Department of Finance

STATE OF CALIFORNIA MANUAL OF STATE FUNDS

Fund: 8507
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Renumbered
From:

Legal Title

Home & Community-Based Services American Rescue Plan Fund

Legal Citation/Authority

Chapter 69, Statutes 2021 (SB 129, Budget Act of 2021), Control Section 11.95 (b) (1)

Fund Classification

Fund Classification

GAAP Basis

Legal Basis

Governmental/Special Revenue Fund

Governmental/Other Governmental Cost Fund

<u>Purpose</u>

Money in the fund reflects state funds required to be used to enhance, expand, or strengthen home and community-based services as a condition of receiving enhanced federal Medicaid funding for home and community based-services pursuant to the American Rescue Plan Act of 2021.

Administering Agency/Organization Code

Department of Health Care Services/4260

Major Revenue Source

In accordance with the provisions of Control Section 11.95 (b) (3) of the Budget Act 2021 (SB 129), the Controller shall, upon the order of the Director of Finance, transfer funds to the Home and Community-Based Services American Rescue Plan Fund from any item of appropriation or from the General Fund, Federal Trust Fund, or any other state fund.

Disposition of Fund (upon abolishment)

Pursuant to Government Code section 16346, absent language that identifies a successor fund, any balance remaining in this fund upon abolishment, shall be transferred to the General Fund.

Appropriation Authority

Money in the fund is available upon appropriation by the Legislature.

State Appropriations Limit

Always Excluded – Revenues in this fund are not proceeds of taxes and even after transfer will never become proceeds of taxes because the major revenue source is a transfer from the General Fund that has already been counted and should not be double counted.

Comments/Historical Information

June 2021: This fund was initially created administratively in June 2021 for the American Rescue Plan Act of 2021 (PL. 117-2) and was subsequently retitled from Home & Community-Based Services American Rescue Plan Federal Fund to Home & Community-Based Services American Rescue Plan Fund.

July 2021: Budget Act of 2021 (SB 129), Control Section 11.95 statutorily created the fund in the State Treasury, and made appropriations. It requires all appropriations from the fund to be available for encumbrance or expenditure through December 31, 2023, unless an earlier deadline is specified at the time of the appropriation, and available for liquidation until June 30, 2026. It gave the Director of Finance the authority to extend or shorten the dates of availability for encumbrance or expenditure, and liquidation of any appropriation therein.

Revised August 2021 FUND 8507