

Two Agencies, One Goal

California Regional Centers, the Department of Rehabilitation and SB 163

Outline developed, edited and reviewed by Allen, Shea & Associates | September • 2026
Written for people with intellectual and developmental disabilities (IDD), families, advocates, providers, and service coordinators.

The Short Version

Two state agencies in California, help people with IDD find and keep work. The Department of Rehabilitation (DOR) runs vocational rehabilitation. Regional centers fund employment supports through the Department of Developmental Services (DDS). A new law asks the two agencies to work as one system. It also ends a costly accreditation rule for employment providers. [SB 163](#) became law on July 13, 2026.

Two Programs, Two Purposes

Both programs support work. They differ in who runs them and how long help lasts. ([Disability Rights California](#))

	DOR vocational rehabilitation	Regional center employment supports
Run by	Department of Rehabilitation	DDS, through regional centers
Length of help	Limited time	Can be long-term. Some people receive it until they retire.
How to start	Apply at a local DOR office	Ask for an IPP meeting
Waitlist	The order of selection can create one	Services follow the Lanterman Act entitlement and the IPP

Some providers use DOR funds to help a person find a job. Later, the person's employment supports move to DDS funding. Other providers work only with DDS funds.

Table sources: [Disability Rights California manual](#) and [DDS Lanterman Act entitlement page](#).

What SB 163 Changes

The [DDS directive to regional centers](#) lists the employment changes created by this new law. Here are the main ones:

- DDS and DOR must set up a dual provider system.

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- The two departments must align their vendorization requirements.
- The CARF accreditation requirement was ended on July 14, 2026.
- The departments must build an integrated employment services system.
- Regional centers must monitor providers using standards set by DDS.
- Tailored Day Services can share a day with Individual Placement. (Regional centers must confirm the two services do not overlap in time.)

What a Dual Provider System Means

The system covers people with IDD who want competitive integrated employment. That means a job in the community at a competitive wage. ([DDS Competitive Integrated Employment page](#)) DDS describes the dual system as coordinated service at the local level. The goal is a smoother move between the two agencies. The [bill digest](#) lists four goals:

- Services without interruption.
- Fewer handoffs.
- Fewer barriers.
- Faster access to employment.

Soon, DDS and DOR will be working with the community to create new service standards. Once completed, DDS will issue a guidance directive to regional centers. DDS will post progress updates twice a year starting December 1, 2026.

The DOR Waitlist

DOR now uses an order of selection. Federal rules require one when a program lacks resources to serve everyone. ([DOR order of selection page](#)) DOR places eligible applicants into three categories:

- Category 1: the most significant barriers to employment.
- Category 2: significant barriers.
- Category 3: barriers.

DOR serves people by application date within each category. Services resume for Category 1 first when resources are available.

Who the Waitlist Does Not Affect

- People with an approved and signed Individualized Plan for Employment (IPE).
- Students ages 16 to 21 who receive DOR Student Services.

What Happens While You Wait

People on the waitlist get a letter every six months. DOR can connect them to local resources. These include workforce centers, independent living centers, and community programs.

A [February 2026 DDS slide deck](#) states that regional centers will keep providing habilitation services until vocational rehabilitation can serve the person. (**Note:** On September 28, 2026, DOR's site said online applications were unavailable. Email applications were also unavailable. Call or visit a local office instead. Use the [DOR office locator](#).)

What DOR Supported Employment Services Offers

Supported employment is a common route for people with IDD. It is a job in the community with ongoing support. Job coaching can include:

- On-the-job skill training.
- Worksite observation.
- Talks with coworkers and supervisors.
- Help with fitting in at work.
- Destination training, such as learning a bus route.
- Support away from the worksite to keep the job.

To qualify, a person needs a most significant disability. A likely source of extended services must also exist. Someone must be named to provide those services before DOR starts.

DOR funds up to 24 months. DOR and the person can agree to extend it. Individual placements happen in typical community workplaces. Group placements serve 3 to 8 people per job coach. Group placements may pay less than minimum wage. ([Disability Rights California fact sheet](#))

How the Handoff Works Today

1. Tell your service coordinator that work is a goal. Ask for an IPP meeting.
2. The regional center refers you, or you apply at a DOR office.
3. DOR decides eligibility and your category. An IPE lists your goals and services.
4. DOR services begin, such as job search help and job coaching.
5. On the waitlist, the regional center supports you meanwhile.
6. DOR help is time limited. Ongoing supports then move to the regional center.

Sources: [RULA manual](#), [DOR application page](#), and [Undivided guide to DOR](#).

What to Do Now

For individuals and families

- Tell your team that work is a goal. Ask for an IPP meeting.
- Ask for a referral to DOR. Apply at a local DOR office.
- Ask which category DOR places you in.
- Ask who supports you if you land on the waitlist.
- Keep written records of requests, dates, and answers.
- If DOR refuses services, call the Client Assistance Program at 800-776-5746.

For service coordinators

- Put work goals in the IPP in writing.
- Refer to DOR early. Track each person's waitlist status.
- Record who provides supports during the wait.
- Name a source of extended services before DOR supported employment starts.
- Watch for the DDS directive. Update local practice after it arrives.

For providers

Providers that serve both agencies should watch for DDS guidance on vendorization.

DOR also updated supported employment job coaching rates on March 2, 2026. The rates align with DDS rates (which vary by regional center). ([DOR update for providers](#))

Open Questions

The following points have not been settled:

- When does the DDS and DOR interagency agreement takes effect? The February 2026 slides listed July 2026.
- How dual vendorization will work for providers?
- When did DOR began its order of selection? Which categories DOR serves now.
- What are the time limits? One manual says 18 months for vocational rehabilitation. Disability Rights California says 24 months for supported employment.
- How often does DOR send waitlist letters? DOR says every six months. Another guide says every 90 days.
- Which law or directive sets the bridge rule for regional centers?

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If any of the above open questions affects you, please ask a DDS or DOR representative for the current answer.

Where to Get Help

- [DOR office locator](#)
- DOR waitlist questions: OOSQuestions@dor.ca.gov
- DDS employment questions: WorkServices@dds.ca.gov
- Client Assistance Program (through Disability Rights California): 800-776-5746
- Your regional center service coordinator or Clients' Rights Advocate

Sources

- DDS, [Directive D-2026-Legislation-001: 2026 Budget Trailer Bill \(July 14, 2026\)](#)
- DDS and DOR, [Employment Access Alignment fact sheet \(2026-27\)](#)
- DDS, [Employment Workgroup slides \(February 11, 2026\)](#)
- DDS, [Competitive Integrated Employment](#)
- DDS, [What Is California's Lanterman Act Entitlement?](#)
- DOR, [Order of Selection](#)
- DOR, [How to Apply for DOR Services](#)
- DOR, [Updates for Community Rehabilitation Programs](#)
- Disability Rights California, [Supported Employment Through DOR fact sheet](#)
- Disability Rights California, [RULA: Habilitation vs. Vocational Rehabilitation](#)
- Disability Rights California, [RULA: How DOR and Regional Centers Work Together](#)
- Undivided, [How DOR Can Help With the Transition to Adulthood](#)
- Bill Sponsor, [SB 163 summary and history \(chaptered July 13, 2026\)](#)