

OKLAHOMA STATE SENATE
JOINT
COMMITTEE REPORT

May 14, 2013

JOINT COMMITTEE ON APPROPRIATIONS AND BUDGET

SB 1120

By: Jolley and Justice of the Senate and Martin (Scott) and Newell of the House

Title: Department of Human Services; budgeting in certain categories; lapse dates.
Effective date.

Co-Authored By:

Recommendation: **DO PASS AS AMENDED**

Aye: Bass, Brinkley, Coates, Crain, David, Ellis, Fields, Ford, Griffin, Halligan, Holt,
Ivester, Johnson (Rob), Newberry, Paddack, Standridge, Stanislawski, Sykes,
Justice, Jolley

Nay: Treat

Pass:

Senator Clark Jolley, Chair

Amendments:

1. Committee Substitute Attached.
Committee Substitute Adopted by Senator Jolley

OKLAHOMA HOUSE OF REPRESENTATIVES
COMMITTEE REPORT

JOINT APPROPRIATIONS AND BUDGET COMMITTEE

SB1120

By: Martin (Scott) et al of the House

Jolley et al of the Senate

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lapse dates. Effective date.

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Recommendation: **DO PASS AS AMENDED BY CS**

Amendments:

1. Committee Substitute Attached


Chr.
Representative Scott Martin

YEAS: 20

Armes, Denney, McDaniel (J), Roberts (S), Billy, Dorman, McNiel, Sanders, Brown, Kern, Nelson,
Schwartz, Coody, Martin (Sc), Newell, Sears, Cox, McCullough, Proctor, Watson

NAYS: 1

McPeak

CONSTITUTIONAL PRIVILEGE: 0

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 1120

By: Jolley and Justice of the
Senate

6 and

7 Martin (Scott) and Newell
8 of the House

9
10 COMMITTEE SUBSTITUTE

11 An Act relating to the Department of Human Services;
12 requiring budgeting in certain categories and
13 amounts; requiring certain performance measures;
14 requiring that portions of certain appropriated funds
15 be used for certain purposes; specifying that certain
16 funding shall be considered additional funding;
17 stating legislative intent; directing certain
18 transfer; specifying funds to be distributed;
19 appropriating certain federal monies; stating
20 purpose; authorizing early transfers of certain funds
21 for specific purposes; directing certain transfer of
22 appropriated funds in requested amounts and ratios;
23 specifying purposes; requiring certain records;
24 authorizing certain interyear transfers; providing
lapse dates; requiring certain budget procedures;
prohibiting certain budget procedures; providing an
effective date; and declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

1 SECTION 1. For the fiscal year ending June 30, 2014, the
 2 Department of Human Services shall budget all appropriated and other
 3 funds in the following categories and amounts:

4	<u>Category</u>	<u>Appropriation</u>	<u>Total</u>
5	Child Welfare Services	\$171,330,982.00	\$ 352,096,898.00
6	Child Care Services	2,127,364.00	24,931,010.00
7	Developmental Disabilities		
8	Service	137,823,953.00	270,401,982.00
9	Temporary Assistance to Needy		
10	Families (TANF) Cash		
11	Assistance	17,640,904.00	22,664,592.00
12	Temporary Assistance to Needy		
13	Families (TANF) Work		
14	Activities	21,561,105.00	27,667,353.00
15	Aid to Aged, Blind and Disabled		
16	(ABD) State Supplemental		
17	Payments	38,602,040.00	39,202,040.00
18	Child Care Subsidy Payments	29,560,580.00	139,140,000.00
19	Adult and Family Services	67,345,046.00	202,625,247.00
20	Child Support Services	9,334,745.00	66,658,618.00
21	Aging Services	94,944,890.00	127,534,685.00
22	Administration and Data		
23	Services	32,687,055.00	125,898,501.00
24	SNAP Benefits	0.00	960,000,000.00

1	Developmental Disabilities and		
2	ADvantage Rates	<u>8,000,000.00</u>	<u>8,000,000.00</u>
3	TOTAL	\$630,958,664.00	\$2,366,820,926.00

4 The agency shall develop outcome-based performance measures for
5 each budget category.

6 SECTION 2. From the funds appropriated to the Department of
7 Human Services in Sections 72 through 75 of Enrolled House Bill No.
8 2301 of the 1st Session of the 54th Oklahoma Legislature, the amount
9 of Fifty-seven Million Dollars (\$57,000,000.00) shall be used for
10 implementing Phase One and Two of the Pinnacle Plan.

