

**BEFORE THE
OFFICE OF ADMINISTRATIVE HEARINGS
STATE OF CALIFORNIA**

In the Matter of:

CLAIMANT

and

EAST LOS ANGELES REGIONAL CENTER,

Service Agency.

DDS No. CS0030907

OAH No. 2025100716

PROPOSED DECISION

Jennifer M. Russell, Senior Administrative Law Judge, Office of Administrative Hearings (OAH), State of California, heard this matter by videoconference on December 9, 2025.

Victor Mercado, Appeals Specialist, represented East Los Angeles Regional Center (ELACRC or service agency). Claimant represented himself. Claimant's name is not used to preserve privacy and confidentiality.

Claimant testified. Claimant's Exhibit C through Exhibit AB were admitted in evidence. The service agency's Exhibit 1 through Exhibit 8 were admitted in evidence.

Exhibit 10 was marked for identification only. The record closed and the matter was submitted for decision on December 9, 2025.

ISSUE FOR DETERMINATION

The sole issue for determination is whether it is permissible for Claimant to use his Self-Determination Program funds to pay for training as an employer of the providers vendored to provide him with services and supports in accordance with the Lanterman Developmental Disabilities Services Act (Lanterman Act), Welfare and Institutions Code section 4500 et seq.

FACTUAL FINDINGS

1. Claimant is a 23-year-old adult consumer with ELARC based on his qualifying diagnosis of autism. Claimant resides with his father. Claimant is pursuing a graduate degree in counseling at a university.

2. In accordance with his Individual Program Plan (IPP), dated September 19, 2024, ELARC agreed to fund the following services and supports for Claimant: 300 hours of personal assistance services for an unspecified frequency; 90 hours of independent living support services per month; nine sessions of socialization training per month; mileage reimbursement to attend university, a fitness gym, the Department of Rehabilitation, and the service agency's office for trainings and advocacy group meetings.

3. Claimant is enrolled in the Self Determination Program (SDP). Claimant elected to use a Financial Management Service (FMS) Sole Employer model to hire

directly the workers or vendored providers delivering the services and supports identified in his IPP to meet his needs. Claimant has hired five workers. Under the Sole Employer model, Claimant is responsible for paying bills for his hired workers, compliance with all law governing the employer/employee relationship, and management of all required insurance and liability.

4. SDP service code 334 is the numerical identifier for "Individual Training and Education." Claimant's SDP budget for fiscal year 2024-2025 allocates \$6,762.25 for individual training and education expenditures under service code 334. (Exh. 5.) The *Self-Determination Program Service Definitions* provides the following:

Individual Training and Education Services includes training programs, workshops and conferences that assist the participant in acquiring and building skills related to his or her responsibilities as an employer, relationship building, problem solving and decision making. This service helps the participant acquire skills that facilitate the participant's self-advocacy skills, exercise the participant's human and civil rights, and exercise control and responsibility over their SDP services and supports.

This service includes enrollment fees, books and other resource/reference materials required for participation in the individual training and education, and transportation expenses, excluding airfare, that are necessary to enable participation in the individual training and education. This service does not include the cost of meals or overnight

lodging. Individual Training and Education supports needs or goals identified in the participant's IPP.

This service is not provided when funding can be accessed through Public Education as required in IDEA (P.L. 105-17, the IDEA). Prior to accessing funding for this service, all other available and appropriate funding sources, including those offered by the Departments of Rehabilitation or Education must be explored or exhausted. These efforts must be documented in the participant's file.

This service does not duplicate the activities provided by the Independent Facilitator waiver of service or Case Management. Neither case management nor the Independent Facilitator waiver service include the provision of training or the cost of enrollment fees. Furthermore, Independent Facilitator providers may not provide additional services to a participant. The Financial Management Services provider ensures compliance with this requirement.

(Exh. F [B31-B32].)

5. In another matter identified by DDS Tracking Number CS0027698 (OAH Case number 2025060648), ELARC denied Claimant's request to use funds in his 2024-2025 SDP budget under service code section 334 to attend conferences and training sessions "on what my employer responsibilities are as part of running a business." (Exh.

