February 8, 2018

The Honorable Holly Mitchell, Chair

Senate Committee on Budget

State Capitol, Room 5080

Sacramento, CA 95814

The Honorable Dr. Richard Pan, Chair

Senate Budget Subcommittee #3

State Capitol, Room 5114

Sacramento, CA 95814

The Honorable Phil Ting, Chair Assembly Committee on Budget

State Capitol, Room 6026

Sacramento, CA 95814

The Honorable Dr. Joaquin Arambula, Chair

Assembly Budget Subcommittee #1

State Capitol, Room 2160

Sacramento, CA 95814

**RE: STRONG SUPPORT: Bridge Funding for Dept. of Developmental Services (DDS) Service Provider to maintain critical services**

Dear Chairpersons:

I am writing to request your support for Assemblymember Chris Holden’s proposal to add $25 million to the DDS budget to assist service providers in high cost areas regions to meet the escalating costs for labor and other essential operations.

These organizations provide employment, community living skills training and support for people with developmental disabilities who are working hard to fulfil their potential to become independent and productive members of their communities.

Service providers are struggling due to the extremely high labor costs in our area. Due to the high costs of housing and other essential living expenses, employers in our area are paying much higher wages to their labor force than many other regions of the State. Service providers simply cannot compete in this labor market and they may not be able to fill their most critical direct support and quality assurance positions this year. Rates paid by the State of California have only increased by 7% since 2003 while the cost of living has increased by over 70%. We know that labor costs in our area will increase significantly in 2018 and service providers have no means of meeting these higher costs. Without help, they do not know how they will be able to continue to serve people in the year ahead.

They are not asking for anything other than the ability hire and hold on to the staff they need to serve the people they are responsible for. Help them continue to meet the needs of Californians with developmental disabilities. Please support the budget request by Assemblymember Chris Holden that will provide modest relief for providers who can document their needs for these funds.

Sincerely,