February 1, 2024

Senator Caroline Menjivar
Chair, Senate Budget Subcommittee #3 on Health and Human Services

Assemblymember Dr. Corey A. Jackson
Chair, Assembly Committee on Budget, Subcommittee #2 on Human Services

RE: Department of Developmental Services (4300) – Governor’s 2024-25 Proposed Budget

Honorable Senator Menjivar and Assemblymember Dr. Jackson:

California’s regional centers are a network of 21 community-based non-profits, represented by the Association of Regional Center Agencies (ARCA). The regional centers coordinate services for, and advocate on behalf of, over 430,000 Californians with developmental disabilities. We thank you for this opportunity to comment on the Governor’s proposed Budget for FY 2024-25 for the Department of Developmental Services (DDS).

The state’s economic forecast has shifted dramatically over the last year and leaves policymakers in the unenviable position of identifying viable opportunities for General Fund savings that have the smallest negative impact on those supported by a variety of social services programs. ARCA proposes we collectively learn from past experience, prioritize funding key policies, and look towards the future. Above all else, we must not stray from the state’s commitment to the nation’s only true entitlement for individuals with developmental disabilities and their families, as this is the foundation of California’s developmental services system and the promise of the Lanterman Act.

Learning from the Past
During the Great Recession, California froze, and then cut, service provider rates. Over a decade later, our system is still recovering from this. ARCA joins community stakeholders, including its partners in the Lanterman Coalition, in opposition to the proposal to delay the final phase of scheduled provider rate increases until July 1, 2025.

Starting in 2016, California policymakers began making unprecedented investments in the developmental services system, righting the wrongs of decades of neglect. We cannot abandon these ongoing investments. These major advances in equity and service capacity require a continued commitment to achieve their intended purpose.

This already-agreed-to increase will align rates with 2022 expenses. Labor cost pressures, including from fast food and health care facility minimum wages, make it impossible to wind back the clock to this date without causing significant harm to the service system hundreds of thousands of Californians rely upon. This proposal would result in the overall loss of $1B in anticipated funding, including $400M from
federal sources. Service access, utilization, stability, and choice would all decline, eroding much of the progress made in these areas over recent years.

ARCA is also concerned with sunsetting the Participant Choice Specialist positions, which support the Self-Determination Program (SDP). SDP participants, aided by these positions, continue to see new opportunities to self-direct their own lives.

Limiting opportunities for services when the number of people served continues to grow is unconscionable, particularly when there is greater emphasis on achievement of quality personal outcomes.

Supporting the Needs of Today
California wisely invested unanticipated federal resources during the pandemic in down payments on significant policy advancements for the developmental services system. ARCA strongly supports the following priorities and recognizes their success is dependent on investment in necessary infrastructure:

- Critical technology modernization that allows for greater transparency and accountability, quicker access to needed services, more robust data collection and analysis, tracking individual and systemic outcomes, and efficient fiscal processing and reporting;
- SDP, including increasing Financial Management Service and Independent Facilitator availability, streamlining administrative practices, and enhancing local regional center capacity to support enrollment and transition activities;
- Social recreation and camping services, which enhance individuals’ quality of life and opportunities for community membership and participation in integrated settings; and,
- Career pathways for Direct Support Professionals to enhance staff retention and allow those with a passion for serving people with developmental disabilities to advance in the field through completion of supplemental training.

The Governor’s Proposed Budget includes an intentional focus on many of these areas that would, if enacted, continue to support policies essential to flexible service delivery, workforce stability, and enhanced data capabilities.

Planning for Tomorrow and Beyond
The Governor laid out plans in his January Budget for the development of a Master Plan for Developmental Services to “outline shared goals of developing a system that is person-centered, equity-focused, and data-driven while maximizing the effectiveness of recent investments to improve outcomes for consumers.” While ARCA welcomes closely examining California’s developmental services system and planning for its ongoing future evolution and success, the state must commit to adherence to following core principles:

1. The preservation of the entitlement to needed services and supports as defined in the Lanterman Act and clarified in the ruling of ARC v. DDS (1985) 38 Cal. 3d 385;
2. Ensuring the equitable availability, including along racial, ethnic, geographic, socioeconomic, and linguistic lines, of flexible and sustainable services needed to help individuals achieve person-centered outcomes;
3. Alignment of policies and available supports with the commitment to California’s Employment First Policy;
4. Supporting community inclusion and participation, including through efficient access to generic services and specialty supports such as accessible transportation;
5. Leveraging innovative technology to improve the lives of people served by regional centers; and,
6. Proactively preparing for the changing service needs of people served across their lifespans taking into account changing diagnostic and demographic trends.

Historically, California’s developmental services system unified around a collective vision for the future (e.g., closing the state’s developmental centers). Participants in the master planning process should wrestle with the question of what the overarching goal for the system is for the next generation and devise strategies to move from vision to plan to implementation. Questions of consistent metrics to define success in service delivery and equity must also be addressed. The proposed strategies must include establishing and maintaining sustainable funding for current and future needs and systematically addressing workforce capacity challenges.

ARCA will continue to build on our long-standing collaborative relationships to partner with those served, their family members, the Legislature, the Administration, and community organizations. We are deeply committed to meeting today’s needs with an eye towards the future. We look forward to discussions during the Budget and Master Plan development processes about strategies for continuing to build upon the promises of the Lanterman Act for this generation and the next.

Sincerely,
/s/
Amy Westling
Executive Director
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