continues to meet the requirements of subdivision (f).

(2) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement, interpret, or make specific this section by means of all-county letters or similar written instructions and amended forms, which shall be exempt from submission to or review by the Office of Administrative Law. These all-county letters or similar instructions shall have the same force and effect as regulations.

(k) This section is inoperative on July 1, 2027, or the date that the department notifies the Legislature that the California Statewide Automated Welfare System can perform the necessary automation to implement the Tiered Rate Structure described in subdivision (h) of Section 11461, whichever is later, and is repealed as of January 1 of the following year.

SEC. 8. Section 16121.5 is added to the Welfare and Institutions Code, to read:

16121.5. (a) Adoption Assistance Program (AAP) payments may be made on behalf of an otherwise eligible child for placement in an out-of-state residential treatment facility if one or more of the adoptive parents reside in the state in which the residential treatment facility is located and the responsible public agency has confirmed that placement in the out-of-state residential treatment facility is necessary for the temporary resolution of the mental health, behavioral health, or emotional health needs of the child and related to a condition that existed before the adoptive placement.

(b) AAP benefits may be authorized for payment for an eligible child's placement in an out-of-state residential treatment facility if the responsible public agency has determined that both of the following conditions exist:

(1) One or more of the adoptive parents reside in the state in which the residential treatment facility is located.

(2) The placement is justified by a specific condition and does not exceed a 12-month cumulative period of time. For the purpose of transitioning the child home, payment at the rate described in subdivision (d) may continue for up to an additional 60 calendar days if the child remains placed at the out-of-state residential treatment facility.

(c) The designation of the placement facility shall be made, after consultation with the adoptive family, by the responsible public agency. Placement in an out-of-state residential treatment facility shall only be made as part of a plan for return of the child to the adoptive family and the adoptive parents shall actively participate in the reunification plan.

(d) The AAP rate paid on behalf of the child for an out-of-state residential treatment facility shall not exceed the lesser amount of the following:

(1) The sum of all of the following:

(A) The Tier 3+ Care and Supervision rate established under paragraph (3) of subdivision (h) of Section 11461.

(B) The Tier 3+ administrative rate established under paragraph (2) of subdivision (e) of Section 11462.

(C) The Tier 3+ Immediate Needs Funding established under subparagraph (B) of paragraph (1) of subdivision (d) of Section 16562.

(2) The rate determined by the ratesetting authority in the state in which the out-of-state residential treatment facility is located.

(e) (1) For the purpose of this section, "out-of-state residential treatment facility" means a facility that is located in a state outside of California, is licensed and in good standing or otherwise approved and in good standing by the applicable state or tribal authority, is eligible as a Title IV-E funded placement in the state in which it is situated, and provides an integrated program of specialized and intensive care and supervision, services and supports, treatment, and short-term, 24-hour, trauma-informed care and supervision to children. An out-of-state residential treatment facility may be called another name, including a group home, a residential facility, or a residential care treatment facility. An out-of-state residential treatment facility shall have a trauma-informed therapeutic focus to treat a child's

mental health, behavioral health, emotional health, and attachment needs, and shall have a mental health clinic program.

(2) For purposes of this section, "out-of-state residential treatment facility" shall not include wilderness programs, boot camps, detention facilities, any facility operated primarily for the detention of youth who are involved in the juvenile justice system, academies, or schools, including, but not limited to, boarding schools and military schools.

(3) For purposes of this section, "responsible public agency" means the department or licensed county adoption agency responsible for determining a child's AAP eligibility and initial and subsequent payment amount.

(f) (1) Prior to the authorization of AAP benefits in the out-of-state residential treatment facility, the adoptive family shall provide proof of licensing and accreditation to the responsible public agency. The adoptive family shall provide verification that the out-of-state residential treatment facility is all of the following:

(A) Licensed or otherwise approved by the applicable state or tribal authority.

(B) In good standing.

(C) Eligible as a Title IV-E funded placement.

(D) A qualified residential treatment program, as defined in the federal Social Security Act (42 U.S.C. Sec. 672(k)(4)).

(2) The documentation required by paragraph (1) shall originate from the government agency or tribal authority that licenses or otherwise approves the out-of-state residential treatment facility, or the appropriate state or tribal Title IV-E agency.

(g) County adoption agencies shall annually provide all of the following information to the department:

(1) The total number of children in out-of-state residential treatment facilities.

(2) The name and location of each out-of-state residential treatment facility during the reporting period.

(3) The number of days each child placed in an out-of-state residential treatment facility remained in that facility.

(h) (1) The department shall provide guidance to counties regarding the steps necessary to document the requirements described in this section and shall develop processes to regularly document that the out-of-state residential treatment facility continues to meet the requirements of subdivision (f).

(2) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement, interpret, or make specific this section by means of all-county letters or similar written instructions and amended forms, which shall be exempt from submission to or review by the Office of Administrative Law. These all-county letters or similar instructions shall have the same force and effect as regulations until the adoption of regulations no later than January 1, 2031.

(i) This section is operative on July 1, 2027, or the date that the department notifies the Legislature that the California Statewide Automated Welfare System can perform the necessary automation to implement the Tiered Rate Structure described in subdivision (h) of Section 11461, whichever is later.

SEC. 9. Section 16506.5 is added to the Welfare and Institutions Code, to read:

16506.5. (a) Effective July 1, 2025, county child welfare agencies shall convene child and family team meetings, as defined in paragraph (5) of subdivision (a) of Section 16501, for children and youth receiving family maintenance services pursuant to Section 16506. Requirements for child and family teams, including, but not limited to, those described in Sections 832, 16501, and 16501.1, shall apply to child and family team meetings for children and youth receiving family maintenance services pursuant to Section 16506.

(b) Notwithstanding the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code), the department may implement, interpret, or make specific this section by means of all-county letters or similar instructions, which shall be exempt from submission to or review by the Office of Administrative Law and shall have the same force and effect of regulations, until regulations are adopted, not later than January 1, 2030.

SEC. 10. Section 18917.1 is added to the Welfare and Institutions Code, to read:

18917.1. (a) In the event of a declaration by the Governor or the President of the United States of a major disaster, the Legislature finds and declares that the State Department of Social Services and affected county human services agencies will require additional funding to cover the administrative costs to prepare for, and respond to, a declaration by the President of the United States of a major disaster, and to maximize the amount of assistance requested and received through the federal Disaster Supplemental Nutrition Assistance Program and other federally funded nutrition assistance programs, and the costs to prepare for and execute Disaster CalFresh outreach.

(b) Notwithstanding Section 13340 of the Government Code, in the event of a declaration by the Governor or the President of the United States of a major disaster, an amount necessary to cover the costs of the disaster assistance services specified in subdivision (a) shall be continuously appropriated without regard to fiscal years to the State Department of Social Services from the General Fund. The amounts appropriated to the department shall not exceed three hundred thousand dollars ($300,000) per disaster declaration.

SEC. 11. To the extent that this act has an overall effect of increasing certain costs already borne by a local agency for programs or levels of service mandated by the 2011 Realignment Legislation within the meaning of Section 36 of Article XIII of the California Constitution, it shall apply

to local agencies only to the extent that the state provides annual funding for the cost increase. Any new program or higher level of service provided by a local agency pursuant to this act above the level for which funding has been provided shall not require a subvention of funds by the state or otherwise be subject to Section 6 of Article XIII B of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

SEC. 12. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.

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