October – 2025

CALIFORNIA STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

Transition to Work – Second SB 639 Report

Contents

TRANSITION TO WORK – Second Annual SB 639 Report

Executive Summary

California has long championed the idea that work is for all. Every person, including those with intellectual and developmental disabilities (I/DD), deserves the opportunity to earn a fair wage in a meaningful job. Employment is about dignity, independence, and full participation in our communities. That is why California moved away from outdated policies that allowed individuals with disabilities to be paid less than the minimum wage and towards equality.

Directed by Senate Bill (SB) 639 (Durazo, 2021, Ch 339), California's transition from subminimum wage programs to competitive integrated employment (CIE) for individuals with I/DD has demonstrated both significant progress and consistent challenges. The most significant progress is that:

1. As of January 2025, no person with I/DD is paid subminimum wage; and

2. 1,117 employees with I/DD who were paid subminimum wage are now earning at least minimum wage.

This is likely the most successful employment result for adults with I/DD in the history of employment supports.

Strong networks and partnerships among state and local agencies, tailored employment models like the Person-Centered Employment Model, and targeted funding such as HCBS grants have been critical in enabling service providers to support individuals with varying levels of needs. Programs like OPARC's Explorer Program and Goodwill Industries' Intensive Supportive Program have shown that with the right resources, individuals with varying support needs can succeed in CIE. However, barriers such as transportation limitations, insufficient funding, employer reluctance, and parental doubt continue to hinder the transition process.

Addressing these challenges requires enhanced funding to support flexible and inclusive service models, statewide solutions to transportation barriers, and targeted efforts to educate parents and employers on the benefits of CIE. Additionally, improving self-advocacy training and strengthening interagency data sharing will help ensure that individuals with I/DD are empowered to achieve meaningful employment an so progress can be measured. With these efforts, California can ensure that all individuals with I/DD have access to meaningful employment opportunities.

Importance of Employment

California has long championed the idea that work is for all. Our state's Employment First policy reflects a simple yet powerful belief: every person, including those with I/DD, deserves the opportunity to earn a fair wage in a meaningful job. Employment is more than just a paycheck – it is about dignity, independence, and full participation in our communities. That is why California

has moved forward with the transition away from outdated policies that allowed individuals with disabilities to be paid less than the minimum wage and towards equity.
Decades of experience show that inclusive employment strengthens businesses and communities alike. Individuals with I/DD bring reliability, problem-solving skills, and unique perspectives that enhance workplace culture and performance. Companies that embrace inclusive hiring often see higher retention rates, increased employee satisfaction, and stronger customer loyalty. Studies have shown that businesses benefit from diverse teams, finding that companies prioritizing disability inclusion see higher revenues and greater innovation. California recognizes that talent exists in every community, and there is a responsibility to create pathways for all individuals to contribute.

SB 639 (Durazo, 2021, Ch 339) ensured that individuals with I/DD are given fair pay and real opportunities. The transition away from 14(c) certificates – which allowed employers to pay subminimum wages – is not just about equity; it is about tapping into the full potential of our workforce. Employers who hire individuals with I/DD often experience long-term benefits, including lower turnover and improved workplace morale. Research also suggests that employees with I/DD tend to have strong attendance records and high levels of job commitment. Across the state, businesses and organizations are proving that with the right support, individuals with disabilities thrive in competitive, integrated jobs. This shift does not happen overnight, and California has laid out a plan to ensure a smooth, supported transition for both workers and businesses.

Now is the time to invest in the future of work. By implementing SB 639, California has led the way in demonstrating that an economy that includes everyone is an economy that benefits everyone. As we continue this transition, we call on policymakers, business leaders, and communities to stand with us in ensuring that work truly is for all.

Background SB 639 - Ending Subminimum Wage

In 2013, California became an Employment First state[1] and in 2021, required the end of subminimum wage programs by January 2025.[2] These and other policy changes were the result of a vision to ensure equal pay and treatment in the workplace for all individuals, regardless of disabilities.

