

Department of Developmental Services

2025 May Revision Highlights



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DEPARTMENT OF DEVELOPMENTAL SERVICES

2025 MAY REVISION HIGHLIGHTS

The Department of Developmental Services (Department) is responsible for administering the Lanterman Developmental Disabilities Services Act (Lanterman Act). The Lanterman Act provides for the coordination and provision of services and supports to enable people to achieve their goals. Additionally, the Early Start Program provides services to infants and toddlers who have or are at risk of having a developmental disability. Services are delivered through a statewide network of 21 private, nonprofit, locally based community agencies known as regional centers, as well as through state-operated programs.

The number of individuals served by regional centers in the community is expected to be 452,188 in the current year and increase to 491,080 in fiscal year (FY) 2025-26. In addition, the proposed budget supports capacity for 302 individuals that can be served through state-operated services.

2025 MAY REVISION SUMMARY

The May Revision includes \$18.7 billion total funds (TF) (\$12.2 billion General Fund [GF]) for FY 2025-26; a net increase of \$3.0 billion TF (\$2.0 billion GF) over the updated FY 2024-25 budget, a 19.1 percent TF increase.

In addition to caseload and utilization updates, the proposed FY 2025-26 budget includes the following new and updated adjustments:

- Life Outcomes Improvement System (LOIS) (\$13.3 million TF, \$5.1 million GF): Includes one-year limited-term resources equivalent to seventeen (17.0) positions at the Department, and resources for regional centers to continue the planning phase of the Project Approval Lifecycle (PAL) process.

May Revision Budget Change Proposals

- Federal Access Rule (\$1.9 million TF, \$1.6 million GF): Includes one-year limited term resources equivalent to nine (9.0) positions to support the increased workload related to compliance with the new federal Home and Community-Based Access Rule requirements.
- Staffing for Health and Safety Investigations and Due Process Caseload (\$1.4 million TF, \$1.2 million GF): Includes nine (9.0) permanent positions and \$2.0 million TF (\$1.7 million GF) in 2026-27 and ongoing to support increased workload related to health and safety concerns, such as rising appeals and complaints workloads.
- Clinical Monitoring Team Support for Specialized Community Homes (\$680,000 TF, \$544,000 GF): Includes four (4.0) permanent positions to support development and monitoring of specialized community homes and services.

- Increased Reimbursement and Cost Recovery (\$1.3 million TF, \$1.1 million GF): Includes five (5.0) permanent positions and contracted consultant support to explore options and obtain payment from public and private health insurers for services purchased by regional centers on behalf of eligible individuals.
- Public Records Act – Regional Center Requirements (AB 1147) – Adjustments (-\$819,000 TF, -\$655,000 GF): reduction of six (6.0) positions compared to the original proposal submitted at Governor’s Budget, reflecting a reevaluation of the compliance approach.
- Control Section 4.05 – Government Efficiencies Reduction (BL 24-24) (-\$3.3 million T/GF)
- Control Section 4.12 – Vacancy Savings and Position Elimination (BL 24-20) (-\$1.0 million T/GF)

To address the projected budget shortfall the May Revision includes General Fund adjustments to achieve a balanced budget, including the following:

- Quality Incentives Program Eligibility Provider Mandate: reduction of \$221.7 million GF starting FY 2026-27 and ongoing.
- Service Provider Rate Reform Hold Harmless Provision: reduction of \$75 million GF in FY 2025-26 to end service provider rate reform hold harmless policy as of February 28, 2026 instead of June 30, 2026.
- Self-Determination Program Updates: reduction of \$22.5 million GF in FY 2025-26, and \$45.5 million GF ongoing.
- Regional Centers Direct Service Professional Workforce Training and Development: reduction of \$17.6 million GF in FY 2025-26 and FY 2026-27 and \$36.8 million GF in FY 2027-28 and ongoing.
- Porterville Developmental Center Ongoing Savings: reduction of \$10.0 million GF starting FY 2026-27 and ongoing reflecting historical savings.
- Implicit Bias Training: reduction of \$5.6 million GF in FY 2025-26 and ongoing.
- Health and Safety Wavier Assistance: reduction of \$3.0 million GF starting FY 2025-26 and ongoing.

