State of California Office of Administrative Law

In re:

Department of Developmental Services

Regulatory Action:

Title 17, California Code of Regulations

Adopt sections:

Amend sections:

Repeal sections: 50201, 50203, 50205,

50207, 50209, 50211, 50213, 50215, 50221, 50223, 50225, 50227,

50229, 50230, 50231, 50233, 50235, 50237,

50239, 50241

NOTICE OF APPROVAL OF CHANGES WITHOUT REGULATORY EFFECT

California Code of Regulations, Title 1, Section 100

OAL Matter Number: 2025-0716-01

OAL Matter Type: Nonsubstantive (N)

This nonsubstantive action seeks to repeal regulations pertaining to the Parental Fee Program to align with the statutory repeal of the program by way of Assembly Bill No. 143 (Chapter 12, Statutes of 2025).

OAL approves this change without regulatory effect as meeting the requirements of California Code of Regulations, title 1, section 100.

Date:

August 14, 2025

asøn W. Falina

Kenneth J. Pogue

// Attorney

Director

For:

Copy: Annie Drinkwater-Wright

Original: Peter Cervinka, Acting Director

For use by Secretary of State only NOTICE PUBLICATION STD, 400 (REV, 10/2019 OAL FILE NOTICE FILE NUMBER 2025 0 1 6 -0 IMERGENCY NUMBER **NUMBERS** For use by Office of Administrative Law (OAL) only **ENDORSED - FILED** in the office of the Secretary of State of the State of California OFFICE OF ADMIN. LAW 2025 JHL 16 PM2:54 NOTICE REGULATIONS AGENCY WITH RULEMAKING AUTHORITY AGENCY FILE NUMBER (If any) Department of Developmental Services A. PUBLICATION OF NOTICE (Complete for publication in Notice Register) 1. SUBJECT OF NOTICE TITLE(S) FIRST SECTION AFFECTED 2. REQUESTED PUBLICATION DATE 3. NOTICE TYPE TELEPHONE NUMBER 4. AGENCY CONTACT PERSON FAX NUMBER (Optional) Notice re Proposed Regulatory Action ACTION ON PROPOSED NOTICE OAL USE NOTICE REGISTER NUMBER **PUBLICATION DATE** Approved as Disapproved/ ONLY B. SUBMISSION OF REGULATIONS (Complete when submitting regulations) 1a. SUBJECT OF REGULATION(S) 1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S) Section 100 - Repeal Monthly Parental Fee per WIC 4784 repeal 2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related) ADOPT SECTION(S) AFFECTED (List all section number(s) AMEND individually. Attach additional sheet if needed.) TITLE(S REPEAL 17 See Attachment A 3. TYPE OF FILING Regular Rulemaking (Gov. Certificate of Compliance: The agency officer named **Emergency Readopt** Changes Without Code §11346) below certifies that this agency complied with the (Gov. Code, §11346.1(h)) Regulatory Effect (Cal. Resubmittal of disapproved provisions of Gov. Code §§11346.2-11347.3 either Code Regs., title 1, §100) before the emergency regulation was adopted or or withdrawn nonemergency within the time period required by statute. filing (Gov. Code §§11349.3, File & Print 11349.4) Emergency (Gov. Code, Resubmittal of disapproved or withdrawn Other (Specify) §11346.1(b)) emergency filing (Gov. Code, §11346.1) 4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1) N/A 5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)

Effective January 1, April 1, July 1, or Effective on filing with Secretary of State

Regulato \$100 Changes Without Regulatory Effect Effective other (Specify) CHECK E THESE REGULATIONS REQUIRE NOTICE OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY TD 399) (58M §6660) Department of Finance (Form Fair Political Practices Commission State Fire Marshal Other (Specify) 7. CONTACT PERSON TELEPHONE NUMBER FAX NUMBER (Optional) E-MAIL ADDRESS (Optional) Annie Drinkwater-Wright 9166511209 Regulations@dds.ca.gov 8. I certify that the attached copy of the regulation(s) is a true and correct copy For use by Office of Administrative Law (OAL) only of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, AUTHORIZED FOR FILING AND PRINTING or a designee of the head of the agency, and am authorized to make this certification. SIGNATURE OF AGENCY HEAD OR DESIGNEE AUG 1 4 2025 July 16, 2025 TYPED NAME AND TITLE OF SIGNATORY

Office of Administrative Law

Pete Cervinka

Attachment A

NOTICE PUBLICATION/REGULATIONS SUBMISSION

STD. 400 (REV. 10/2019)

B. SUBMISSION OF REGULATIONS

2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S)

SECTION(S) AFFECTED	ADOPT
(List all section number(s)	AMEND
Individually. Attach	
additional sheet if needed.)	
TITLE(S)	REPEAL
17	50201, 50203, 50205, 50207, 50209, 50211, 50213, 50215, 50221,
	50223, 50225, 50227, 50229, 50230, 50231, 50233, 50235, 50237,
	50239, and 50241

SECTION 100 REGULATION TEXT

California Code of Regulations Title 17. Public Health Division 2. Health and Welfare Agency — Department of Developmental Services Regulations

Repeal subchapter 2, articles 1, 2, 3, 4 and 5, and sections 50201, 50203, 50205, 50207, 50209, 50211, 50213, 50215, 50221, 50223, 50225, 50227, 50229, 50230, 50231, 50233, 50235, 50237, 50239, and 50241, title 17, California Code of Regulations (CCR), to read as follows:

[NOTE: Repeal is shown in strikeout to indicate deletions.]