As with any new legislation, a transition period is necessary to implement new requirements and phase-out old practices. For individuals with I/DD, the transition from subminimum wage programs to CIE has been gradual. The development of new services is ongoing, as the needs of individuals with I/DD (clients) are identified during the transition.

The success of new legislation is measured by its ability to achieve the intended outcomes. To assess these outcomes effectively, feedback must be obtained from those directly affected by the new law.

[1] CA Welfare and Institutions Code §4869
[2] CA Labor Code §1191

Finding: No One Is Paid Subminimum Wage

As of January 2025, no person with a disability was being paid subminimum wage through a 14c sheltered workshop or other such settings.[3] This meets the statutory deadline in Labor Code §1191 that by January 1, 2025, all employees with disabilities be paid either the state or local minimum wage, whichever is higher.[4]

Just as important as ending the subminimum wage practice is tracking the outcomes and current employment status of individuals who were formerly paid subminimum wages. Starting in July 2023, the Department of Developmental Services (DDS) began collecting monthly data from regional centers and working with the Department of Rehabilitation (DOR) to collaborate on data sharing. Table 1. tells where individuals went.

Table 1. Post Subminimum Wage Data

Where they went	Examples	Total Number	%[5]
Day Program or Similar Program	Community Integration Training Program, In-Home Day Program, Creative Art Program, Activity Center, Behavior Management Program	1,447	48%
Earning Minimum Wage or More	Competitive Integrated Employment, Supported Employment – Individual, Supported Employment – Group, Self Determination Program Employment, Work Activity Program, Paid Internship Program	1,117	37%
No Services	Did not receive services or a program after ending subminimum wage	267	9%
Left the Workforce	Moved, retired, inactive from regional center, geriatric or residential facility	146	5%
Still Pending	Awaiting report on their activity after ending subminimum wage	46	2%
Support Toward Employment	Dpt. of Rehabilitation, Coordinated Career Pathways, Customized Employment	21	1%
	Total	3,044[6]	

Anecdotal reporting points to many of the 1,117 employees now earning at least minimum wage to be individuals who stayed in their subminimum wage job, doing similar or the same work, for the same employer, yet for at least minimum wage pay.

[3] Employment Services: CA Department of Developmental Services, December 2024 Subminimum Wage Report

[4] California Code, LAB 1191.

[5] Total may not add to 100% due to rounding.

[6] 127 out of the total are counted in more than one program. The unique individual count is 2,917.

Finding: Track Transition

The transition to CIE under SB 639 is tracked through several methods, including:

- Data collection by DDS from regional centers.
- Regional centers' data collection from service providers that provide employment services to persons with I/DD.
- Other agency efforts, such as the State Council on Developmental Disabilities' (SCDD) Townhall meeting.

To track employment outcomes, the Legislature required the California Health and Human Services Agency (CHHS) to report on employment beginning in 2025. CHHS is to coordinate with DDS, DOR, and SCDD on employment outcome data for individuals with I/DD, including:

- The number of individuals in employment programs, such as tailored day services, paid internships, and employment-focused services provided by regional centers;
- Outcomes for individuals who phased out of subminimum wage, including the number of individuals who achieved CIE;
- The number of service providers providing services within the Coordinated Career Pathways program; and,
- Ways the departments are supporting employment services for students leaving school.

The CHHS is to provide reports in March 2026, March 2027, and March 2028.

Finding: Struggle to Maintain Success

SCDD held a Townhall meeting to hear from groups affected by the ending of subminimum wage programs, including:

Employees: individuals with I/DD who transitioned from earning subminimum wage pay to at least minimum wage within the past two years.

Regional Centers: organizations that provide case management and services to individuals with I/DD and contract with service providers to provide employment supports.

Service Providers: entities contracted by regional centers to provide services, including job coaching and job development.

Townhall attendees included employees, regional center staff, and service providers. They all reported that individuals with I/DD face significant challenges when transitioning out of subminimum wage programs:

Employees

Positive Outcomes: Those who successfully transitioned to minimum wage employment reported increased happiness and confidence.