Capital Outlay

- Request to appropriate \$2.2 million one-time General Fund for the construction phase of the Fire Sprinkler System project at Porterville Development Center and to revert \$1.1 million General Fund of existing authority for the construction phase, resulting in a net increase of \$1.0 million.

Program Highlights*(Dollars in Thousands)*

	FY 2024-25	FY 2025-26	Difference
Community Services Program			
Regional Centers	\$15,192,166	\$18,169,640	\$2,977,474
Total, Community Services	\$15,192,166	\$18,169,640	\$2,977,474
General Fund	\$9,787,546	\$11,763,741	\$1,976,195
Program Development Fund	\$434	\$434	\$0
Developmental Disabilities Services Account	\$150	\$150	\$0
Federal Trust Fund	\$55,589	\$55,482	(\$107)
Reimbursements	\$5,347,707	\$6,349,093	\$1,001,386
Behavioral Health Services Fund	\$740	\$740	\$0
State Operated Services			
Personal Services	\$257,825	\$266,221	\$8,396
Operating Expense & Equipment	\$56,877	\$58,420	\$1,543
Total, State Operated Services	\$314,702	\$324,641	\$9,939
General Fund	\$283,253	\$293,228	\$9,975
Lottery Education Fund	\$75	\$75	\$0
Reimbursements	\$31,374	\$31,338	(\$36)
Headquarters Support			
Personal Services	\$118,964	\$123,815	\$4,851
Operating Expense & Equipment	\$35,722	\$39,007	\$3,285
Total, Headquarters Support	\$154,686	\$162,822	\$8,136
General Fund	\$97,110	\$103,288	\$6,178
Federal Trust Fund	\$2,968	\$3,026	\$58
Program Development Fund	\$447	\$447	\$0
Reimbursements	\$53,659	\$55,559	\$1,900
Behavioral Health Services Fund	\$502	\$502	\$0
Total, All Programs	\$15,649,554	\$18,657,103	\$2,995,549
Total Funding			
General Fund	\$10,167,909	\$12,160,257	\$1,992,348
Federal Trust Fund	\$58,557	\$58,508	(\$49)
Lottery Education Fund	\$75	\$75	\$0
Program Development Fund	\$881	\$881	\$0
Developmental Disabilities Services Account	\$150	\$150	\$0
Reimbursements	\$5,432,740	\$6,435,990	\$1,003,250
Behavioral Health Services Fund	\$1,242	\$1,242	\$0
Total, All Funds	\$15,661,554	\$18,657,103	\$2,995,549
Caseloads			
State Operated Services	302	302	0
Regional Centers	452,188	491,080	38,892
Departmental Positions			
State Operated Services	1,909.8	1,826.7	(83.1)
Headquarters	708.0	749.0	41.0

COMMUNITY SERVICES PROGRAM**FY 2024-25****Costs and Fund Sources**

The FY 2024-25 updated regional center budget includes \$15.2 billion TF (\$9.8 billion GF), a net decrease of \$176.3 million TF (\$95.2 million GF) compared to the Governor's Budget, due to a projected decrease of \$176.3 million TF reflecting updated purchase of services (POS) expenditures.

Costs and Fund Sources (Dollars in Thousands)			
	Governor's Budget	May Revision	Difference
Operations	\$1,551,906	\$1,551,906	\$0
Purchase of Services	\$13,795,054	\$13,618,728	(\$176,326)
Early Start Part C/Other Agency Costs	\$19,529	\$19,529	\$0
Early Start Family Resource Services	\$2,003	\$2,003	\$0
Total Costs	\$15,368,492	\$15,192,166	(\$176,326)
General Fund (GF)	\$9,882,782	\$9,787,546	(\$95,236)
<i>GF Match</i>	\$5,127,078	\$5,098,524	(\$28,554)
<i>GF Other</i>	\$4,755,704	\$4,689,022	(\$66,682)
Reimbursements	\$5,428,797	\$5,347,707	(\$81,090)
Program Development Fund	\$434	\$434	\$0
Developmental Disabilities Services Account	\$150	\$150	\$0
Behavioral Health Services Fund	\$740	\$740	\$0
Federal Funds	\$55,589	\$55,589	\$0
Fund Sources	\$15,368,492	\$15,192,166	(\$176,326)

Population

The Department forecasts a net decrease of 12,977 consumers compared to the Governor's Budget.

