



# BOARD OF SUPERVISORS

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**FOR IMMEDIATE RELEASE:**

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## **ALAMEDA COUNTY OFFICIALS RESPOND TO GOVERNOR'S BUDGET PLAN**

Alameda County officials are expressing concern over Governor Brown's latest budget proposal and its focus on deep cuts to welfare, health care, child care and in-home care programs that will disproportionately impact the community's most vulnerable residents.

While crediting the Governor with offering a balanced approach of voter-approved tax increases and program cuts to close the State's \$9.2 billion shortfall through FY 2012-13, Alameda County Administrator Susan S. Muranishi noted that the County has faced deficits totaling more than \$465 million over the past three years – shortfalls resulting in part from State cuts to local government funding. Muranishi said Alameda County has been extremely creative over the past three years to maintain essential services to low-income families, the frail and the elderly, but that additional reductions proposed by the Governor would severely impair programs addressing critical needs in the community.

“Years of challenges to the State's financial health have meant services critical to our most vulnerable populations have been pared to the bone,” Muranishi said. “It is therefore quite disheartening to learn that 2012 brings yet another round of bad news for people suffering most during these tough economic times, including families and children.”

Governor Brown's budget plan calls for \$4.2 billion in spending cuts this year, with an additional round of “trigger” cuts should his \$6.9 billion tax initiative fail at the ballot box in November. Cuts proposed in the Governor's plan include human services reductions that would impact thousands of low-income Alameda County residents. These include:

- Deep cuts to the CalWORKs welfare-to-work program that would strip benefits from people who cannot find adequate work after two years, rather than four, and a 20 percent reduction in monthly benefits paid to families with children
- A reduction of almost 40 percent to child care subsidies for low-income families.
- Cuts to the State's In-Home Support Services program that include the elimination of funding for disabled, frail and elderly recipients living with other people, along with a 20 percent across-the-board reduction enacted last year that has been blocked by the courts.
- Reductions totaling \$842 million in the Medi-Cal program that would be obtained by moving all recipients into managed care.

- The elimination of the Healthy Families program that provides health insurance to children in low-income families. These children would be moved into the more restrictive Medi-Cal program.

The budget proposal also calls for the eventual elimination of California's youth prison system, a process that would begin in January 2013 when the State would stop taking new wards into its custody. Counties would at that time begin taking custodial responsibility for these higher-risk juvenile offenders. Brown hopes many of the budget reductions he has proposed will begin taking effect in March. In addition, yet another round of cuts can be expected next January should his tax initiative fail at the polls in November. Local government leaders have expressed concern about the initiative's prospects, particularly as dozens of other citizen-launched initiatives appear to be headed for the same ballot.

Keith Carson, Vice President of the Alameda County Board of Supervisors and Chair of the County's Budget Workgroup, said the latest round of cuts proposed by the Governor is difficult to digest because Alameda County seems to have exhausted every creative option - tightly managing its limited resources and proactively seeking all outside funding sources - in order to maintain services essential to the community's most vulnerable residents.

"It is clear that the difficult economy has placed all levels of government in a difficult bind, eroding public resources at a time when there is an increased need for vital services," Carson said. "Still, is it the correct approach to continue clamping down on programs serving the people hurt most by the difficult economy?"

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