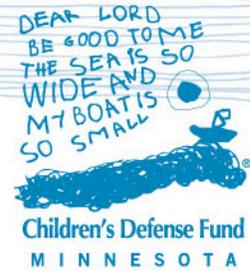


Outline of Governor Pawlenty's Proposed 2010 Budget Cuts



Governor's 2010 Legislative Session Budget Recommendations

The provisions below have varying effective dates. For more detail see:

<http://www.mmb.state.mn.us/doc/budget/bud-op/op10/supp10.pdf>

➤ **Child care assistance (CCAP)**

- Cuts provider rates by 5% (Department of Health and Human Services [DHS] predicts families' access to providers will be further decreased as rates fall farther below market levels)
- Reduces child care assistance benefit for families with disabled family member (DHS predicts co-payments will be increased for 800 families, and 60-100 fewer families per month will receive assistance next biennium)
- Eliminates end of year reallocation—\$5 Million—of unspent Basic Sliding Fee (BSF) scale CCAP funds to other counties (DHS projects 470 fewer families will receive assistance)
- Reduce state funding for the BSF Scale program by 5% (DHS projects 470 fewer families will be served)

➤ **Children and youth with mental health issues**

- Eliminates child specialty Mental Health grants for underserved populations (e.g., children with eating disorders)
- Delays new evidence-based adolescent treatment Medical Assistance (MA) benefit
- Reduces funds for child mental health case management grants (DHS predicts counties will increase case manager caseloads)
- Makes permanent the \$22.5 M unallotment from the Children & Community Services block grant (\$45 million reduction in FY 12-13)—the primary source of state funds to counties for child welfare and mental health services

➤ **Other low-income family supports**

- Counts disability payments when computing Minnesota Family Investment Program (MFIP) eligibility (500 fewer families will receive assistance, 4,000 will lose their cash assistance)
- Uses Federal Temporary Assistance to Needy Families (TANF) money to refinance the Working Family Credit, reducing funds available for other anti-poverty efforts (e.g., programs to help families avoid homelessness)
- Increases the maximum MinnesotaCare premium from 7.2% to 8.8% of income
- Reduces child support enforcement assistance and ends state funding for the University of Minnesota's Healthy Marriage & Responsible Fatherhood programs

➤ **Other budget cuts that may impact children and families**

- Limits critical dental access payments and eliminates donated dental grant
- Additional across the board state agency cuts (3%)
- Additional local government cuts
- Chemical dependency treatment provider cuts
- Further cuts aid to higher education institutions, especially University of Minnesota
- Hospital rate cuts
- Eliminates balance in various child welfare and child support special revenue funds

➤ **Prevention efforts**

- Cuts funds for Mothers First/Native American prevention/early intervention chemical dependency treatment programs
- Cuts funds to pay for temporary relocation of families while their homes undergo lead abatements
- Cuts \$10 Million from the from the State Health Improvement Program

➤ **Other Budget Issues**

- Many proposals provide only a short-term, one-time fix so additional cuts will need to be made again next biennium
- K-12 education protected but programs that would help children arrive at school healthy and ready to learn not protected or expanded
- Proposed cuts on top of 2009 session cuts and uallotments
- Governor promises more cuts if \$387 M in federal MA enhanced match funding not realized
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For more information contact:

Marcie Jefferys

Policy Development Director

Children's Defense Fund-Minnesota

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