2.) Claimant appealed the denial. At an August 6, 2025 informal meeting, ELARC and Claimant executed a Notice of Resolution (NOR), which provides the following:

The Eastern Los Angeles Regional Center and Claimant have reached a resolution. Claimant agrees to withdraw appeal. Claimant will be allowed to use spending plan funds under (334) individualized training and education services to fund classes/courses [C]laimant has attended at ELA[R]C. Classes were taken to aid [C]laimant with training programs, workshops and conferences that assist the participant in acquiring and building skills related to his or her responsibility as an employer, relationship building, problem solving and decision making. Claimant would like to continue attending courses to aid him with this goal, IPP team to address goals in future upcoming IPP. Claimant has provided receipts of classes in the amount of \$502.50. SD[P] team update information on the 2024-2025 spending plan as needed and to work with FMS to ensure spending plan funds are used to pay/reimburse for payments paid by [C]laimant as verified by receipt provided. Payment/reimbursement to be completed within 30 calendar days per NOR.

(Exh. 6.)

6. On August 25, 2025, Claimant submitted to the service agency a draft SDP spending plan for the fiscal year commencing September 1, 2025, and ending August 31, 2026, which allocated \$14,473.67 for SDP service code section 334

expenditures for "Statewide conferences on self-advocacy and attending trainings/courses on what my employer responsibilities are as part of running a business." (Exh. 2.) Claimant's service coordinator responded to Claimant's draft SDP spending plan stating:

Please list names of proposed Statewide
Conferences/classes using service code 344 \$14,473.67.
Self-Determination funding cannot be used for employer
training and business related expenses. Funding can be
used to explore services that allow you to increase advocacy
skills towards sole employer model with help from FMS.

(Exh. 2.)

7. By Notice of Action, dated October 10, 2025, ELARC denied Claimant's use of SDP funds for fiscal year 2025-2026 "for on going training as an employer," stating as its reason the following:

The topic of whether [C]laimant is a business doe [s/c] to choosing the Sole Employer option under the self-determination program is already in hearing and therefore not to be addressed until a judicial decision is made. In addition, on August 8, 2025 and [s/c] notice of resolution was completed and ELARC agreed to funding of classes that were taken regarding issues related to being an employer. This was a one time [s/c] agreement.

(Exh. 4)

8. Claimant appealed the denial. At hearing, Claimant maintained the October 10, 2025 Notice of Action violates the agreed upon terms of the August 6, 2025 NOR discussed in Factual Finding 5 as well as the definition of "Individual Training and Education" set forth in the *Self-Determination Program Service Definitions*.

9. As discussed below, the claim that the October 10, 2025 Notice of Action violates the agreed upon terms of the August 6, 2025 NOR is rejected. Claimant's appeal is nonetheless granted because the plain, unambiguous language in the *Self-Determination Program Service Definitions* anticipates and permits an SDP employer participant, such as Claimant, to use SDP funds to pay for training programs, workshops, and conferences that assist with skills acquisition and growth related to his responsibilities as an employer.

LEGAL CONCLUSIONS

Burden and Standard of Proof

1. As the party asserting a claim for services and supports under the Lanterman Act, Claimant bears the burden of establishing by a preponderance of the evidence his entitlement to the requested services and supports. (*Lindsay v. San Diego Retirement Bd.* (1964) 231 Cal.App.2d 156, 161 [disability benefit]; *Greatoroex v. Board of Administration* (1979) 91 Cal.App.3d 54, 57 [retirement benefits]).

2. "Preponderance of the evidence" means evidence that has more convincing force than that opposed to it. (See *Glage v. Hawes Firearms Company* (1990) 226 Cal.App.3d 314, 324.) "[T]he sole focus of the legal definition of 'preponderance' in the phrase 'preponderance of the evidence' is on the *quality* of the

evidence. The *quantity* of evidence presented by each side is irrelevant.” (*Id.* at 324-325, original italics.) In meeting the burden of proof by a preponderance of the evidence, Claimant “must produce substantial evidence, contradicted or uncontradicted, which supports the finding.” (*In re Shelley J.* (1998) 68 Cal.App.4th 322, 329.)

Discussion

3. Under the Lanterman Act, developmentally disabled persons have a statutory right to treatment and habilitation services and supports. (Welf. & Inst. Code, §§ 4502, 4620, & 4646-4648; *Association for Retarded Citizens v. Department of Developmental Services* (1985) 38 Cal.3d 384, 389.) The Lanterman Act mandates an “array of services and supports should be established . . . to meet the needs and choices of each person with developmental disabilities . . . and to support their integration into the mainstream of life in the community.” (Welf. & Inst. Code, § 4501.)

