

June 02, 2026

The Honorable Robert Rivas  
Speaker, California State Assembly

The Honorable Dr. Corey Jackson  
Chair, Assembly Budget Subcommittee No. 2

Honorable Members  
Assembly Budget Subcommittee No. 2

RE: Recommendations for Successful Implementation of California's Intrastate Funding Formula

Dear Speaker Rivas, Assemblymember Jackson, and Members:

On behalf of the California Association of Area Agencies on Aging (C4A), thank you for your continued leadership and engagement regarding the proposed Intrastate Funding Formula (IFF) budget trailer bill language.

We especially appreciate Assemblymember Jackson and his staff for taking the time to meet with C4A to discuss the concerns, opportunities, and long-term implications associated with the proposed funding formula changes. We are grateful for the thoughtful dialogue and the opportunity to identify a constructive path forward.

Over the past several weeks, Area Agencies on Aging (AAAs), aging and disability advocates, local service providers, and community stakeholders have raised significant concerns regarding both the proposed formula and the process used to advance it. At the same time, there is broad agreement that California should modernize its Intrastate Funding Formula (IFF) and continue moving forward with implementation of SB 1249 and the goals of the Older Americans Act.

C4A supports modernization. We believe California has an opportunity to develop a funding methodology that is equitable, transparent, sustainable, and reflective of the needs of older adults, people with disabilities, and caregivers throughout the state.

The question before us is not whether California should modernize the formula, but how to do so in a manner that strengthens the aging network while protecting the services communities rely upon every day.

To that end, C4A respectfully recommends the following path forward:

**1. Support a One-Year Extension of the IFF Implementation Timeline**



C4A respectfully urges the Assembly to join the Senate in supporting a one-year extension of the IFF implementation timeline.

A one-year extension would provide the time necessary for the California Department of Aging (CDA), Area Agencies on Aging, and stakeholders to collaboratively refine the proposed formula and address concerns raised through the public comment process.

This additional time would also allow ongoing SB 1249 implementation efforts—including designation discussions, planning and service area considerations, and other modernization activities—to further inform future funding decisions.

Most importantly, it would create the opportunity to build broader stakeholder consensus around a formula that is durable, effective, and supported by the communities it will impact.

## **2. Direct CDA and C4A to Collaboratively Develop an Improved Hold Harmless Strategy**

Stakeholders across California have consistently expressed concern regarding the potential impact of significant funding shifts on local programs and services.

C4A believes there is a meaningful opportunity over the next year for CDA and AAAs to work together to develop a stronger hold harmless approach that balances modernization goals with service stability.

The objective should be to ensure that implementation of a new funding formula does not result in abrupt disruptions to services for older adults, people with disabilities, and caregivers while California transitions to a modernized funding methodology.

## **3. Pair Formula Modernization with a Strategy to Strengthen Aging Services Funding**

The current proposal largely redistributes existing resources within a system that is already substantially underfunded.

As California's population ages and demand for services continues to grow, long-term success will require both modernization and investment.

C4A recommends that future implementation discussions include a parallel strategy for increasing investment in the aging network so that California can address disparities while maintaining critical services in every community.

California should not be forced to choose between equity and service stability. With thoughtful planning and investment, we can achieve both.

#### **4. Continue a Transparent and Collaborative Stakeholder Process**

The strongest long-term solution will be one that is developed through meaningful collaboration among CDA, AAAs, consumers, providers, advocates, and policymakers.

C4A remains committed to working in partnership with all stakeholders to develop recommendations that are data-informed, publicly transparent, and aligned with California's long-term vision for aging services.

The aging network has demonstrated its willingness to engage in this work. Given the opportunity, we believe stakeholders can help develop a stronger formula, a stronger transition plan, and a stronger long-term funding strategy that better serves all Californians.

C4A is not asking California to delay modernization. We are asking for the opportunity to ensure modernization is successful.

A one-year extension would provide the time necessary to develop a stronger hold harmless strategy, build broader stakeholder consensus, and identify funding solutions that do not jeopardize the programs and services that older adults, people with disabilities, and caregivers depend upon every day.

By taking this approach, California can meet the objectives of SB 1249, strengthen compliance with federal requirements, and implement an Intrastate Funding Formula that is equitable, sustainable, and broadly supported throughout the state.

We stand ready to begin that work immediately and look forward to partnering with the Assembly, Senate, Administration, and CDA to achieve these shared goals.

Thank you for your consideration and your commitment to California's older adults, people with disabilities, caregivers, and the community-based organizations that serve them.

Respectfully,



Christina N. Mills  
Executive Director  
California Association of Area Agencies on Aging (C4A)