



HARBOR HAPPENINGS

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BUDGET UPDATE

Governor's Budget Proposes Additional Budget Reductions to Regional Centers and Service Providers

Every area of California state government, including Developmental Services (DDS), has been impacted by the unprecedented fiscal crisis of the last few years. Although there are beginning signs of economic recovery, the state still faces a continued budget shortfall. In April, DDS released recommendations for a new reduction to regional centers and their service providers. This proposal to increase from 3% to 4.25% the payment reduction to regional center operations, and in payments to service providers, will need the approval of the legislature before it can go into effect.



During difficult budget times, it is especially important to stay in touch with local legislators, on behalf of our clients and families. HRC Executive Director Patricia Del Monico with Assemblymember Bonnie Lowenthal, Long Beach.

The state Department of Finance summarized reductions for developmental services in 2009-10 which included:

- A reduction of \$334 million by establishing general standards for authorizing regional center services, limiting services and eligibility for children age 0 to 3 in the Early Start Program, increasing the use of public and family transportation, suspending the purchase of social/recreational activities and camping, limiting respite services, and expanding federal funding.
- An additional \$61 million in budget reductions through June of 2010 by imposing a 3% reduction upon Regional Center Operations and service provider payments.

After releasing his revised budget proposal on May 14, 2010, the Governor's budget for Developmental Services for the 2010-11 fiscal year is proposed at a total of \$4.2 billion (\$2.4 billion from the state General Fund). This amount includes proposed

reductions to Operations and Purchase of Services. The number of individuals with developmental disabilities served by regional centers is expected to increase in the coming year to over 243,000 statewide.

- Prior to the May Revise, the Legislature had already passed and the Governor had already signed into law a bill that continued a 3% reduction on Regional Center operations and service provider payments through 2010-11, for a reduction of \$60.9 million.
- In addition, the Governor's May revision proposes *increasing* the reduction in payments from 3% to 4.25%, for a reduction of \$48 million. This proposal will need the approval of the legislature before it can go into effect.
- The budget reductions implemented in 2009-10 (summarized above) will continue through 2010-11, for a reduction of \$100 million.

The Department of Developmental Services has also introduced a plan for the closure of Lanterman Developmental Center in Pomona, one of two state developmental centers in the Southern California area, which has had a steadily declining population, and costly infrastructure needs. The legislature is currently reviewing that plan.

Like all regional centers, Harbor has worked very closely with our clients, families, and service providers to implement difficult budget requirements and adjust to the many changes. We understand how difficult these adjustments can be for everyone, and appreciate the high level of mutual support that we have experienced. We have communicated this to our local legislative representatives, and have advocated for no additional reductions to our already severely strained service system. We will continue to keep our community informed as we learn additional information.

To keep up to date on the budget and other news, we encourage you to join the HRC E-mail Network by sending a request to enetworksubscriber@harborrc.org, or click on Budget Alert on our Web site at www.harborrc.org. ■