Difficult Adjustments: Employees described the transition as challenging, including disruptions of familiar routines.

Benefit Concerns: Employees shared their concerns about losing social security income benefits while pursuing new employment opportunities.

Regional Centers

Networks Create Efficiency: Regional centers that create strong networks and partnerships among agencies and service providers help individuals access the services they need faster and more efficiently.

Flexibility: Flexible employment models are critical for addressing the diverse needs of individuals with I/DD.

Transportation Barriers: Limited access to transportation restricts the choice of employment and employment opportunities for individuals with I/DD.

Fear of Losing Benefits: Fear of losing social security income benefits discourages individuals with I/DD from transitioning out of subminimum wage programs.

Service Providers

More Choices: Offering a greater variety and choice in employment services is essential for facilitating the transition to CIE.

Limited Family Support: Some families do not want to end subminimum wage programs and are not supportive of their family members transitioning to minimum wage employment for various reasons.

Inadequate Resources: There needs to be more resources available for those who require greater assistance and/or additional supports and/or funding.

The fear of losing benefits has been identified as a potential barrier to pursuing minimum-wage employment. A helpful tool for benefits planning is DB 101 www.ca.db101.org, an accurate website that explains how work will impact benefits for each individual's circumstances.

Regional centers found that creating networks in advance helps increase efficiency in assisting employees transition to CIE. Establishing networks with different programs is crucial to offering a variety of employment services and identifying the right fit for employees looking to transition. Flexibility in employment models has also been highlighted as paramount to successfully transitioning employees to CIE.

Transportation is a big concern for both regional centers and service providers, particularly in rural areas. Service providers cannot match employees to employment opportunities if transportation is unavailable, thus limiting access to jobs. To achieve the vision that "everyone that wants to work can work", transportation solutions must be explored, as recommended in the SCDD 2023 Multi-year Phase-out Report.

Concerns about employment services for employees with higher support needs were also raised by parents and service providers. Employees will need more resources, including funding and supports, to see a successful transition into CIE. Departments should identify more permanent funding sources and higher investment levels.

Parental resistance to transitioning out of subminimum wage programs has also been identified as a barrier. However, it is unclear what specific concerns parents have and how regional centers are navigating these concerns.

Finding: Dedicated Focus

Throughout the Governor's Administration, new initiatives have demonstrated a strong and consistent focus on improving employment opportunities and outcomes.

The following highlights those initiatives.

Master Plan for Developmental Services

Finalized March 2025, the Master Plan for Developmental Services includes 167 recommendations created by the community and stakeholders, including:

- Ensuring individuals with I/DD have meaningful opportunities to participate in the system that serves them, including being employed by DDS and regional center leadership positions.

- Ensuring that plans for individuals served by regional centers and involved in the child welfare or probation systems consider multiple factors, including employment.

- Recommending that DDS and regional centers support successful post-secondary transitions by increasing ways to get work experience.

- Recommending that DDS, DOR, and the Department of Education work together on post-secondary transitions to remove barriers to employment supports and ensure continuous employment services no matter which entity is providing it;

- Spreading awareness about disability related careers, help individuals start those careers, and ensure they have benefits when working in these careers;

- Help connect individuals with jobs through state-sponsored tools;

- Recommending that DOR ensure high quality employment supports, including DOR liaisons at each regional center;

- Recommending that CalHHS, DDS, and DOR create a State Leadership Academy to support employment for individuals with I/DD in paid leadership positions; and

- Supporting individuals with I/DD to start a business.

The Master Plan's strong employment focus by the community shows a vision for what can and should be.

Department of Developmental Services

DDS engages in several activities that improve employment outcomes, including rate studies, programs that provide job training, partnerships with employers that create inclusive workplaces for individuals with developmental disabilities, and more. Below is more information.