Chapter 1. General Provisions

Subchapter 2. Monthly Parental Fee

Article 1. General

§ 50201. Authority.

These regulations prescribe financial responsibility procedures for determining ability to pay and the level of payment due from parents of minor children receiving services provided by the state or purchased with state funds through regional centers. These regulations implement and make specific the provisions of Sections 4782 and 4784 of the Welfare and Institutions Code. Reference is also made to Sections 4648(b) and 4677 of the Code.

NOTE: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference: Sections 4648(b), 4677, 4782 and 4784, Welfare and Institutions Code.

§ 50203. Forms.

- (a) Regional centers shall use parental financial responsibility forms prescribed by the State Department of Developmental Services.
- (b) Other forms shall not be substituted by regional centers unless specifically approved by the Department.

NOTE: Authority cited: Sections 4409, 4631, 4640 and 4748, Welfare and Institutions Code. Reference: Sections 4631, 4640, 4782 and 4784, Welfare and Institutions Code.

Article 2. Definitions

§ 50205. Ability to Pay.

"Ability to Pay" means financial capability to pay the cost of raising a normal child at home, as determined by the Director of Developmental Services.

Note: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference: Sections 4631(a), 4677, 4782 and 4784, Welfare and Institutions Code.

§ 50207. Gross Family Income.

Gross family income includes any money or benefit acquired, earned, or received as payment for labor or services, support, gift or inheritance, or return on investments by parents or eligible dependents.

Provided however, that the following shall not be considered as gross family income:

- 1. Earned income and the return on investment of a minor child living at home or in 24 hour out of home placement;
- 2. Child support payment for a minor child eligible for developmental services to the extent that it is sent or paid to a regional center or state hospital trust office as offset to the cost of services.

Provided further that the parental fee assessment against the noncustodial parent shall be reduced by the amount of child support awarded by the court on behalf of the client.

Provided further, that the includible income from the operation of a business or from self-employment is the net income after deducting business expenses. However, depreciation, amortization, and depletion shall not be allowed as business expense deductions.

Provided finally, that the community property interest of a parent in the gross income of a stepparent, shall be used in determining family income.

Note: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference: Sections 4631(a), 4677, 4782 and 4784, Welfare and Institutions Code.

§ 50209. Eligible Dependent.

Any person who depends on the gross family income for more than one-half of his or her support shall be considered an eligible dependent provided such person's income, other than the earned income of a minor child living at home, is reported and included in the gross family income. Provided however, that a child with developmental disabilities who is living in a community placement or residing in a state hospital shall be considered an eligible dependent regardless of the extent of his dependency on gross family income. Provided further, that a parent who has remarried and the stepparent shall be considered as one eligible dependent, and not two, for the purpose of computing the parental fee.

Note: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference: Sections 4631(a), 4677, 4782 and 4784, Welfare and Institutions Code.

§ 50211. Parental Fee.

"Parental Fee" means the determined and/or scheduled sum which parents are required to pay to the Developmental Disabilities Program Development Fund.

Note: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference: Sections 4677, 4782 and 4784, Welfare and Institutions Code.

§ 50213. Parental Fee Schedule.

"Parental Fee Schedule" means the official table of tabulated and scaled fees as authorized and established by the Director of Developmental Services with the approval of the State Council on Developmental Disabilities.

Note: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference: Sections 4677, 4782 and 4784, Welfare and Institutions Code.

§ 50215. Parents.

"Parents" means the natural or adoptive parents, or either of them, of a child with developmental disabilities under 18 years of age.

Note: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference: Sections 4677, 4782 and 4784, Welfare and Institutions Code.

Article 3. Administrative Provisions

§ 50221. Centralized Parental Fee Program.

