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GOVERNOR NEWSOM FAILS TO PROTECT CALIFORNIANS WITH DEVELOPMENTAL DISABILITIES
\$1 billion in delayed funding for disability services is one of the largest budget reductions

SACRAMENTO, CA -- In his updated budget proposal, Governor Gavin Newsom chose to balance the state's budget deficit with his massive \$1 billion cut to services for Californians with developmental disabilities. Governor Newsom's funding cut to Californians with developmental disabilities is more than any other cut in his entire updated budget, called the [May Revise](#), which was released Friday, May 10.

As reported by the [LA Times](#) and the [California Healthline](#), the Governor proposes to cut funding to a system that is already failing people with developmental disabilities, their families, and their care workforce. "The system is already in crisis," says Felisa Strickland, Board member for The Arc of California and mother to Lily, a 23-year-old woman with autism and cerebral palsy. "There are tons and tons of people that are sitting at home because there's nowhere for them to go."

California's Lanterman Act legally entitles Californians with developmental disabilities to services, but due to decades of underfunding tens of thousands of Californians wait months or years for services, and many never receive the support they need to live inclusively in community. "Newsom's proposal risks a collapse of the disability service system, which would violate the Lanterman Act and make the state vulnerable to lawsuit," said Jordan Lindsey, Executive Director of The Arc & UCP California Collaboration, in response to the Governor's proposed budget cut.

The \$1 billion cut, which the Governor proposes to achieve by delaying the implementation of promised rate increases for regional center services, can now only be saved by the Legislature, which has until June 15th to negotiate with the Governor on the proposals and pass a final budget deal.

Additional cuts proposed by the Governor beyond the \$1 billion cut to regional center services include;

- \$20 million one-time reduction of the Direct Support Professional Internship Program
- \$0.8 million ongoing reduction for tribal engagement and outreach for Early Start services
- \$3.0 million ongoing reduction for health and safety waiver application assistance
- \$1.1 million ongoing reduction for emergency preparedness resources
- Preschool Inclusivity—Eliminating the planned General Fund investments of \$47.9 million in 2025-26 and \$97.9 million ongoing starting in 2026-27 that would have supported California State Preschool Program



adjustment factor costs for State Preschool to serve at least 10 percent of students with disabilities by 2026-27. Providers would continue to be required to serve at least 5 percent of students with disabilities.

- In-Home Supportive Services for Undocumented Individuals—Reducing \$94.7 million ongoing by eliminating the In-Home Supportive Services (IHSS) undocumented expansion coverage for all ages.
- Managed Care Organization (MCO) Tax—Reducing \$6.7 billion over multiple years from the Medi-Cal provider rate increases planned for January 1, 2025.

The Arc of California urges the Governor to commit to these investments THIS YEAR to address the workforce crisis and ensure that Californians with disabilities can THRIVE and not just survive.

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About The Arc of California

Established in 1950, The Arc of California promotes and protects the human rights of people with intellectual and developmental disabilities and actively supports their full inclusion and participation in the community throughout their lifetimes. The Arc of California provides supports and services to thousands of individuals with disabilities and their families through its 20 chapters across the state.