11 SECTION 3. From the funds appropriated to the Department of
12 Human Services in Sections 72 through 75 of Enrolled House Bill No.
13 2301 of the 1st Session of the 54th Oklahoma Legislature, the amount
14 of Eight Million Dollars (\$8,000,000.00) shall be used to provide an
15 increase in reimbursement rates for home- and community-based
16 services administered by Developmental Disabilities Services
17 Division (DDSD) and Aging Services Division (ASD) for the fiscal
18 year beginning July 1, 2013. The rate increase will be effective
19 July 1, 2013. It is the intent of the Oklahoma Legislature that at
20 a minimum, seventy percent (70%) of the rate increase for home- and
21 community-based services shall be provided to direct care staff for
22 the following costs: wages and benefits which include payroll
23 taxes, workers' compensation, overtime, health insurance, liability
24 insurance and retirement plans. The Department will measure

1 compliance related to this section regarding the rate increase on an
2 annual basis.

3 SECTION 4. From the funds appropriated to the Department of
4 Human Services in Sections 72 through 75 of Enrolled House Bill No.
5 2301 of the 1st Session of the 54th Oklahoma Legislature, the amount
6 of One Million Dollars (\$1,000,000.00) shall be used for providing
7 services for persons with developmental disabilities. These funds
8 shall be used to provide additional services and programs for
9 persons with developmental disabilities to reduce the size of the
10 Developmental Disabilities Services Division waiting list and shall
11 be used to supplement rather than replace existing resources and
12 programs.

13 SECTION 5. From the funds appropriated to the Department of
14 Human Services in Sections 72 through 75 of Enrolled House Bill No.
15 2301 of the 1st Session of the 54th Oklahoma Legislature, the amount
16 of Two Million Dollars (\$2,000,000.00) shall be used for legal
17 expenses related to the D.G., by Next Friend G. Gail Stricklin et
18 al., v. Brad Yarbrough, Chairman of the Oklahoma Commission for
19 Human Services, et al. lawsuit.

20 SECTION 6. From the funds appropriated to the Department of
21 Human Services in Sections 72 through 75 of Enrolled House Bill No.
22 2301 of the 1st Session of the 54th Oklahoma Legislature, the amount
23 of Four Hundred Thousand Dollars (\$400,000.00) shall be used to
24 provide Adult Day Services.

1 SECTION 7. Notwithstanding the provisions of Sections 3 and 4
2 of this act, it is the intent of the Oklahoma Legislature that the
3 Department of Human Services fully fund the Developmental
4 Disabilities Services Division (DDSD) within the Department of Human
5 Services in FY-2014 with all of the state, federal, and other
6 existing financial resources available to the Department, including
7 increasing state funds to make up for the loss of Federal FMAP funds
8 so that total spending in FY-2014 is no less than FY-2013. It is
9 further the Oklahoma Legislature's intent that services to current
10 DDSD clients and related provider rates to such clients not be cut
11 in FY-2014.

12 SECTION 8. Notwithstanding the provisions of Section 3 of this
13 act, it is the intent of the Oklahoma Legislature that the
14 Department of Human Services fully fund in its entirety the
15 Advantage Home and Community-based Waiver Program, Money Follows the
16 Person, Homeward Bound Waiver, In-Home Supports, Advantage Waiver,
17 Personal Care, and Targeted Case Management within the Department of
18 Human Services in FY-2014 with all of the state, federal, and other
19 existing financial resources available to the Department, including
20 increasing state funds to make up for the loss of Federal FMAP funds
21 so that total spending in FY-2014 is no less than FY-2013. It is
22 further the Oklahoma Legislature's intent that services to clients
23 and related provider rates within the Advantage Home and Community-
24 based Waiver Program, Money Follows the Person, Homeward Bound

1 Waiver, In-Home Supports, Advantage Waiver, Personal Care, and
2 Targeted Case Management not be cut in FY-2014.

3 SECTION 9. Notwithstanding the provisions of Section 6 of this
4 act, it is the intent of the Oklahoma Legislature that the
5 Department of Human Services fully fund the Adult Day Services in
6 FY-2014 with all of the state, federal, and other existing financial
7 resources available to the Department of Human Services, including
8 increasing state funds to make up for the loss of Federal FMAP funds
9 so that total spending in FY-2014 is no less than FY-2013. It is
10 further the Oklahoma Legislature's intent that services to current
11 Adult Day Services clients and related provider rates to such
12 clients not be cut in FY-2014.