Caseload	Governor's Budget	May Revision*	Difference
Active (Age 3 & Older)	386,987	385,532	(1,455)
Early Start (Birth through 35 Months)	66,186	55,748	(10,438)
Provisional Eligibility (Birth through Age 4)	11,992	10,908	(1,084)
Total Community Caseload	465,165	452,188	(12,977)

*Updated FY 2024-25 caseload are not used for purposes of core staffing formula assumptions.

Regional Center Operations – Caseload

There is no change to current year caseload-driven expenditures compared to the Governor's Budget.

Operations – Caseload (Dollars in Thousands)			
	Governor's Budget	May Revision	Difference
Staffing Expenditures	\$1,438,265	\$1,438,265	\$0
Federal Compliance	\$49,552	\$49,552	\$0
Projects	\$38,427	\$38,427	\$0
Intermediate Care Facility-Developmentally Disabled	\$1,850	\$1,850	\$0
Quality Assurance Fees			
Total Operations – Caseload	\$1,528,094	\$1,528,094	\$0

Regional Center Operations – Policy

There is no change to the current year Operations policies from the Governor's Budget.

Operations – Policy (Dollars in Thousands)			
	Governor's Budget	May Revision	Difference
Life Outcomes Improvement System (LOIS)*	\$2,665	\$2,665	\$0
Service Provider Rate Reform	\$21,147	\$21,147	\$0
Total Operations – Policy	\$23,812	\$23,812	\$0

*LOIS previously was titled "UFSM & CERMS".

Purchase of Services (POS) – Caseload

Updated POS expenditures reflect a net decrease of \$176.3 million TF (\$122.0 million GF) compared to the Governor's Budget. The table below displays adjustments by category from the Governor's Budget.

Purchase of Services Caseload (Utilization and Growth) <i>(Dollars in Thousands)</i>			
	Governor's Budget	May Revision	Difference
Community Care Facilities	\$3,460,616	\$3,402,547	(\$58,069)
Medical Facilities	\$52,715	\$53,600	\$885
Day Programs	\$1,558,102	\$1,544,253	(\$13,849)
Habilitation Services	\$146,545	\$141,802	(\$4,743)
<i>Work Activity Program</i>	\$4,782	\$2,950	(\$1,832)
<i>Supported Employment Program – Group</i>	\$71,328	\$70,000	(\$1,328)
<i>Supported Employment Program – Individual</i>	\$70,435	\$68,852	(\$1,583)
Transportation	\$631,464	\$559,605	(\$71,859)
Support Services	\$3,016,342	\$3,023,980	\$7,638
In-Home Respite	\$1,450,773	\$1,426,080	(\$24,693)
Out-of-Home Respite	\$54,202	\$49,424	(\$4,778)
Health Care	\$282,728	\$277,445	(\$5,283)
Miscellaneous Services	\$1,409,921	\$1,407,335	(\$2,586)
Intermediate Care Facility-Developmentally Disabled	\$9,989	\$11,000	\$1,011
Quality Assurance Fees			
Total POS – Caseload	\$12,073,397	\$11,897,071	(\$176,326)

POS – Policy

There is no change to the current year in policy-related expenditures compared to the Governor's Budget.

Purchase of Services – Policy <i>(Dollars in Thousands)</i>			
	Governor's Budget	May Revision	Difference
Ongoing Purchase of Services Items	\$17,000	\$17,000	\$0
Service Provider Rate Reform	\$1,704,657	\$1,704,657	\$0
Total POS – Policy	\$1,721,657	\$1,721,657	\$0

Reimbursements

The updated current year reflects a net decrease of \$81.1 million in reimbursements compared to the Governor's Budget reflecting updated expenditures. Adjustments are reflected in the table below.

