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**County Concerned About Impact of Governor's Budget**  
*Proposed Cuts Hurt Mothers, Children and Seniors*

SAN JOSE, CALIF.—Today, Governor Arnold Schwarzenegger released the State's 2005-06 Budget, a budget that contains many reductions in vitally needed programs and services at the local level. The 200+ page document will require detailed analysis over the next several days to assess the full impact on the County of Santa Clara. However, at first glance it is clear that social services and health and human services programs are targets.

"We thought we had an agreement with the Governor, but that appears not to be true" said Pete Kutras, County Executive of County of Santa Clara. "This budget will shift cost to local government and hurt those most in need – poor mothers and children, and those suffering from ill-health. While we have to analyze the details to assess the full impact, it is clear that this shift in cost would in effect result in unfunded mandates from the state."

The Governor has proposed reductions in CalWORKS benefits – the program designed to help people in need move from welfare to work. CalWORKS takes a double hit. The Governor's budget reduces the overall CalWORKS benefit levels. It also reduces the amount that working adults can keep and still qualify for the benefits.

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“The CalWORKS reductions are unfortunate,” Kutras continued. The program has been carefully crafted so that people who live in this very expensive area are able to earn their way out of poverty.”

The Governor's Budget proposal also would roll back wages of In-Home Supportive Services (IHSS) workers from \$10+ per hour to the minimum wage level of \$6.75 per hour. In-Home Supportive Services Workers provide care for patients in their own homes and often makes it possible to avoid expensive institutional care.

“These care providers will carry the heaviest burden,” said Supervisor Jim Beall, Chair of the Board's Committee on Children, Seniors and Families. “Not only are they caring for people who are in the greatest need, now we will have to ask them to do so at a wage that forces them into poverty.”

Some Medi-Cal patients also would be required to pay a monthly fee of up to \$27 per month.

“The Governor's budget violates the voters intent with Proposition 1A to stop the State from shifting costs and responsibilities to cities and counties,” Beall continued. “This budget raises red flags and must be carefully evaluated to keep faith with the voters. Voters aren't flooding our telephones asking for deep cuts in local services - such as health, safety and libraries - yet that is what we get with this budget.”

County staff will be analyzing the full impact of the Governor's proposed budget during the next several weeks and communicating concerns about those impacts to the state legislature.

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