

(Without Reference to File)**SENATE THIRD READING**

SB 118 (Committee on Budget and Fiscal Review)

As Amended June 24, 2025

Majority vote. Budget Bill Appropriation Takes Effect Immediately

SUMMARY

This is the Human Services Omnibus 1 Trailer Bill, including statutory changes necessary to effectuate changes in the 2025 Budget Act.

Major Provisions

This bill does the following:

- 1) Updates the Juvenile Justice Realignment Block Grant formula beginning in 2026-27. Includes specified restrictions on the use of funding for facilities that are unsuitable, and requires reporting on expenditures. For the 2025-26 fiscal year, appropriates \$208.8 million General Fund for appropriate rehabilitative and supervision services.
- 2) Authorizes Adoption Assistance Program (AAP) payments 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 is necessary, among other requirements. Requires counties, commencing September 1, 2025, and annually thereafter, to provide data to the Department of Social Services (DSS) regarding out-of-state residential treatment facilities and the children placed in those facilities, and requires DSS to provide guidance to counties regarding steps necessary to document the requirements of these provisions.
- 3) Prohibits 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 three components of the Foster Care Tiered Rate Structure becoming operative, which includes the amount paid to the foster care provider for care and supervision of the child, a strengths building allocation, and an immediate needs allocation, prohibits the AAP payment rate from exceeding the lesser of the sum of the three 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.
- 4) Specifies that DSS shall evaluate the California Fruit and Vegetable EBT Pilot Project (also called the "CalFresh Fruit and Vegetable Pilot") for the projects that operated between February 1, 2023 and January 31, 2025. The budget includes \$36 million General Fund for 2025-26 and this limitation allows for the evaluation currently underway to complete with the prior implemented funds.
- 5) Requires that in the event of a declaration by the Governor or the President of the United States of a major disaster, costs for disaster assistance services to prepare for and execute Disaster CalFresh outreach will be continuously appropriated without regard to fiscal years to DSS from the General Fund. Specifies that the amount appropriated to DSS will not exceed \$300,000 per disaster declaration.

- 6) Requires 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. Additionally requires DSS to complete final policy guidance for changes to the prepopulated semiannual report by August 15, 2025.
- 7) Requires, commencing July 1, 2026, a county to pay, separate from the rebased County In-Home Supportive Services (IHSS) Maintenance of Effort (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 Community First Choice Option (CFCO) program. Requires, for the 2025–26 fiscal year, the state and county to each pay 50% of the amount of that lost enhanced federal financial participation. These changes correspond to a reduction of \$40.5 million General Fund in 2025-26 and \$87.4 million General Fund in 2026-27 and ongoing included in the 2025 Budget Act. Requires that DSS develop related guidance in consultation with the County Welfare Directors Association of California.
- 8) Requires, beginning July 1, 2025, all county child welfare agencies to convene child and family team meetings for children and youth receiving family maintenance services, with regulations for this to be adopted no later than January 1, 2030.
- 9) Provides that with regard to certain mandates no reimbursement is required by this act for a specified reason. With regard to any other mandates, provides 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.
- 10) Declares that this bill is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

COMMENTS

This bill makes necessary changes that align to the 2025 Budget Act in Human Services.

According to the Author

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

This trailer bill includes changes that align to the budgets in multiple areas of Human Services, including the Juvenile Justice Realignment Block Grant, In-Home Supportive Services county administrative funding, and Adoption Assistance Program payments.

VOTES

SENATE FLOOR: 28-10-2

YES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Richardson, Rubio, Smallwood-Cuevas, Umberg, Wahab, Weber Pierson, Wiener

NO: Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

ABS, ABST OR NV: Reyes, Stern

UPDATED

VERSION: June 24, 2025

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FN: 0000996