- Rate Study: Full implementation of the DDS rate study began January 1, 2025. This initiative requires DDS service providers conducting employment services under other vendor codes to align with employment codes. The purpose of the rate study is to ensure that all service providers receive adequate reimbursement for services (including employment services) they provide to persons with developmental disabilities. Payments to service providers, processed through regional centers, are reimbursements for services provided to individuals with I/DD.[7] Full implementation of the rate study also brought a new service code and hourly rate for job development. This can be used with an individual who is not receiving DOR services for job development.

  DDS and DOR are also working to align provider rates across both agencies.

- Coordinated Career Pathways: Launched in April 2024, this initiative targets individuals working in subminimum wage programs or within two years of exiting high school. This pathway includes two services:

  - Career Pathway Navigator
  - Customized Employment Specialist

  These services use a person-centered approach to learn about the individual and identify career goals. The program was developed primarily for individuals transitioning from subminimum wage programs or secondary education. The program experienced delays due to challenges in recruiting vendors through regional centers but is progressively expanding its participant base.

[7] DDR Rate Reform

- Grants: Grant projects opened opportunities in various areas of employment, including training and business outreach. Other projects made inroads in the entertainment industry, the music industry, and city government. Although these grants are nearing completion, DDS reports that the positive results of these grant projects could inspire future programs. Once example of such grant projects is the ACRE certification program.

  ACRE is a certification/training for service providers such as job coaches or job developers that provide employment services to persons transitioning from subminimum wage. The employment grant helped develop a California-centric ACRE curriculum to train and certify service providers in ACRE and CESP.

- Regional Center Performance Measures: Meant to incentivize regional centers to increase the number of individuals who participate in CIE and achieve the 30-day milestone in employment. This is updated to support data and regional center employment development and outreach.

- Paid Internships: Paid internships continue to be available and have seen significant growth in participation over the last two years. They provide opportunities for individuals to gain job exposure, earn minimum wage, and make connections with potential employers. Since 2016, a total of 7,985 individuals participated in a paid internship, with 2,730 participating in fiscal year 2024-2025.[8] Additionally, incentives for PIP and CIE are available. Spending relating to these initiatives are available on the DDS website.

Department of Rehabilitation

DOR has long had a focus on supporting individuals to leave subminimum wage through the Career Counseling and Information Referral (CC&IR) program. This program encouraged individuals in sheltered workshops earning subminimum wage to seek DOR services and engage with regional centers for additional employment supports. Over the last 10 years, DOR provided CC&IR services to 1,973 individuals.

Other DOR initiatives for individuals with I/DD, include:

- Career counseling and information referral services designed to promote opportunities for competitive integrated employment, to individuals with I/DD.

- A College-to-Career program (C2C). The C2C program is a partnership with select community colleges and DOR to serve people with I/DD. The program provides employment preparation and soft skills training in addition to some instruction in independent living skills, and campus inclusion.

- The California Subminimum Wage to Competitive Integrated Employment Project (CSP). CSP is a Disability Innovation grant awarded to DOR by the U.S. Department of Education,

[8] Competitive Integrated Employment and Paid Internship Program Quarterly Report

Rehabilitation Services Administration. CSP will test new service delivery practices and establish evidence-based approaches to vocational service delivery that address future needs with the transition from subminimum wage into competitive integrated employment.

Additionally in 2024, the Governor championed $2 million in recurring education funds to establish the CA Technical Assistance Center for Inclusive College. The U.S. Bureau of Labor Statistics confirms that increased education leads to employment prospects, better wages, and lower unemployment rates.[9] Increasing college opportunities for students with I/DD will thereby also improve employment opportunities.

Administered by a County of Education (COE),[10] the center will:

- Connect agencies like DOR and regional centers to inclusive college opportunities for students with I/DD.
- Identify best practices for colleges interested in establishing inclusive programs.
- Assist colleges in identifying funding sources to establish programs.

The California Department of Education awarded $1,000,000 to the Los Angeles County Office of Education and $1,000,000 to the Sacramento County Office of Education.[11]

Finding: Employment is Low

The Administration has a clear focus on programs and supports to promote employment among individuals with I/DD. More focus needs to be given to the outcomes of these efforts.