Reimbursements (Dollars in Thousands)			
	Governor's Budget	May Revision	Difference
Home and Community-Based Services (HCBS) Waiver	\$3,700,995	\$3,566,592	(\$134,403)
HCBS Waiver Administration	\$24,298	\$24,171	(\$127)
Medicaid Administration	\$24,080	\$24,080	\$0
Targeted Case Management	\$402,605	\$402,966	\$361
Title XX Block Grant	\$213,421	\$213,421	\$0
(1) Social Services	\$136,264	\$136,264	\$0
(2) Temporary Assistance for Needy Families	\$77,157	\$77,157	\$0
Intermediate Care Facility-Developmentally Disabled State Plan Amendment	\$64,889	\$67,917	\$3,028
Intermediate Care Facility-Developmentally Disabled Quality Assurance Fees	\$10,914	\$11,925	\$1,011
1915(i) State Plan Amendment	\$751,782	\$801,620	\$49,838
Early Periodic Screening Diagnosis and Treatment	\$19,798	\$19,798	\$0
Behavioral Health Treatment Fee-for-Service	\$5,588	\$6,040	\$452
Self-Determination Program Waiver	\$210,427	\$209,177	(\$1,250)
Total Reimbursements	\$5,428,797	\$5,347,707	(\$81,090)

Federal Funds

There is no change in current year federal funds compared to the Governor's Budget.

Federal Funds (Dollars in Thousands)			
	Governor's Budget	May Revision	Difference
Early Start Part C/Other Agency Costs	\$54,444	\$54,444	\$0
Foster Grandparent Program	\$1,145	\$1,145	\$0
Total Federal Funds	\$55,589	\$55,589	\$0

FY 2025-26**Costs and Fund Sources**

The FY 2025-26 regional center budget includes \$18.2 billion TF (\$11.8 billion GF), a net decrease of \$392.0 million TF (\$288.9 million GF) compared to the Governor's Budget. This includes a projected \$57.4 million TF decrease in regional center operations costs, and \$334.4 million TF decrease in purchase of services expenditures.

Costs and Fund Sources (Dollars in Thousands)			
	Governor's Budget	May Revision	Difference
Operations	\$1,703,818	\$1,646,377	(\$57,441)
Purchase of Services	\$16,836,282	\$16,501,836	(\$334,446)
Early Start Part C/Other Agency Costs	\$19,529	\$19,424	(\$105)
Early Start Family Resource Services	\$2,003	\$2,003	\$0
Total Costs	\$18,561,632	\$18,169,640	(\$391,992)
General Fund (GF)	\$12,052,618	\$11,763,741	(\$288,877)
<i>GF Match</i>	\$6,206,526	\$6,098,108	(\$108,418)
<i>GF Other</i>	\$5,846,092	\$5,665,633	(\$180,459)
Reimbursements	\$6,452,101	\$6,349,093	(\$103,008)
Program Development Fund/Parental Fees	\$434	\$434	\$0
Developmental Disabilities Services Account	\$150	\$150	\$0
Behavioral Health Services Fund	\$740	\$740	\$0
Federal Funds	\$55,589	\$55,482	(\$107)
Fund Sources	\$18,561,632	\$18,169,640	(\$391,992)

Population

The Department forecasts a net decrease of 13,825 consumers compared to the Governor's Budget projection for budget year.

Caseload	Governor's Budget	May Revision	Difference
Active (Age 3 & Older)	422,526	417,146	(5,380)
Early Start (Birth through 35 Months)	66,756	58,652	(8,104)
Provisional Eligibility (Birth through Age 4)	15,623	15,282	(341)
Total Community Caseload	504,905	491,080	(13,825)

Regional Center Operations – Caseload

The budget year includes \$1.6 billion TF (\$1.1 billion GF) for regional center operations, a decrease of \$64.7 million (\$58.1 million GF) compared to the Governor's Budget. The decrease is primarily attributed to adjustments in projected caseload-driven expenditures.

Updated Ongoing Operation Items:

- Direct Service Professional Workforce Training and Development: reduction of \$4.3 million TF (\$2.9 million GF).
- Health and Safety Waiver Assistance: reduction of \$4.4 million TF (\$3.0 million GF).
- Implicit Bias Training: reduction of \$7.0 million TF (\$5.6 million GF).

