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California State Senate

SENATOR
FRAN PAVLEY

TWENTY-SEVENTH SENATE DISTRICT



COMMITTEES
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March 26, 2014

Senator Ellen Corbett
Chair, Senate Budget Subcommittee No. 3 on Health and Human Services
State Capitol, Room 5019, Sacramento, CA 95814-4900

RE: Priority Funding Areas for Developmental Services

Dear Chair Corbett:

Many disability advocates in my own 27th Senate District, and across the state, have expressed the need for increased funding for Developmental Services. Since the passage of the Lanterman Act, California has a responsibility and obligation to people with developmental disabilities. Due to perennial budget cuts to Developmental Services, the state is failing to keep their promise to provide an array of services and supports to sufficiently meet the needs and choices of all Californians with developmental disabilities.

In recent years, the state has restored some of the previous cuts to services. In addition, the Governor's January Budget proposal proposes a modest 4.5 percent increase in funding for Developmental Services. I am heartened by these small, positive steps. However, I believe there are additional outstanding priority issues that need to be addressed in the current budget. These include:

1. **Restore funding for Early Start programs.** In 2009, the Legislature changed Early Start eligibility, thereby restricting access, in an effort to save money. Prioritizing funding for needed services, such as speech and physical therapies, for children with risk factors or milder developmental delays provides them the opportunity to reach their full developmental potential in early childhood and results in long term cost savings to the state.
2. **Increase provider rates and regional center operations.** Since 2000, California CPI has increased by 36 percent, while provider rates and regional center operations budgets have remained stagnant, or have been reduced. While the Governor's January Budget proposes allocating approximately \$110 million to account for the minimum wage increase and federal

overtime rules, this funding only prevents the service delivery system from declining further. A modest 5 percent annual increase in provider rates and regional center operations budgets would ensure that regional centers are able to maintain services while the Department of Developmental Services develops a long-term solution.

- 3. Restore funding to Supported Employment.** Supported Employment services are vital to California, especially due to the new state-wide “employment first” policy, effective January 1, 2014. Funding for Supported Employment services was cut by 10 percent in 2008, these rates have remained frozen since then. In addition, the Governor’s January Budget currently provides no allocation to Supported Employment. While Assembly Member Maienschein has introduced AB 1626 to restore these cuts, I would encourage the budget sub-committee on health and human services to explore potential trailer bill language as well.

Lastly, I have attached a letter from the Lanterman Coalition—a comprehensive group of major stakeholders in California’s community based developmental services system. The letter further elaborates on several additional budget recommendations and provides a blueprint to a healthy, sustainable developmental services system in California.

I thank you for your attention to this important matter.

Sincerely,



Fran Pavley
California State Senator
District 27

cc: Senator Leno, Chair of the Senate Budget & Fiscal Review Committee
cc. Members of the Senate Budget Subcommittee No. 3 on Health and Human Services