The employment rate for individuals with I/DD is low. Taking out the effects of the pandemic, the employment rate for individuals with I/DD has ranged from 15.2% to 16.6%.[12] The most recent data is 2023, so it is possible the employment rate has changed.

Finding: Progress on Past Recommendations

When we look back at the recommendations in SCDD's Multi-Year Phase-Out Plan, it is clear that meaningful progress has been made. Efforts are underway across the state to strengthen collaboration, expand training, and ensure individuals have the support needed to move into competitive, integrated employment.[13]

[9] Dennis Vilorio. "Education matters" Career Outlook. U.S. Bureau of Labor Statistics, March 2016. https://www.bls.gov/careeroutlook/2016/data-on-display/education-matters.htm.
[10] CA Technical Assistance Center for Inclusive College, EDUC Code §66032.
[11] Funding Results: California Center for Inclusive College Grant (CA Dept of Education)
[12] Employment : CA Department of Developmental Services
[13] STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

Table 2: Recommendation Update

Issue	Recommendation	Status
Approximately 4,000 persons with I/DD enrolled in subminimum wage programs at the start of the transition.	At least half of this population should be transitioned out by January 1, 2024, and at 0 by January 1, 2025, as required by law.	Accomplished
Key issues are recruitment, onboarding, retention, and training of staff that provide employment services to persons with I/DD.	Ensure that 100% of direct employment staff are certified under an existing national standard (e.g., ACRE, CESP) by January 1, 2025.	A CA-centric ACRE curriculum was created through DDS grants to train service providers. A previous DDS Quality Incentive Program (QIP) incentive that ended June 30, 2025, provided incentives for employment providers whose staff completed ACRE training or attained CESP certification. New QIP measures continue to monitor training and certification levels.
Inconsistent and inadequate reimbursement rates across regional centers have discouraged service providers from offering services to individuals with I/DD.	Evaluate option value-based reimbursement (VBR) performance-based incentives and analyze the impact of current rate structures on achieving SB 639 goals.	Full implementation of the DDS rate study began January 1, 2025. DDS service providers conducting employment services under other vendor codes are to align with employment codes. DDS and DOR are aligning rates for providers of both agencies.
Transportation is a barrier to employment, especially for individuals with higher needs and those living in rural areas.	Conduct a needs assessment to understand regional transportation issues and identify solutions based on level of support needs and employment goals.	DDS rate reform implementation for transportation services considers total miles driven and vehicle type which can be used for transport in rural areas. However, that is not expected to address the core need of how transportation impacts obtaining and retaining employment, which a study would inform.
Lack of data collection and sharing among agencies.	Agencies providing services should regularly share and collect data to better access issues and work collaboratively to enhance service efficiency.	CHHS will coordinate with DDS, DOR and SCDD to establish employment outcome data and report it to the Legislature annually beginning March 2026. DDS and DOR will regularly share data on shared caseload under the existing data share agreement.
Individuals with higher needs require more supports and resources to transition to CIE.	Review and analyze potential funding sources to achieve CIE goals before January 1, 2025.	None
Transition and communication plans.	DDS, DOR, and regional centers should create a transition and communication plan by April 2023 to identify barriers, solutions, and timelines.	No transition and communication plan was created by April 2023. DDS and DOR regularly met during the transition period regarding reducing subminimum wage and continue to meet regarding employment service delivery as a whole though not external.

Conclusion and Recommendations

Table 2 demonstrates that California was successful in its policy goal of ending subminimum wage pay for individuals with I/DD. The state was successful in over 1,100 individuals moving from subminimum wage to earning at least minimum wage. This is likely the largest successful employment policy change in I/DD history.

With this success comes more opportunity to advance employment. Focus needs to remain on the 9% of individuals who left subminimum wage but are receiving no services. Also, 48% left subminimum wage for a day program or similar program.

