

# Community Employment Alliance

## On the Governor's 2011-2013 Operating Budget

I. Mindful of the state's dire revenue shortfall, the Alliance is appreciative of the Governor's continuing support for employment services for people with developmental disabilities. We urge the Legislature to do as well or better as the Governor has in this area of the budget. We look forward to working with you on issues we are particularly concerned about, and hope to reduce or eliminate the budget cuts in question.

A. We especially value the **\$1.668m targeted for "Transition High School Clients"** (\$835k, GFS, \$833k other, \$1.668m Total) Supported Employment Services for transitioning high school graduates into the work force.

- A recent national study has found that the investment in such services generated a benefit cost ratio of \$1.46 for every \$1.00 invested.\* A King County study showed a \$1.74 return for each \$1.00 expended.
- The Governor is correct in saying that "jobs are the way out of this recession". This funding will specifically enhance employment – not only for the high school graduates in question, but also for one or both of their parents (who might otherwise need to provide day long in-home care for their child).
- We believe additional funds should be provided to help a larger number of the 1,367 transitioning students in the 2011-2013 Biennium secure gainful community employment, and take advantage of Federal matching funds available on the Basic Waiver.
- As a matter of social policy, people with developmental disabilities can be and often are valuable members of our communities – especially when extended a modicum of support. We all lead better lives as a result.

B. For the reason just stated, the Governor wisely **closes two** of the **Residential Habilitation Centers, a \$6.443m spending reduction** (\$2.186m GFS, \$4.257m other, \$6.443m Total) that properly reflects the growing national movement toward generally including people with disabilities in mainstream activities rather than isolating them in institutions. We strongly support the consolidation and closure of all RHC's; and the shift from funding institutional care to more efficient and effective community based services. Senate Bill 5132 is an important part of this process and we support its passage.

II. There are two particular areas of concern in the Governor's proposal:

**A. Funding is eliminated for 240 clients in state-funded employment and day programs who have not yet received services.**

This reduction will substantially reduce the ability of 240 high school graduates to obtain job training, placement and support services – aggravating the recession and substantially reducing the quality of life for these graduates. (\$2.9m GFS, Total) It also diminishes the State's investment in special education.

While we are not proposing to erase this cut by reducing other direct services for people with developmental disabilities or other direct human services in general, we are hopeful that the Legislature will:

- Perhaps shift funding from less impactful areas of the budget, basically reconfiguring the needed cuts to better prioritize these and other critical human services;
- Achieve greater cost reductions through the closure or downsizing of all five Residential Habilitation Centers;
- Enact spending reductions by eliminating or diminishing certain tax credits or exemptions whose negative impacts would be at a lesser level than the supported employment and other human services at risk this session; or
- Finding other alternatives to cuts such as these that will harm people and our economy.

**B. Reductions are made in funding provided to counties for employment support to people with developmental disabilities.**

Funding has already reduced 6% effective on January, 2011. (\$2.406m GFS, \$2,317m other, \$4,723m Total). With this 6% reduction carrying forward through the Biennium, the Governor has proposed an additional 5% reduction which cuts employment and day services funding by 11%. (\$8.4m GFS, \$8.4m other, \$16.8m Total). These reductions will result in less employment support for all 8,900 clients now in service. We believe the State should maximize its tax dollars by taking advantage of matching Federal funds. And, therefore we recommend funding be restored to the fullest extent possible.

**For more information:**

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\* Research & Practice for Persons with Severe Disabilities, Kent State University, 2010.