13 SECTION 10. It is the intent of the Oklahoma Legislature that
14 the Department of Human Services fund in its entirety the Senior
15 Nutrition Program within the Aging Services Division in FY-2014 with
16 all of the state, federal, and other existing financial resources
17 available to the Department.

18 SECTION 11. From the funds appropriated to the Department of
19 Human Services in Sections 72 through 75 of Enrolled House Bill No.
20 2301 of the 1st Session of the 54th Oklahoma Legislature, the
21 Department of Human Services shall transfer Two Million Eight
22 Hundred Thousand Dollars (\$2,800,000.00) to the credit of the Child
23 Abuse Multidisciplinary Account established in Section 1-9-103 of
24

1 Title 10A of the Oklahoma Statutes, which shall be distributed
2 according to Section 1-9-104 of Title 10A of the Oklahoma Statutes.

3 SECTION 12. There is hereby appropriated to the Department of
4 Human Services all federal monies received by the state during the
5 fiscal year ending June 30, 2014, from the Temporary Assistance to
6 Needy Families Block Grant and the Child Care and Development Fund
7 Block Grant to meet the provisions of federal law relating to such
8 grants.

9 SECTION 13. The Director of the Department of Human Services
10 may request through the Director of the Office of Management and
11 Enterprise Services the early transfer by the Oklahoma Tax
12 Commission of tax collections to the General Revenue Fund for the
13 purpose of early allocation to the Department's disbursing funds to
14 alleviate cash-flow problems.

15 SECTION 14. A. The Director of the Office of Management and
16 Enterprise Services shall transfer monies appropriated from the
17 General Revenue Fund and Special Cash Fund to the Department of
18 Human Services' disbursing funds in the amounts and ratios requested
19 by the agency except that the cumulative amounts transferred shall
20 not exceed the cumulative amounts of equal monthly allotments of the
21 appropriations from the General Revenue Fund and Special Cash Fund.

22 B. Monies appropriated or collected for the fiscal year ending
23 June 30, 2014, may be transferred to these disbursing funds for the
24 fiscal year ending June 30, 2013, to satisfy encumbrances and

1 obligations of said fiscal year; provided, that monies equal in
2 amount are transferred from appropriations or collections for the
3 fiscal year ending June 30, 2013, to the disbursing funds for the
4 fiscal year ending June 30, 2014, to satisfy encumbrances and
5 obligations of said fiscal year. All transfer requests shall be in
6 writing to the Director of the Office of Management and Enterprise
7 Services.

8 C. The Department of Human Services shall maintain records of
9 the interyear transfers.

10 SECTION 15. Appropriations made by Sections 72 through 75 of
11 Enrolled House Bill No. 2301 of the 1st Session of the 54th Oklahoma
12 Legislature, not including appropriations made for capital outlay
13 purposes, may be budgeted for the fiscal year ending June 30, 2014
14 (hereafter FY-14), or may be budgeted for the fiscal year ending
15 June 30, 2015 (hereafter FY-15). Funds budgeted for FY-14 may be
16 encumbered only through June 30, 2014, and must be expended by
17 November 15, 2014. Any funds remaining after November 15, 2014, and
18 not budgeted for FY-15, shall lapse to the credit of the proper fund
19 for the then current fiscal year. Funds budgeted for FY-15 may be
20 encumbered only through June 30, 2015. Any funds remaining after
21 November 15, 2015, shall lapse to the credit of the proper fund for
22 the then current fiscal year. These appropriations may not be
23 budgeted in both fiscal years simultaneously. Funds budgeted in FY-
24 14, and not required to pay obligations for that fiscal year, may be

1 budgeted for FY-15, after the agency to which the funds have been
2 appropriated has prepared and submitted a budget work program
3 revision removing these funds from the FY-14 budget work program and
4 after such revision has been approved by the Office of State
5 Finance.

6 SECTION 16. This act shall become effective July 1, 2013.

7 SECTION 17. It being immediately necessary for the preservation
8 of the public peace, health and safety, an emergency is hereby
9 declared to exist, by reason whereof this act shall take effect and
10 be in full force from and after its passage and approval.

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