Feedback from parents, service providers, and regional centers indicate the biggest concerns and barriers to transitioning to CIE are transportation and employment services/resources for high support needs.

- It is not clear if the departments have created the study on transportation barriers as recommended by the SCDD Multi-year Phase-out Plan.

The SCDD Townhall feedback relayed that employers are skeptical of hiring persons that need a lot of supports to work. Some regional centers and service providers have created partnerships with employers.

- The need for employment programs for individuals with higher support needs as recommended by the SCDD Multi-year Phase-out Plan persists.

When looking at valuable programs like the Paid Internship Program, knowing how many individuals became employed and were hired where they did their internship will be valuable information for quality assurance.

- There needs to be a way to know how many of the 2,785 participants achieved employment after the program.

Questions about outcomes and low employment rates need a coordinated focus by DDS, DOR, regional centers, and employment service providers. This is the reason for the Multi-year Phase-out Plan recommendation for an Employment First Office within the CHHS. That office was supported but not created because of budget cuts.

- An Employment First Office may still be needed.

Recommendations for effective competitive integrated employment services continue to include promising and evidence-based practices like Project SEARCH, Individual Placement and Support (IPS), and customized employment. Funding for values-based purchasing, training for service providers, and establishment of quality assurance infrastructure like fidelity reviews and communities of practice (COPs) are essential elements of implementation success.

Throughout there is a meaningful commitment to the Employment First policy that individuals with intellectual and developmental disabilities (I/DD) deserve the opportunity to earn a fair wage in a meaningful job. By implementing SB 639 (Durazo), California has demonstrated that an economy that includes everyone is an economy that benefits everyone. As we continue this transition, we call on policymakers, business leaders, and communities to stand with us in ensuring that work truly is for all.

Appendix: SCDD Townhall Feedback

On October 30, 2024, the State Council on Developmental Disabilities (SCDD) held a public Townhall meeting to talk with community members with lived experience, regional center staff, and service providers about how the transition away from subminimum wage programs is going.

The goal of the meeting was to hear directly from people affected by the change—what's working well, what challenges still exist, and what kind of support is needed/used to help individuals with I/DD find and keep good-paying jobs in their communities.

Specifically, the group was asked:

- Whether individuals were leaving subminimum wage programs.
- If so, where were they going.
- What was going well with the transition into CIE?
- What, if any, barriers were they experiencing transitioning to CIE.

The data collected can be found on Tables 3-5 on the following pages. Table 3 tells the story from the client/employee's lived experience perspective, Table 4 is from regional center perspective, and Table 5 is from the service provider perspective.

The information shared during this discussion helped SCDD gather real experiences and ideas that may guide future efforts.

People with Lived Experience

Successes

Employees who obtain employment at or above minimum wage report increased confidence, productivity, job experience, problem solving skills, and more. One employee has even gained the confidence to speak up for themself, while another was able to obtain their driving license.

Barriers

Employee/participant data suggests that transitioning from subminimum wage programs to minimum wage employment can be a challenging process.

Financial instability is a consistent challenge, especially during the initial stages of the transition. Employees often face inconsistencies or gaps in wage earnings as they search for jobs that align with their skills and needs, leaving them without adequate financial resources to sustain themselves during this period.

Additionally, once they begin earning minimum wages, many employees expressed concerns about losing their Social Security and associated health benefits, which adds further anxiety to an already difficult process.

