

Assembly Bill 279 – Developmental Disabilities: Regional Centers

Assemblymember Chris R. Holden

SUMMARY

Assembly Bill 279 extends authority to the Department of Developmental Services (DDS) and regional centers to adjust the rates of providers to comply with legally binding local mandates and minimum wage levels across the state.

BACKGROUND

The Lanterman Developmental Disabilities Act of California has established a community based system providing individuals with developmental disabilities with a range of services including supports for employment, independent and residential living services and a wide array of individualized therapies, services and supports determined through Individualized Program Plans. Direct services are provided by local individuals and organizations that enter in to “vendorization” agreements with the Department of Developmental Services and or local regional centers.

Current law prevents DDS or regional centers from adjusting service provider rates of reimbursement without specific statutory authority to do so. Statutory authority to adjust rates to meet increases in mandated minimum wage levels has always been granted. This was done most recently in 2016 when DDS and regional centers were granted authority to adjust provider rates in concert with Senate Bill 3 that raised State minimum wage levels.

The statutes enacted in 2016 did not recognize that a number of municipalities and counties have enacted minimum wage ordinances mandating all employers within their jurisdictions to increase wages to levels above State law. This bill extends authority to DDS and regional centers to adjust the rates of providers to comply with legally binding minimum wage levels enacted in the jurisdiction in which they employ workers to meet service needs under the Lanterman Developmental Disabilities Act. Without an increase to reimbursement rates to meet local mandates many services providers may have to shut their doors. This

would lead to a shortage of services available to people with disabilities throughout our state.

EXISTING LAW

Welfare and Institutions Code §4681.6 & §4691.9:
Authorizes the Department of Developmental Services and regional centers to adjust provider rates in response to State minimum wage increase.

THE SOLUTION

AB 279 amends Sections 4681.6 and 4691.9 of the Welfare and Institutions Code to authorize the Department of Developmental Services and regional centers to adjust providers rates in response to any local legally binding minimum wage statute ordinance.

Support/Opposition

Support:

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