

## **IMPORTANT ANNOUNCEMENT**

In response to the unprecedented budget crisis facing the State of California, the legislature and Governor passed budget legislation which includes significant funding cuts for the Regional Center system. These cuts include:

- a three (3) percent reduction to all regional center operations funding;
- a three (3) percent payment reduction for nearly all service providers.

The effective date of these cuts will be February 1, 2009.

In addition, the State budget legislation included a \$100 million cut in state general funds for the next fiscal year (July 1, 2009 thru June 30, 2010). The legislation provides for a public stakeholder process to determine how this cut in spending will be achieved. The stakeholder process must be completed by April 1, 2009 for implementation upon approval of the legislature and Governor. There was a public forum as part of this stakeholder process in Oakland on February 27, 2009.

The budget legislation further provides that if the “stakeholder process” does not achieve the \$100 million savings to state general funds, an additional 7.1 percent cut to service provider payments must be implemented effective September 1, 2009.

As further details on this budget legislation are released, we will post them on our website at **[www. rceb.org](http://www.rceb.org)** and provide updates at all regularly scheduled community meetings.