Table 3. Employee/Participant Responses

Person	Program Type	Job Obtained at or above Minimum Wage	Successes	Barriers
Employee 1	PSW Porterville Shelter Workshop/VTC Enterprises Shelter Workshop	Machine Operator for NDS in Lindsay CA. Makes plastic parts for water irrigation for both residential and business places.	Enjoys current work, obtained a driver's license, and a car.	Struggled initially after losing SS benefits, did not have a driver's license, and lacked transportation at the start of the transition.
Employee 2	Bakersfield BARK–worked subminimum wage doing packaging	McDonalds was his first job, but it was not a good fit. Now a Material Handler for Goodwill but hopes to be a Supervisor or Manager.	Developed skills with assistance and overcame initial challenges.	The transition felt difficult and initially lacked readiness.
Employee 3	Oak Park Work Assistance Program (WAP)	Different jobs at Oak Park via the Explorer Program, including receptionist.	Gained diverse work experience.	The transition has been difficult with inconsistent jobs, concerns about losing SS benefits, and experiencing discrimination. Whereas receiving subminimum wages felt reliable and consistent.
Employee 4	Far Northern Regional Center College to Career Program, where he explored a variety of careers and workplaces. He tried many short-term positions being paid below minimum wage, including a thrift store, organizing products and at a	A paid Internship led to full-time employment at a grocery store.	Gained skills and confidence while studying for his associate degree in health science. He hopes to become a personal trainer.	Needed a flexible job near his home to attend school.

	transfer station, neither felt like the right career for him. He hoped to find a position working in the community with the flexibility to go to school and further help him reach his long-term career goals.			
Employee 5	Far Northern Regional Center -- in subminimum wage until May of 2024, working on a cleaning crew at a hotel or cleaning crew, cleaning hotel rooms	Olive Garden	Increased productivity and confidence in speaking up for himself, asking for help, and taking the initiative to begin tasks independently. Earned a food handler's card and learned to adjust to the food industry world. Works fewer hours per week while earning around the same wage he did while in supported employment.	

Regional Centers

Successes

Establishing a Network is Essential to Better Services

It has been reported by regional center staff that the ability to deliver comprehensive services has been improved through the development of strong networks and partnerships with other agencies. With these networks in place, clients can access needed services more quickly and efficiently.

Flexibility is Key to Success

Employees/participants have diverse needs, requiring flexible approaches. While the Supported Employment model assumes employees/participants will eventually no longer need support like job coaching, regional center staff note that many require varying levels of support for indefinite periods. The Person-Centered Employment Model has proven successful in developing and maintaining employment for those who need ongoing, unrestricted support.

Barriers

Transportation

Regional center participants indicate that transportation remains a universal barrier for employees/participants, particularly in rural areas or regions with limited public transit. Many cannot drive themselves or do not own a vehicle, which limits the job opportunities to which they can be referred. Furthermore, some employers willing to hire regional center clients are unable to proceed due to the lack of transportation options for these individuals.

Other Considerations

Some individuals participated in subminimum wage programs primarily for socialization purposes rather than employment goals, often at the encouragement of their families. With the end of subminimum wage programs, many of these individuals exited all programs entirely or are no longer participating in any services. As a matter of fact, Table 1 indicates that a total of 14% of participants either receive no services or left the workforce after ending subminimum wage.

With the elimination of subminimum wage programs, regional center staff have had to accommodate both those who wish to work and those who do not. Staff had to find service providers capable of offering meaningful non-employment programs.

Table 4. Regional Center Responses

Participant Type	Successes	Barriers	Where Are They Going?
Orange County Regional Center	A new Individual-Person Centered Model was developed to assist clients requiring ongoing support for employment and community service access. A pilot program was created in collaboration with Goodwill Industries of Orange County, and a strong network of local partnerships was established to ensure clients are effectively referred to appropriate services without delays.	Transportation issues and widespread fear of losing Social Security benefits.	It was reported that 400 clients were receiving employment services.
Far Northern Regional Center	The regional center ensures individuals transitioning have strong support systems, including a network of partnerships with private and local agencies and vendors.	Transitioning is particularly challenging for individuals accustomed to subminimum wage jobs, as they have established trust and camaraderie with their coaches and colleagues. Transportation limitations severely restrict job referrals, and some employers willing to work with individuals are unable to proceed due to these constraints.	Some individuals chose not to transition into competitive employment or other meaningful programs and exited out of receiving services. Individuals interested in employment were referred to employment agencies for work training and internships or placed directly into jobs.

