



## **CALIFORNIA ASSOCIATION FOR THE RETARDED**

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June 9, 2004

Senator Wesley Chesbro, Chair  
Senators Dede Alpert and Ross Johnson  
Assembly Members Darrell Steinberg, Judy Chu, Rick Keene  
Budget Conference Committee  
State Capitol  
Sacramento, California 95814

CAR Position on Developmental Disability Services Budget  
Item 4300 - Department of Developmental Services

Dear Members of the Budget Conference Committee:

The California Association for the Retarded (CAR), a statewide parent/family organization with 12 local units, is writing to urge the Legislature to take steps now to address long-standing problems in the inequitable provision and funding of services between developmental centers and community regional center services for people with mental retardation and other developmental disabilities.

We concur with the conference committee's decision to reject the administration's proposed expenditure of \$11 million in 2004-05 to modify space at Sonoma Developmental Center (DC) for the transfer of approximately 200 clients from the Agnews Developmental Center. While the \$11 million issue is tabled for now, we also concur with the earlier actions of the Assembly and Senate's budget committees to redirect this money to enhance Bay Area community-based programs toward the objectives set forth by DDS Director Cliff Allenby's proposal to delay the Agnews Developmental Center closure. The administration asserts that existing community services and facilities are inadequate to address the needs of clients transitioning out of Agnews. Please see attached April 1, 2004 letter to the Legislature from DDS Director Allenby.

The Administration decision to delay a proposed closure of Agnews begs the question of the adequacy of programs and services for the 190,000 regional center clients who already reside in the community. For example, data from DDS's consumer characteristics quarterly report (submitted April 2004 - see attached) show that thousands of regional center clients who currently live in the community have disabilities and diagnoses that are similar to and look very much like those of clients in developmental centers.

Just as existing community facilities are inadequate for Agnews clients, we also know that some of these same facilities are inadequate for regional center consumers living in the Bay Area.

We are dismayed by the state's continued failure to resolve the differences in budgeting for developmental center services and regional center services. For example, the budget proposes to continue and extend cuts and freezes for regional center purchase of service and operations. Yet the budget for state operated developmental centers contains funds in the current 2000-04 fiscal year and 2004-05 budget year for developmental center employee compensation and retirement cost increases, even though the state salaries and benefits in place before the compensation and retirement increases already far exceeded those of most workers in community programs.

Specifically, the state developmental center budget contains employee compensation increases of \$15.4 million (\$8.3 General Fund) in the current year budget and \$12.9 million (\$7.3 million General Fund) for the 2004-2005 budget year (as reflected in the Administration's proposed May Revision). As a result of the state employee retirement benefit enhancement enacted a few years ago by the Legislature, \$27.8 million (\$15.0 General Fund) will be spent in the current year for increased state retirement contributions and the same amount of \$27.8 million is budgeted for the 2004-2005 fiscal year.

This means that the state will have spent \$43.2 million in the current 2003-2004 budget year and a projected \$40.7 million in the 2004-05 budget for higher compensation and retirement costs for roughly the same caseload of approximately 3,300 developmental center clients. We believe the state cannot and should not continue to increase funding for developmental centers employees while at the same time it is underfunding, freezing and cutting community services. These funding limitations on community services are a significant part of why the community is ill-equipped to accommodate the Agnews residents.

For this reason, we believe the state needs to begin immediately to address the need to develop and expand community facilities for regional center consumers who are being displaced by program closures and cutbacks and who otherwise do not need but may be at risk of being admitted to a developmental center. Because of the urgency of this situation, we urge the conference committee to direct DDS to submit a plan to address the system deficiencies identified in the April 1, 2004 letter to the Legislature from DDS Director Cliff Allenby.

CAR was formed by parents and families to advocate for maintenance of a continuum of services, including both congregate settings, such as developmental centers and community day programs, and inclusive settings including supported employment and supported living from which the individuals and their families could choose. The current disparity in funding is detrimental and discriminatory to children and adults who reside in the community or with their family. Please take steps to not allow this inequity in funding to continue.

Thank you for your consideration of these comments. If there are questions, please have your staff contact Maureen Fitzgerald at (916) 498-1635.

Sincerely,

Marion Lieberman,  
President

Attachments:

1. April 1, 2004 Letter to Legislature from DDS Director postponing Agnews closure to July 2006 (2 pages)
2. Chart from DDS web site: Table 3 - Major characteristics of clients in developmental centers compared to clients in the community as of end of March, 2004 (1 page)