Operations – Caseload (Dollars in Thousands)			
	Governor's Budget	May Revision	Difference
Staffing Expenditures	\$1,589,505	\$1,524,707	(\$64,798)
Federal Compliance	\$49,552	\$49,552	\$0
Projects	\$40,471	\$40,483	\$12
Intermediate Care Facility-Developmentally Disabled Quality Assurance Fees	\$1,947	\$2,037	\$90
Total Operations – Caseload	\$1,681,475	\$1,616,779	(\$64,696)

Regional Center Operations – Policy

The budget year includes \$29.6 million TF (\$18.2 million GF) for policies impacting regional center operations, an increase of \$7.3 million TF (\$2.8 million GF increase) compared to the Governor's Budget.

New Policy:

- Life Outcomes Improvement System (LOIS): Increase of \$7.3 million TF (\$2.8 million GF) to continue the planning process for LOIS, previously known as UFSM/CERMS.

Operations – Policy (Dollars in Thousands)			
	Governor's Budget	May Revision	Difference
Life Outcomes Improvement System	\$0	\$7,255	\$7,255
Public Records Act - Regional Centers Requirements (AB 1147)	\$9,696	\$9,696	\$0
Service Provider Rate Reform	\$12,647	\$12,647	\$0
Total Operations – Policy	\$22,343	\$29,598	\$7,255

Purchase of Services (POS) Caseload

The budget year includes \$14.5 billion TF (\$9.4 billion GF) for purchase of services, a decrease of \$203.6 million TF (\$146.8 million GF), compared to the Governor's Budget. The net decrease reflects updated expenditure trends in the utilization of various budget categories, as shown below.

Purchase of Services Caseload (Utilization and Growth) <i>(Dollars in Thousands)</i>			
	Governor's Budget	May Revision	Difference
Community Care Facilities	\$3,833,880	\$3,751,312	(\$82,568)
Medical Facilities	\$54,834	\$55,546	\$712
Day Programs	\$1,799,498	\$1,821,557	\$22,059
Habilitation Services	\$149,002	\$147,898	(\$1,104)
<i>Work Activity Program</i>	\$2,349	\$1,207	(\$1,142)
<i>Supported Employment Program – Group</i>	\$67,102	\$64,678	(\$2,424)
<i>Supported Employment Program – Individual</i>	\$79,551	\$82,013	\$2,462
Transportation	\$916,204	\$723,815	(\$192,389)
Support Services	\$3,770,494	\$3,831,456	\$60,962
In-Home Respite	\$1,621,369	\$1,598,050	(\$23,319)
Out of Home Respite	\$82,551	\$75,494	(\$7,057)
Health Care	\$338,116	\$337,142	(\$974)
Miscellaneous Services	\$2,104,341	\$2,123,885	\$19,544
Intermediate Care Facility-Developmentally Disabled	\$10,510	\$11,000	\$490
Quality Assurance Fees			
Total POS – Caseload	\$14,680,799	\$14,477,155	(\$203,644)

POS – Policy

The budget year includes \$2.0 billion TF (\$1.2 billion GF) for policies impacting regional center purchase of services, a decrease of \$130.8 million TF (\$86.8 million GF) compared to the Governor's Budget.

Update Policies:

- Direct Service Professional Workforce Training and Development under Ongoing Purchase of Services Items: reduction of \$17.9 million TF (\$11.8 million GF) to reflect elimination of the program, which has not yet been implemented.
- Service Provider Rate Reform Hold Harmless Provision: reduction of \$113 million (\$75.0 million GF) in FY 2025-26 to end service provider rate reform hold harmless policy as of February 28, 2026 instead of June 30, 2026.

Purchase of Services – Policy (Dollars in Thousands)			
	Governor's Budget	May Revision	Difference
Ongoing Purchase of Services Items	\$42,050	\$24,200	(\$17,850)
Service Provider Rate Reform	\$2,113,433	\$2,000,481	(\$112,952)
Total POS – Policy	\$2,155,483	\$2,024,681	(\$130,802)

Reimbursements

The budget year includes \$6.3 billion in reimbursements, a net decrease of \$103.0 million compared to the Governor's Budget. Adjustments are reflected in the table below and the main drivers are changes in caseload and utilization.