Service Providers

Successes

Service providers that participated in the Townhall emphasized the importance of offering a variety of employment services and choices to facilitate the transition to CIE. The diverse needs of individuals with I/DD requires a range of services and varying degrees of support to help them transition to and maintain CIE. Flexibility in service provision has been highlighted as essential.

OPARC, an HCBS grant recipient, used its resources to demonstrate that individuals with increased support needs can succeed in CIE when provided with the right supports. This initiative serves as an example of how tailored services can lead to successful outcomes.

Barriers

Funding

Goodwill Industries stated their *Intensive Supportive Program* is successful because it is supported by high amounts of funding allocated to recruit and retain well-trained and well-paid support professionals. The staff provides one-on-one assistance with no time limit on support, which is needed for clients with higher needs. However, this level of individualized support requires significant resources. Goodwill emphasizes that transitioning all individuals who wish to work in CIE is a costly endeavor and that agencies must be prepared to allocate generous funding to achieve success. (see also ***Current Service Models Inadequate*** below).

Parent Support

Both service providers reported a lack of support from some parents, who do not believe transitioning to CIE is a viable option for their dependents with I/DD and are not supportive of subminimum wage programs closing. Parents expressed concerns about their child not having the stamina to work, and fear of losing Social Security benefits. OPARC shared that this lack of support from parents affects the confidence of individuals transitioning to CIE and can affect whether a person transitions to CIE.

Employer Support

Employer hesitancy to hire individuals with I/DD remains a challenge, particularly for those requiring workplace accommodations, such as service animals or proximity to restrooms. Goodwill Industries highlighted that of the 42 employers participating in subminimum wage programs, only a handful of employers transitioned to offering minimum wage employment opportunities, further limiting options for clients.

Self-Advocacy

According to service providers that participated in the Townhall, individuals transitioning from subminimum wage programs often lack confidence and self-advocacy skills, making it difficult to determine whether they are pursuing transitions that align with their personal goals or simply following external expectations.

Current Service Models

Service models currently in place are insufficient to meet the needs of individuals with significant disabilities who want to work. OPARC reported that some clients cannot transition to CIE due to the lack of necessary support within existing work models. To address this, more staff assistance and flexibility in the duration of support are required, which would require additional funding.

Higher Needs

Parents who attended the Townhall meeting shared difficulties in finding employment services that accommodate family members with higher support needs.

Table 5. Service Provider Responses

Participant Type	Successes	Barriers	Other Data
Service Provider OPARC	Successfully transitioned 54 individuals from subminimum wage programs to minimum wage work. Employers praised these employees as some of their best workers. Developed the Explorer Program, which focuses on work readiness, skill development, and adult living skills, and received an HCBS grant to provide increased support for individuals transitioning into CIE. Trainings were implemented to teach different levels of skills (i.e. communication, problem-solving), and participation in Paid Internship Programs (PIP) through DOR.	Some parents did not believe their child could transition to CIE—impeded progress towards CIE. Parents had concerns over loss of SSI benefits. Employers were skeptical of hiring persons with higher support needs because persons who worked in subminimum wage generally lacked confidence or advocacy skills, leading to uncertainty about whether they transitioned voluntarily or due to external expectations.	133 individuals were transitioned out of subminimum wage programs. 2 moved to productivity-based groups, 10 transitioned to minimum wage groups, 15 exited services entirely. Most gradually transitioned to the Explorer program by June 30th, 2024, while others joined programs supported by the HCBS grant and tailored-day services. 3 individuals successfully transitioned to CIE.
Goodwill Industries Orange County	Created the Intensive Supported Program, a pilot program offering 100% support for individuals with significant needs and no time limit on assistance. 4 individuals transitioned to CIE.	Backlash from parents over the closure of subminimum wage programs. Majority of individuals in subminimum wage programs did not transition to CIE or other programs and instead stayed home. Employers that previously participated in subminimum wage programs did not want to transition as minimum wage employers.	

California State Council on Developmental Disabilities
Headquarters
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