

November, 2008
News Alert Number 8

The Governor Proposes and the Legislature Disposes

Dear CNMHC Member:

Governor Arnold Schwarzenegger met yesterday as planned with the reconvened legislature to make his proposals to mitigate the escalating decline of revenues with which to operate state-run programs and increasing costs of providing those services. He said that “because of the tremendous drop in revenues, it is now a revenue problem”¹ rather than one of spending too much.

Despite possible threats to mental health funding, we were left out of this round of cuts which provides a brief respite until his next revisit of the budget in January '09. “No specific major cuts for the special sessions proposed for direct mental health services under the Department of Mental Health though many of the other cuts proposed to SSI/SSP, CalWORKS, IHSS, and regional centers, have direct impact to children and adults with mental health needs.”² So the system escaped but individuals participating in government entitlements are hit hard.

SSI/SSP recipients will not receive their cost of living adjustment (COLA) in January only to then be reduced in March '09 by about 12% from their current allotment.

Medi-Cal beneficiaries may lose adult dental, chiropractic, and acupuncture, audiology, podiatry, and psychology Medi-Cal funded services. Reinstatement of share of cost will happen for persons with incomes over the SSI/SSP limits. Eligibility for the program will be changed by reducing the income level for new Medi-Cal applicants, and more careful identification of who is eligible for special services such as medically indigent adult long term care.

Immigrants will be hard hit by losing the Cash Assistance Program for (legal) Immigrants and reduction of Medi-Cal to newly qualified immigrants and emergency services for undocumented immigrants, and loss of food assistance through CFAP to low-income legal immigrants starting in July '09.

¹ Sacramento Bee, November 6, 2008

² Omoto, Marty, CDCAN, Disability Rights News Report, #236-2008, November 6, 1008

IHSS recipients' workers will be reduced in salary to the State minimum wage making it harder to find qualified assistants. Index scores of 4 or lower would need to pay more of their services, and it may be that those with a score of 4 or less will lose services effective March 1, 2009.

CalWORKS participants would have a 60-month limit on the Safety Net programs and limit of cash aid for families who are receiving it on behalf of their children. An every-six month "face to face self-sufficiency review" would go into effect March 1, 2009, and lastly, a reduction of new CalWORKS grants overall.

Regional centers are receiving additional cuts of 3% to direct service providers across the board.

Parolees who have committed serious, violent, or sexual crimes will receive full supervision while on parole. Low-risk offenders will receive no parole supervision after their release.³

Taxes-In keeping with his previous proposal, the Governor is asking the legislature to reconsider instituting a sales tax increase of 1.5% which would last for the period of three years. And to help increase revenues, he has proposed some stimulus money which would come before Christmas. At this time there is no indication of who this money would go to. I know many SSI recipients were disappointed when they didn't get to receive any stimulus money from the federal government, so I hope that won't happen here in the state.

At this point, he faces a legislature which did not grant him a 1% in August. He also is proposing taxing some services like veterinarian services as well as amusement parks and sports events. And, for those who imbibe alcohol, a 5-cent drink tax would be put in place. For those who drive, the vehicle registration fee would be raised in February '09 by \$12.

You may be surprised to find out that 100 of the 120 senators and assemblypersons will be terming out on November 30, 2008. The Governor is pushing for this group of legislators to make the necessary decisions prior to that deadline. So whatever the outcome, it will happen this month. It looks to be a grueling, lengthy discussion on many issues important to residents of the State of California and our disability community in particular.

Just remember that these are only proposals at this point. We may still institute a call for action based on SSI reductions and possibly join in with immigrants and the developmental disability community if they are planning to take any action.

Respectfully submitted,
Gwen Lewis-reid, Interim Executive Director

³ State Budget 2008-2009 Special Session, "Unprecedented Decisions in an Extraordinary Situation", November 6, 2008