



## California Association for the Retarded

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April 21, 2005

The Honorable Noreen Evans, Chair  
Assembly Human Services Committee  
State Capitol  
Sacramento, CA 95814

**AB 1607 – (As amended April 4, 2005)  
Work Activity and Supported Employment Services  
April 26, 2005 Hearing**

Dear Assemblymember Evans:

The California Association for the Retarded (CAR) has taken a **support** position on AB 1607 (Houston), as amended April 4, 2005. This bill seeks to restore adequate funding for work activity programs and supported employment programs that serve individuals with developmental disabilities who are regional center clients.

CAR is a statewide parent organization with 10 local units that include family advocacy organizations, operators of day programs, and parent groups at state developmental centers. CAR advocates for choice, maintenance of a continuum of services and greater parent/family involvement in decision-making processes affecting sons and daughters with mental retardation and other developmental disabilities.

Work activity programs provide services in a sheltered setting and are reimbursed on a per-consumer-day basis while supported employment services assist individuals to work in the community in integrated settings. Existing law requires regional centers to pay rates that are based on the reasonable cost of services as determined by state audits.

The last cost increase the state provided for work activity and supported employment programs, however, was in July 2000 based on state-audited cost statements for 1998-99. Statutory language approved as part of the 2002-03 state budget, however, suspended the provisions that would have increased the rate and instead froze the rate at the 1998-99 cost statement levels. In addition, the 2003-04 budget reduced rates by an additional 5 percent effective July 1, 2003. Subsequent budgets have continued to suspend the statutory authorization and funding for any adjustments or increases. Supported employment programs

similarly have had their rates frozen and have experienced a 2.5 percent reduction effective July 1, 2003.

The result of these reductions has been devastating to people who rely on these services to try to enter the workforce. The network of providers, most of whom are nonprofit, are unable to continue to absorb the escalating costs of running programs without additional state funds.

While it does not represent a complete solution for these programs, AB 1607 would go part of the way in restoring adequate funding by requiring the state to use the rates it established in June 2003 for work activity programs and increasing the hourly rate for supported employment services by 71 cents, from \$27.62 to \$28.33.

We urge you to **support AB 1607** and continue opportunities for people with developmental disabilities to seek and qualify for meaningful work.

Sincerely,

Marion Lieberman  
President

cc: Members, Assembly Human Services Committee  
Assemblymember Guy Houston  
California Rehabilitation Association  
Department of Developmental Services