

**Department of Community and Human Services
2009 State Legislative Session Review—Budget Impacts**

Developmental Disabilities Division

BUDGET	
Budget Issue	Comments/Impacts to King County
State/County developmental disabilities contracts are reduced by approximately three percent; potential for King County to lose up to \$555,000	The state Department of Social and Health Services (DSHS) will negotiate with counties and vendors so the reduction, to the greatest extent possible, is achieved by reducing vendor rates and contract administrative charges and not through reductions to direct client services or direct service delivery or programs. If the three percent reduction is achieved by reducing contract administrative charges, there is potential for King County to lose up to \$555,000.
Employment Services to High School Graduates	No funding this session. King County estimates that over 200 young adults will leave high school after this school year.
Early Intervention Services for Infants (birth to three)	No new state funding this session. King County usually experiences 7-10 percent growth in participants. This is an entitlement service, which did not receive adequate funding to meet need.
Joint Legislative Audit and Review Committee will review the operations of employment and day services (including child development). Final report is due to the Legislature by 09/01/2010 and will include a description of how funds are used and the rates paid to vendors, and a recommendation on best practices DSHS may use for development of a consistent, outcome-based contract for services provided by counties.	Impact to King County is unknown.
State-only funded individuals are transitioned to Medicaid waiver programs	Allows the state to capture allowable federal funding. King County serves approximately 690 state-only funded individuals. Funding for these individuals would have been cut. Moving them to a waiver program preserves their employment services. Money will be preserved in state-only for a few people who will not meet eligibility for the federal waiver.

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Homelessness/Housing

BUDGET	
Budget Issue	Comments/Impacts to King County
Housing Trust Fund - Reduction in funds available for housing in King County, approximately \$20 million lost	The Housing Trust Fund (HTF) was cut by 50 percent to \$100 million statewide for the biennium. King County relies on the HTF to partner on affordable and homeless housing investments. King County (including Seattle) typically receives 40 percent of available HTF funds; the cut will result in an overall loss of \$20 million year. The result will be a reduction in the number of new affordable and homeless housing units created. Some projects funded by the county and waiting for state match may not be able to move forward due to a lack of state funds.
Transitional Housing, Operating, and Rent Program (THOR)	THOR will be funded with the state share of proceeds from the document recording fee created in HB 2331 (see below). THOR will be funded at \$8.5 million. This is an increase of \$1.5 million over last biennium's \$7.5 million total and should result in an increase of THOR funds to King County of an estimated \$2 million for the biennium.
BILLS	
Bill	Comments/Impacts to King County
House Bill (HB) 2331 Relating to the existing document recording fee for services for the homeless	HB 2331 will add \$20 to the existing document recording fee for homeless housing. Counties will retain 60 percent of collections and 40 percent will be sent to the state to pay for homeless related housing and services programs, including THOR. Depending on the volume of real estate sales activity, King County should receive an additional \$3 million to \$6 million each year for homeless housing. The impact of these funds will be positive, but blunted by the reduction in the state HTF noted above. The fee sunsets in 2013.

**Department of Community and Human Services (DCHS)
2009 State Legislative Session Review—Budget Impacts**

Mental Health, Chemical Abuse and Dependency Services Division

BUDGET	
Budget Issue	Comments/Impacts to King County
Non-Medicaid Cut	Estimated annual cut of \$3.34 million in non-Medicaid funds for King County.
Medicaid rates Cut	Estimated annual cut of \$3 million to \$3.5 million in Medicaid funds to King County. This may be worse depending on the results of the interim actuarial study.
Mentally Ill Offender Community Transition Project (MIO CTP) Eliminated	Eliminates funding for King County MIO CTP program (\$451K), which has served about 25 mentally ill offenders per year in King County.
Community Integration Assistance Program Caseload Growth	Increase of \$336,000 statewide for the biennium; provides community mental health treatment and support for mentally ill offenders following their release from the Department of Corrections. Funds will serve 20 additional persons (statewide).
Innovative service funding Cut	Cuts to this funding, which went directly from the State to providers, will affect several King County providers.
Reinvesting in Youth Program Cut	Results in cuts to Functional Family Therapy, Multi-Systemic Therapy, and Aggression Replacement Training, with significant impacts to at-risk youth and youth leaving detention (\$410K).
Low-Income Substance Abuse Treatment/Detox Cut	Estimated annual cut of approximately \$1.73 million for King County, but allows the county flexibility in where to apply the cut.