4. Regional centers play a critical role in the coordination and delivery of treatment and habilitation services and supports for persons with developmental disabilities. (Welf. & Inst. Code, § 4620 et seq.) Regional centers are responsible for securing needed services and supports, as determined in a consumer’s IPP, in conformance with purchase of service policies approved by the Department Developmental Services, to reflect the cost-effective use of public resources. (Welf. & Inst. Code, §§ 4646, 4646.4, 4646.5, 4647, & 4648.)

5. Regional centers are authorized to deliver treatment and habilitation services and supports to consumers and their families participating in SDP. (Welf. & Inst. Code, § 4685.8.) Participants develop a spending plan and budget for the services and supports needed to implement their IPP. Regional centers review the spending

plan and budget for compliance with pertinent state and federal law, to ensure the services and supports are eligible for federal financial participation, and to verify providers are qualified. (*Id.*)

6. The August 6, 2025 NOR resolved the identical issue presented in this matter. However, the wording of the August 6, 2025 NOR persuasively suggests its terms are limited to Claimant's SDP spending plan for the 2024-2025 fiscal year for classes that "were taken." The August 6, 2025 NOR language makes clear the parties entered what is essentially a reimbursement agreement because Claimant is required to provide ELARC with verified receipts and ELARC's SDP team is directed to update Claimant's 2024-2025 spending plan accordingly and complete the reimbursement within 30 days:

Claimant would like to continue attending courses to aid him with the goal, IPP team to address goals in future upcoming IPP. Claimant has provided receipts of classes in the amount of \$502.50. SD team update information on the 2024-2025 spending plan as needed and to work with FMS to ensure spending plan funds are used to pay/reimburse for payments paid by [C]laimant as verified by receipt provided. Payment/reimbursement to be completed within 30 calendar days per NOR.

(See Factual Finding 5.)

7. In the October 10, 2025 Notice of Action for this proceeding, the service agency alludes to the existence of a pending parallel judicial proceeding. There is no judicial stay of this administrative proceeding, however. Thus, until the pending

parallel judicial proceeding is concluded and reaches a determination, it has no bearing on this matter.

8. In plain unambiguous language, the *Self-Determination Program Service Definitions* discussed in Factual Finding 4 states "Individual Training and Education" "includes training programs, workshops and conferences that assist the participant in acquiring and building skills related to his or her responsibilities as an employer." Furthermore, in similar plain language, the *Self-Determination Program Service Definitions* articulates the goal of the individual training and education services is to "help[] the participant acquire skills that facilitate the participant's self-advocacy skills, exercise the participant's human and civil rights, and exercise control and responsibility over their SDP services and supports."

9. As an SDP participant, Claimant elected to use an FMS Sole Employer model to hire directly the workers or vendored providers delivering the services and supports identified in his IPP to meet his needs. Thus, Claimant is an employer entitled to funds for training programs, workshops and conferences to assist with his acquisition and building of skills related to his responsibilities as an employer.

10. By reason of Legal Conclusions 1 through 9, Claimant has met his burden of establishing by a preponderance of the evidence his entitlement to funds from his SDP budget for the fiscal year commencing September 1, 2025 and ending August 31, 2026 to pay for training programs, workshops, and conferences that assist him in acquiring and building skills related to his responsibilities as an employer of the vendors providing him with Lanterman Act services and supports.

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ORDER

1. Claimant's appeal is affirmed.

East Los Angeles Regional Center shall permit Claimant to use funds from his Self Determination Plan approved budget for fiscal year 2025-2026 to pay for training programs, workshops, and conferences that assist him in acquiring and building skills related to his responsibilities as an employer of the vendors providing him with Lanterman Act services and supports.

DATE:

JENNIFER M. RUSSELL

Senior Administrative Law Judge

Office of Administrative Hearings

BEFORE THE
DEPARTMENT OF DEVELOPMENTAL SERVICES
STATE OF CALIFORNIA

In the Matter of:

Claimant

OAH Case No. 2025100716

Vs.

DECISION BY THE DIRECTOR

East Los Angeles Regional Center

Respondent.

ORDER OF DECISION

On December 19, 2025, 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 January 7, 2026.

Original signed by

Katie Hornberger, Deputy Director
Community Assistance and Resolutions Division (CARD)