- (a) The Department of Developmental Services shall determine, assess, bill, revise, adjust and collect determined parental fees. Determination and assessment shall be in accordance with the Parental Fee Schedule as defined in Section 50213 and parental financial information. Collection of accounts shall be in accordance with applicable laws and standard collection procedures.
- (b) All parental fees paid to or received by a regional center shall be recorded and accounted for in accordance with standard accounting principles. Such fees shall be reported and remitted monthly by regional center to the Department of Developmental Services.
- (c) The Department of Developmental Services shall remit all parental fee payments received from parents or from regional centers to the State Treasury, within 60 calendar days of receipt, to be deposited in the Developmental Disabilities Program Development Fund (DDPDF).
- (d) Regional Centers shall provide the Department of Developmental Services with such information and documents as may be required to determine, assess, bill, revise, adjust, and collect parental fees.

Note: Authority cited: Sections 4409, 4631, 4640 and 4748, Welfare and Institutions Code. Reference: Sections 4631, 4677, 4782 and 4784, Welfare and Institutions Code.

Article 4. Determination of Ability to Pay

§ 50223. Services Requiring Ability to Pay Determinations.

Conditions requiring an ability to pay determination shall be:

(a) All 24-hour out-of-home community care received through a regional center for children under the age of 18;

(b) 24-hour care for such minor children in state hospitals.

Provided, however, that no ability to pay determination shall be made for services required by state or federal law, or both, to be provided to children without charge to their parents.

Provided further, in no case shall the parental fee exceed the net cost of services purchased by the state or the regional center.

Note: Authority cited: Sections 4409, 4631 and 4748, Welfare and Institutions Code. Reference: Sections 4677, 4782 and 4784, Welfare and Institutions Code.

§ 50225. Regional Center Responsibilities.

Regional centers shall have the following duties and responsibilities:

- (a) Identify all children with developmental disabilities who are receiving services as specified in Section 50223.
- (b) Provide the Department of Developmental Services with a listing of new placements, terminated cases, and client deaths for those clients identified in paragraph (a) of this section. Such listing shall be provided not later than the 20th day of the month following the month of such occurrence and shall be provided in the format as determined by the Department of Developmental Services.
- (c) Inform parents of children who will be receiving services as identified in Section 50223 that the Department of Developmental Services is required to determine parents' ability to pay, and to assess, bill, and collect parental fees pursuant to Chapter 9 of Division 4.5 of the Welfare and Institutions Code.
- (d) Within 10 working days after placement of a minor child, provide the parent(s) a package containing an informational letter, a Family Financial Statement (FFS), and a return envelope. The informational letter, FFS, and envelope shall be provided to the centers by the Department of Developmental

Services.

(e) A copy of each informational letter given or sent to parent(s), indicating the addressee and the date given or mailed, shall be attached to and submitted with the report identified in paragraph (b) of this section.

Note: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference: Sections 4620, 4631, 4677, 4782 and 4784, Welfare and Institutions Code.

§ 50227. Notification to Parents.

(a) The Department of Developmental Services shall notify parents in writing of parental fee determination results and advise them of their right to appeal the determination under Section 50241. A copy of the Confirmation Letter will be sent to the regional center.

(b) Parental fee liability shall be effective on the first day of the month following the month that the client is placed in a 24-hour out of home facility.

Note: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference: Sections 4620, 4631, 4677, 4748, 4782 and 4784, Welfare and Institutions Code.

§ 50229. Parent(s) Disclosure of Financial Information.

The parent(s) of a child who is currently receiving services as specified in Section 50223, or who has been referred for placement pursuant to the same section, shall complete and submit to the Department of Developmental Services and annually thereafter, a Client Benefit Questionnaire and Family Financial Statement. If the parent(s) refuses or fails to complete and submit this form, within 30 days from the date on the informational letter, the Department of Developmental Services shall assess a fee for the full cost of services or the maximum allowable fee, whichever is less. Upon receipt of the properly completed FFS, the Department of Developmental Services will determine the appropriate rate and adjust the account as necessary.

Note: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference: Sections 4677, 4782 and 4784, Welfare and Institutions Code.

§ 50230. Determination of Amount of Monthly Parental Fee.

- (a) The maximum parental fee shall be in accordance with the Parental Fee Schedule as defined in Section 50213.
- (b) Parental fees for those families with more than one child having developmental disabilities and receiving services as specified in Section 50223 shall be made using the fee schedule and the following adjustments.

(A) First Child	100% of the Fee Schedule Amount
(B) Second Child	50% of the Fee Schedule Amount
(C) Third Child	25% of the Fee Schedule Amount
(D) Fourth Child	25% of the Fee Schedule Amount

Note: Authority cited: Sections 4409, 4631 and 4677, Welfare and Institutions Code. Reference: Sections 4677, 4732 and 4784, Welfare and Institutions Code.

Article 5. Determining Required Levels of Payment

§ 50231. Gross Family Income Adjustments.