Reimbursements (Dollars in Thousands)			
	Governor's Budget	May Revision	Difference
Home and Community-Based Services (HCBS) Waiver	\$4,388,169	\$4,265,902	(\$122,267)
HCBS Waiver Administration	\$26,015	\$24,516	(\$1,499)
Medicaid Administration	\$24,080	\$24,080	\$0
Targeted Case Management	\$427,984	\$427,294	(\$690)
Title XX Block Grant	\$213,421	\$213,421	\$0
(1) Social Services	\$136,264	\$136,264	\$0
(2) Temporary Assistance for Needy Families	\$77,157	\$77,157	\$0
Intermediate Care Facility-Developmentally Disabled	\$64,889	\$67,917	\$3,028
State Plan Amendment			
Intermediate Care Facility-Developmentally Disabled	\$11,483	\$12,019	\$536
Quality Assurance Fees			
1915(i) State Plan Amendment	\$945,920	\$959,262	\$13,342
Early Periodic Screening Diagnosis and Treatment	\$19,798	\$19,798	\$0
Behavioral Health Treatment Fee-for-Service	\$5,588	\$6,040	\$452
Self-Determination Program Waiver	\$324,754	\$328,844	\$4,090
Total Reimbursements	\$6,452,101	\$6,349,093	(\$103,008)

Federal Funds

The budget year includes \$55.5 million in direct federal funds, a decrease of \$107,000 as compared to the Governor's Budget.

Federal Funds <i>(Dollars in Thousands)</i>			
	Governor's Budget	May Revision	Difference
Early Start Part C/Other Agency Costs	\$54,444	\$54,337	(\$107)
Foster Grandparent Program	\$1,145	\$1,145	\$0
Total Federal Funds	\$55,589	\$55,482	(\$107)

STATE OPERATED SERVICES**FY 2024-25**

The FY 2024-25 updated state-operated services budget of \$314.7 million TF (\$283.3 million GF), a decrease of \$2,000 in Lottery Funds compared to the Governor's Budget due to an update in Lottery Funds.

Facilities Update:

- Lottery Funds Update: Reduction of \$2,000.

Costs and Fund Sources (Dollars in Thousands)			
	Governor's Budget	May Revision	Difference
Personal Services	\$257,825	\$257,825	\$0
Operating Expenses and Equipment	\$48,610	\$48,608	(\$2)
Lease Revenue Bond	\$8,269	\$8,269	\$0
Total Costs	\$314,704	\$314,702	(\$2)
General Fund (GF)	\$283,253	\$283,253	\$0
<i>GF Match</i>	\$31,374	\$31,374	\$0
<i>GF Other</i>	\$251,879	\$251,879	\$0
Reimbursements	\$31,374	\$31,374	\$0
Lottery Fund	\$77	\$75	(\$2)
Fund Sources	\$314,704	\$314,702	(\$2)

FY 2025-26

The FY 2025-26 budget includes \$324.6 million (\$293.2 million GF), a decrease of \$2,000 Lottery Funds compared to the Governor's Budget due to an update in Lottery Funds.

Facilities Update:

- Porterville Developmental Center: reduction of 74.0 positions with no associated dollars pursuant to Control Section 4.12.
- Lottery Fund Update: reduction of \$2,000.

Costs and Fund Sources (Dollars in Thousands)			
	Governor's Budget	May Revision	Difference
Personal Services	\$266,221	\$266,221	\$0
Operating Expenses and Equipment	\$50,150	\$50,148	(\$2)
Lease Revenue Bond	\$8,272	\$8,272	\$0
Total Costs	324,643	324,641	(\$2)
General Fund (GF)	\$293,228	\$293,228	\$0
<i>GF Match</i>	\$31,338	\$31,338	\$0
<i>GF Other</i>	\$261,890	\$261,890	\$0
Reimbursements	\$31,338	\$31,338	\$0
Lottery Fund	\$77	\$75	(\$2)
Fund Sources	\$324,643	\$324,641	(\$2)

HEADQUARTERS**FY 2024-25**

The FY 2024-25 updated budget includes \$154.7 million TF (\$97.1 million GF), a net decrease of -\$4.3 million GF compared to the Governor's Budget.

