

**BEFORE THE
DEPARTMENT OF DEVELOPMENTAL SERVICES
STATE OF CALIFORNIA**

In the Matter of:

CLAIMANT

and

REGIONAL CENTER OF THE EAST BAY, Service Agency.

DDS No. CS0030561

OAH No. 2025100260

PROPOSED DECISION

Administrative Law Judge Juliet E. Cox, State of California, Office of Administrative Hearings, heard this matter on January 15, 2026, by videoconference.

Claimant appeared representing herself.

Appeals Specialist Denise Underwood appeared representing service agency Regional Center of the East Bay.

Oral and documentary evidence was received. The record was closed, and the matter was submitted for decision on January 15, 2026.

ISSUES

1. May the Regional Center of the East Bay (RCEB) approve a Self-Determination Program (SDP) spending plan for claimant under which claimant would spend SDP funds on legal services (estate planning and landlord-tenant advice) and on business expenses (equipment and supplies, soundproofing modifications to claimant's workspace, and business-related subscriptions)?
2. May RCEB continue to subsidize claimant's residential rent?
3. May RCEB continue to provide any SDP funds for claimant's use without a current Individual Program Plan (IPP) approved by both RCEB and claimant?

FACTUAL FINDINGS

1. Claimant is an adult who receives services from RCEB in accordance with the Lanterman Developmental Disabilities Services Act (Lanterman Act). Her qualifying developmental disability is autism spectrum disorder.
2. Since fall 2023, claimant has selected and directed her own service providers through SDP.
3. Claimant timely appealed both the service denial summarized below in Findings 8 and 14 and the denial summarized below in Finding 11.

2025 Individual Program Plan

4. In mid-2024, claimant and RCEB agreed on an IPP to support claimant's 2024–2025 SDP budget and spending plan. The written IPP states specifically that it is

an “annual” IPP and that the next IPP will be due on August 31, 2025. It states a total service budget for the 2024–2025 SDP year only.

5. In mid-2025, RCEB staff members and claimant began preparing an IPP to support claimant’s 2025-2026 SDP budget and spending plan. They have held meetings to discuss the plan, and have corresponded by email about it.

6. Claimant wants her 2025 IPP to identify several goals and services that RCEB has not agreed to include. Some or all of these goals and services relate to the SDP spending plan dispute described below in greater detail in Findings 10 and 11.

7. The evidence does not show specifically what IPP proposal(s) RCEB has made in writing, although it shows that RCEB has proposed an IPP that would support a total SDP budget for the 2025–2026 SDP year of \$210,995.16.

8. By letter dated August 29, 2025, RCEB staff member Channy Sim notified claimant that RCEB would be unable to fund any component of claimant’s 2025–2026 SDP plan without an IPP signed by both RCEB and claimant memorializing claimant’s agreement to accept the services RCEB has agreed to fund.

9. As of the hearing date, claimant had declined to sign any version of a 2025 IPP reflecting only the goals and services on which she and RCEB agree, but omitting (or identifying disagreement as to) the additional goals and services that she seeks beyond those to which RCEB agrees.

2025-2026 SDP Spending Plan

10. In August 2025, claimant proposed an SDP spending plan for the 2025–2026 SDP year. Among the items on which claimant proposes to spend her 2025–2026 SDP funds are:

- a. An estate planning attorney;
- b. Business support services, encompassing a tax preparer, financial planner, tax attorney, content creation and marketing coach, business practices coach, fees to organize a limited liability company and obtain business licenses and insurance, rent for an art studio, office supplies, art supplies, and art tools;
- c. A landlord-tenant attorney;
- d. Filming and editing equipment and software;
- e. Soundproofing for a home studio booth;
- f. Subscriptions and fees for Internet content hosting services;
- g. Subscriptions and fees for online sales services; and
- h. Fees for digital storage.

11. By letter dated August 11, 2025, Sim notified claimant that RCEB would not approve a 2025–2026 SDP spending plan that includes any of the services summarized in Finding 10. The letter states that RCEB staff members do not believe that RCEB even may, let alone must, allow claimant to spend SDP funds on her business. It notes further that the Department of Developmental Services previously affirmed RCEB’s refusal to allow claimant to use SDP funds during the 2024–2025 year

for rent on an art studio. The letter also explains RCEB staff members' determination that fees for an estate planning attorney or for a landlord-tenant attorney are not disability-related expenses that RCEB may cover for any consumer.

Rental Subsidy

12. In addition to the self-directed services that RCEB supports for claimant through SDP, RCEB has provided a residential rent subsidy to claimant. RCEB reviews claimant's ongoing need for this subsidy at regular intervals.

13. In summer 2025, claimant refused to provide information to her RCEB case manager to demonstrate her continuing need for a rent subsidy. As of the date of the hearing, she continued to refuse to provide information to RCEB staff members regarding her current financial circumstances, even though she has told them that these circumstances have changed significantly since RCEB began subsidizing her rent.

14. By letter dated August 29, 2025, Sim notified claimant that RCEB could not continue claimant's rent subsidy without "documentation of your other income and assets in order to appropriately assess for eligibility of a rental subsidy."

15. Claimant stated at the hearing that losing her rent subsidy might result in her eviction from her apartment, but offered no specific evidence regarding her ability or inability to pay her rent without RCEB's financial support.

LEGAL CONCLUSIONS

1. As a participant in SDP, claimant has significant personal discretion about how she uses public funds to pay for services and supports that she needs because of her developmental disability. (Welf. & Inst. Code, § 4685.8, subd. (a).)

