

## **Governor Newsom's Proposed Budget Fails the Developmental Disabilities Community Leaving a \$1.5 Billion Funding Gap**

### ***360,000 developmentally disabled people in California put at risk by proposed budget***

California recently announced a sweeping \$75.7 billion budget surplus. Yet, Governor Newsom's recent budget proposal poses dire consequences for residents with intellectual and developmental disabilities (I/DD). With the current budget allocations, approximately 360,000 developmentally disabled people will be put at risk. Without adequate funding in the form of higher rates, service providers in the I/DD sector will be forced to close or to move away from the Bay Area in response to the rising cost of living, thereby failing to meet the needs of the intellectually- and developmentally disabled population in the region.

Historically, this community has long been under-resourced. In 2018, the California State Legislature conducted a study that identified the need for rates to reflect the cost of delivering service and identified an annual funding gap of roughly \$1.8 billion. A temporary rate increase of 8% for certain disability services was implemented. Last year, with COVID-19, no further budget action was taken on the study recommendations.

When it comes to organizations that serve the developmentally disabled, Governor Newsom's proposed budget falls short. His proposed budget leaves California's I/DD community with a troubling funding gap of approximately \$1.5 billion. Today, Service providers are struggling to pay their Direct Service Professionals (DSP) a living wage. This funding would directly impact the rates providers receive and the wages they can afford to pay.

This disparity is shocking and must be reversed. The Campbell-based nonprofit Life Services Alternatives (LSA), an organization offering housing and person-centered programs for adults with disabilities, recognizes firsthand how the state's fiscal decisions affect the already at-risk I/DD community. The lack of funding makes it harder to adequately take care of the Direct Service Professionals (DSP) that provide vital services and care to our most vulnerable population. For example, the prevailing wage for a DSP in a Community Care Facility is not much higher than the local minimum wage. There is no consideration for the fact that DSPs have critical skills, a career path and that their job is not "gig" work, but a profession. This type of treatment can end with the help of the implementation of the rate study.

With the state's budget surplus, and an influx of federal funding due to the COVID-19 pandemic, legislators have taken action. Last week, the California Assembly and Senate Budget Committees released their final proposal for the 2021-22 budget. Their proposal includes a recommendation to implement the rate study over the next three years. This is a critical step toward addressing the system underfunding and building the capacity needed to support Californians with I/DD and the organizations they rely on now and in the future.

While the current discrepancy is largely the result of prior Administrations' failure to fund the state's developmental disabilities services system, its repercussions are particularly dire in the wake of COVID-19. The budget references the "suffering experienced by and pressures placed on" the disabled during the public health crisis, but there is no indication that leaders are working to fund this financial gap. The governor's budget removes the possibility of a rate reduction but does not include any rate increases or rate reform.

LSA helps Californians with disabilities live in forever homes, learn crucial life-enhancing skills and participate in stimulating activities that help build self-esteem and thrive in their daily lives. Many times,

these community housing options are the only option for individuals who need 24-hour care. Without sufficient funding in the state budget, organizations like LSA may prove financially unsustainable over time and will have to close.

Life Services Alternatives implores Governor Newsom to support the Legislature's proposal and implement the rate study recommendations and address this funding shortfall.

*Life Services Alternatives is a nonprofit whose mission is to provide exceptional community living and programs for developmentally disabled adults. Founded in 2002 by parents who dreamed of establishing homes for their adult children, LSA delivers quality residential services and nurturing programs to the I/DD community in Silicon Valley.*

*Submitted by Dana Hooper*