- Control Section Adjustments: Decrease of -\$4.3 million GF to reflect adjustments pursuant to Control Sections 4.05 and 4.12.

Costs and Fund Sources <i>(Dollars in Thousands)</i>			
	Governor's Budget	May Revision	Difference
Personal Services	\$119,964	\$118,964	(\$1,000)
Operating Expenses and Equipment	\$39,055	\$35,722	(\$3,333)
Total Costs	\$159,019	\$154,686	(\$4,333)
General Fund (GF)	\$101,443	\$97,110	(\$4,333)
<i>GF Match</i>	\$33,377	\$33,377	\$0
<i>GF Other</i>	\$68,066	\$63,733	(\$4,333)
Reimbursements	\$53,659	\$53,659	\$0
Developmental Disabilities Services Account	\$447	\$447	\$0
Federal Trust Fund	\$2,968	\$2,968	\$0
Behavioral Health Services Fund	\$502	\$502	\$0
Fund Sources	\$159,019	\$154,686	(\$4,333)

FY 2025-26

The FY 2025-26 budget includes \$162.8 million TF (\$103.3 million GF), a net increase of \$6.2 million TF (\$1.9 million GF) compared to the Governor's Budget. This is a result of five Budget Change Proposals (BCPs), one BCP adjustment and two Control Section adjustments, including:

- Federal Access Rule (\$1.9 million TF, \$1.6 million GF): Includes one-year limited term resources equivalent to nine (9.0) positions in 2025-26 to support the increased workload related to compliance with the new federal Home and Community-Based Access Rule requirements.
- Staffing for Health and Safety Investigations and Due Process Caseload (\$1.4 million TF, \$1.2 million GF): Includes nine (9.0) permanent positions and \$2.0 million TF (\$1.7 million GF) in 2026-27 and ongoing to support continuing and increasing workload related to health and safety concerns, and rising appeals and complaints workloads.
- Clinical Monitoring Team Support for Specialized Community Homes BCP (\$680,000 TF, \$544,000 GF): Includes four (4.0) permanent positions to support development and monitoring of an increasing number of specialized community homes and services.
- Increased Reimbursements and Cost Recovery (\$1.3 million TF, \$1.1 million GF): Includes five (5.0) permanent positions and contracted consultant support to explore options and obtain payment from public and private health insurers for services purchased by regional centers on behalf of eligible individuals.
- Life Outcomes Improvement System (LOIS) BCP (\$6.0 million TF, \$2.3 million GF): Includes one-year limited-term resources equivalent to seventeen (17.0) positions at the Department and contracting resources to continue the planning phase of the Project Approval Lifecycle process.
- Public Records Act – Regional Center Requirements (AB 1147) – Adjustments (-\$819,000 TF, -\$655,000 GF): Reduction of six (6.0) positions compared to the original proposal submitted at Governor's Budget, reflecting a reevaluation of the compliance approach.
- Control Section 4.05 – Government Efficiencies Reduction (BL 24-24) (-\$3.3 million T/GF)
- Control Section 4.12 – Vacancy Savings and Position Elimination (BL 24-20) (-\$1.0 million T/GF)

Costs and Fund Sources <i>(Dollars in Thousands)</i>			
	Governor's Budget	May Revision	Difference
Personal Services	\$119,515	\$123,815	\$4,300
Operating Expenses and Equipment	\$37,116	\$39,007	\$1,891
Total Costs	\$156,631	\$162,822	\$6,191
General Fund (GF)	\$101,413	\$103,288	\$1,875
<i>GF Match</i>	\$30,961	\$35,277	\$4,316
<i>GF Other</i>	\$70,452	\$68,011	(\$2,441)
Reimbursements	\$51,243	\$55,559	\$4,316
Developmental Disabilities Services Account	\$447	\$447	\$0
Federal Trust Fund	\$3,026	\$3,026	\$0
Behavioral Health Services Fund	\$502	\$502	\$0
Fund Sources	\$156,631	\$162,822	\$6,191