2. Because claimant uses public funds that are available to her for specific reasons and purposes, however, her discretion even in SDP is not limitless. In particular, as is relevant to the issue in dispute between claimant and RCEB in this hearing, a regional center must exercise supervisory control over both the overall budget available to an SDP participant and how the SDP participant spends those funds. (Welf. & Inst. Code, § 4685.8, subds. (c)(3), (c)(7), (j), (m), (r)(6).)

3. Claimant bears the burden in this matter of establishing that the law requires RCEB to fund her SDP plan for the 2025–2026 year, to include the specific services in that plan that she requests, and to continue subsidizing her rent.

2025 Individual Program Plan

4. The Lanterman Act prohibits RCEB from approving any SDP spending plan unless claimant has agreed through an IPP to receive services funded by RCEB. (Welf. & Inst. Code, §§ 4646, subd. (i), 4685.8, subd. (k).)

5. Claimant contends that her 2024 IPP was a triennial IPP, and that she need not execute another until 2027 to continue receiving SDP funds. This belief is incorrect. The Lanterman Act states that an IPP must undergo review “no less often than once every three years” (Welf. & Inst. Code, § 4646.5, subd. (b)), but it does not preclude more frequent review. The matters stated in Finding 4 show that claimant’s 2024 IPP was an annual IPP that supported only claimant’s 2024–2025 SDP budget and spending plan, and that a renewed IPP is necessary for RCEB to continue claimant’s support.

6. As summarized in Findings 6 through 9, claimant has not signed an IPP for the 2025-2026 SDP year in which she agrees to receive the services that RCEB has offered. Although the Lanterman Act contemplates that claimant may sign an IPP with

which she agrees only in part, identifying topics of disagreement and preserving her right to appeal these disputes (Welf. & Inst. Code, § 4646, subd. (i)), the matters summarized in Finding 9 show that claimant also has not signed any such partial IPP. For this reason, and until claimant agrees in a written IPP to receive the services RCEB has proffered, RCEB may not approve claimant's proposed SDP spending plan for the 2025-2026 plan year.

2025-2026 SDP Spending Plan

7. RCEB services and funding are available to support claimant's disability-related needs. They are not available to support needs that do not arise from claimant's qualifying disability. Moreover, SDP funds in particular are available only to pay for services that the federal Centers for Medicare and Medicaid Services deem eligible for federal financial participation.

8. Business-related services and products, and legal fees, are not eligible for SDP funding. RCEB may not approve an SDP spending plan that would authorize claimant to spend SDP funds for an estate planning attorney, business expenses, a landlord-tenant attorney, video recording and editing equipment, soundproofing, or subscriptions and fees for business software (all as identified in Finding 10).

Rental Subsidy

9. The Lanterman Act generally prohibits RCEB from subsidizing a consumer's residential rent. RCEB may provide such a rental subsidy only in unusual, disability-related circumstances, and only if the consumer's other financial resources are inadequate to meet the consumer's housing needs. (Welf. & Inst. Code, § 4689, subd. (i).)

10. As summarized in Findings 13 through 15, claimant has declined to provide financial information to RCEB from which RCEB may determine claimant's need for a continuing rent subsidy. For this reason, RCEB may not continue subsidizing claimant's residential rent.

ORDER

Claimant's appeal is denied.

DATE:

JULIET E. COX

Administrative Law Judge

Office of Administrative Hearings

BEFORE THE
DEPARTMENT OF DEVELOPMENTAL SERVICES
STATE OF CALIFORNIA

In the Matter of:

Claimant

OAH Case No. 2025100260

Vs.

DECISION BY THE DIRECTOR

Regional Center of the East Bay

Respondent.

ORDER OF DECISION

On January 16, 2026, an Administrative Law Judge (ALJ) at the Office of Administrative Hearings (OAH) issued a Proposed Decision in this matter.

The Proposed Decision is adopted by the Department of Developmental Services as its Decision in this matter. The Order of Decision, together with the Proposed Decision, constitute the Decision in this matter.

This is the final administrative Decision. Each party is bound by this Decision. Either party may request a reconsideration pursuant to Welfare and Institutions Code section 4712.5, subdivision (a)(1), within 15 days of receiving the Decision or appeal the Decision to a court of competent jurisdiction within 180 days of receiving the final Decision.

Attached is a fact sheet with information about what to do and expect after you receive this decision, and where to get help.

IT IS SO ORDERED on this day February 2, 2026.

Original signed by:
Katie Hornberger, Deputy Director
Community Assistance and Resolutions Division (CARD)

BEFORE THE
DEPARTMENT OF DEVELOPMENTAL SERVICES
STATE OF CALIFORNIA

In the Matter of:

Claimant

OAH Case No. 2025100260

Vs.

**RECONSIDERATION ORDER, DECISION
BY THE DIRECTOR**

Regional Center of the East Bay,

Respondent.

RECONSIDERATION ORDER

On February 19, 2026, the Department of Developmental Services (Department) received claimant's application for reconsideration of a Final Decision issued by the Director on February 2, 2026.

The application for reconsideration is denied. A review of the Final Decision and record does not support a finding of factual or legal error that would change the Final Decision. The Final Decision remains effective as of February 2, 2026. All parties are bound by this Reconsideration Order and Final Decision.

Each party has the right to appeal the Final Decision to a court of competent jurisdiction within 180 days of receiving the Final Decision.

IT IS SO ORDERED on this day March 4, 2026.

Original signed by

Katie Hornberger, Deputy Director
Division of Community Assistance and Resolutions