- (a) Client related expenditures shall be reported as an annual amount for the 12 months immediately preceding a determination of ability to pay. Qualified client related expenditures which the Department of Developmental Services may accept to reduce gross family income, subject to verification, are:
 - (1) Annual amounts paid from gross family income to reduce or liquidate medical debts incurred by parents on behalf of and before a child with developmental disability began receiving services provided by the state or secured through a regional center.
 - (2) Annual amounts paid from gross family income for the current medical expenses of a child with a developmental disability provided that such expenses have not been paid or are not currently reimbursable with state funds, health insurance, health care benefits, or other third party resources.

- (3) Annual amounts paid from gross family income for the developmentally disabled child's share of any premium payments paid for an individual, family, or group health care plan.
- (4) Annual amounts paid from gross family income to other government agencies as payment for services provided for a child with a developmental disability.
- (5) Annual amounts paid from gross family income for the clothing needs of a child with a developmental disability.
- (6) Annual amounts paid from gross family income for personal needs and incidentals for the child with a developmental disability.
- (7) Annual amounts paid from gross family income for recreation and entertainment for the child with a developmental disability.
- (b) "Qualified client related expenditures" as enumerated in 50231 subsection (a) may be applied as an adjustment to reduce gross family income prior to application of the parental fee schedule for the purpose of determining ability to pay and assessing the required fee.
- (c) Client related expenditures as enumerated in 50231(a) do not include those that are paid for or are reimbursable by the client's SSI/SSP, SSA, or other benefits paid to or on behalf of the client.
- (d) The maximum monthly parental fee shall be in accordance with the Parental Fee Schedule as defined in Section 50213.

Note: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference: Sections 4677, 4782 and 4784, Welfare and Institutions Code.

§ 50233. Major Unusual Expense Allowance.

The Department of Developmental Services may allow claims for major unusual expenses which limit ability to pay and which will create hardship if a required payment should be imposed. Any qualified allowance shall be applied as an adjustment to reduce the gross family income used to determine parents' ability and level of payment. In determining what constitutes a major unusual expense, the Department of Developmental Services shall include for consideration, but

not be limited to, the following factors:

- 1. Expenditures which consume a substantial portion of Gross Family Income;
- 2. An expenditure over which parents have no control, e.g., natural disaster, catastrophic uninsured casualty loss, death of an immediate family member, extreme medical expense.

Hardship, in this sense, implies that the result of imposing the monthly parental fee, would be privation or lack of what is needed for basic family necessities, food, shelter, clothing, medical care, etc., not merely a reduction of the family's standard of living.

Note: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference: Sections 4677, 4748, 4782 and 4784, Welfare and Institutions Code.

§ 50235. Transportation Expense Allowance.

Reasonable transportation expenses incurred by parents to visit a child with developmental disability in any placement facility may be claimed as client related expenditures and applied as an adjustment to reduce gross family income.

Note: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference: Sections 4677, 4782 and 4784, Welfare and Institutions Code.

§ 50237. Substantiation of Determination Data.

The Department of Developmental Services may require substantiation of information set forth in the Family Financial Statement. Substantiation may be in the form of State and Federal Income Tax Returns, W-2 Forms, payroll stubs, and copies of bills, receipts, or cancelled checks. Parents may be required to sign release of information forms for employment and/or income verification.

Note: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference: Sections 4677, 4782 and 4784, Welfare and Institutions Code.

§ 50239. Termination of Required Payments.

Assessment of required payments shall be terminated at the end of the month in which a child with developmental disabilities receiving services becomes 18 years of age. When services terminate because of the client's death or discharge, the monthly parental fee will be terminated as of the last day of the month proceeding the month of death or discharge.

Provided however, that parental fees previously assessed and still unpaid at time of termination of the monthly parental fee shall continue to be billed until paid in full or adjusted.

Note: Authority cited: Sections 4409 and 4631, Welfare and Institutions Code. Reference Sections 4677, 4782 and 4784, Welfare and Institutions Code.

§ 50241. Appeal.

Parents who are dissatisfied with the decision as to the determination of ability to pay and/or the amount of parental fee may, within 30 days of receipt of the parental fee confirmation letter, request an appeal of the determination or the amount of the fee. The appeal must be in writing and addressed to the Director of Developmental Services, and must state the reason(s) for the appeal. The Department of Developmental Services will send a copy of the appeal to the appropriate regional center director within five days of its receipt.

Parents may discontinue making payments of the assessed fee pending notification of the appeal results. Provided however, that if parents fail or refuse to provide the Department pertinent financial information within 60 days of the request for an appeal, the appeal shall be deemed withdrawn and collection activities shall be resumed.

The Director or designee shall, within 30 days after receipt of all pertinent financial information requested by the Department, review the appeal and provide written notice of the decision to the appellant and the appropriate regional center.

All decisions regarding parental fee appeals may be made retroactive to the date the appealed fee was established.

Note: Authority cited: Sections 4409, 4501 and 4631, Welfare and Institutions Code. Reference: Sections 4512, 4620, 4648(b), 4677, 4782 and 4784, Welfare and Institutions Code.