



Safety Net Programs Take Biggest Hit in Executive Order Cuts

On May 5, 2009, Governor Granholm issued an Executive Order, which makes cuts to the state's current budget. As required by law in order for the Executive Order to take effect, the Senate and House Appropriations Committees adopted the Order. Without their approval it would not have taken effect. The cuts, which total \$304 million will occur during this fiscal year, which ends on September 30, 2009.

In some cases, the cuts will lead to total elimination of programs during the remainder of this fiscal year. The fear is that some of these same programs will then be eliminated from the fiscal year 2010 budget. Michigan's safety net was already stretched thin and these additional cuts are a major assault on services that families depend on during these difficult times.

Half of the statewide cuts came from programs in the Department of Human Services and the Department of Community Health.

Below is a partial list of cuts included in the Executive Order.

Department of Human Services:

- Reduction in employment and training services by \$10.4 million.
- Elimination of State Supplemental Security Income payments to independent living recipients, pending federal approval for this change.
- Reduction in funding of 11 percent for emergency services for low-income families and children.

- Elimination of the \$50 incentive payment for Family Independence Program (FIP) recipients who had met all federal work requirements for three consecutive months.
- Elimination of \$1 million in funding for the Zero to Three Secondary Prevention program.
- Reduction of \$50,000 for the Early Childhood Investment Corporation.
- Elimination of state funding for Communities in Schools.
- Reduction of \$2.1 million for before-and after school programs.
- Elimination of \$25,000 in funding for the Michigan After-School Partnership.
- Reduction in child care provider rates of 1.25 percent.
- Reduction in the Strong Families/Safe Children program of \$2 million.
- Reduction of \$1.2 million in Temporary Assistance to Needy Families funding distributed through the Community Services Block Grant.

Department of Community Health:

- Elimination of funding for the Nurse Family Partnership.
- Reduction of \$10 million for Community Mental Health Services for persons not eligible for Medicaid.
- Reduction in funding for local public health departments of \$1.5 million.

- Reductions or elimination of funding for most programs currently funded by the Healthy Michigan Fund (health prevention programs).
- Elimination of funding for health services in areas with high migrant populations.
- Reduction (4 percent) in Medicaid provider payment rates beginning on July 1, 2009.
- Elimination of optional Medicaid services for adults, such as dental, vision, podiatric services.

Department of Energy, Labor and Economic Growth:

- Reduction of \$7.8 million from No Worker Left Behind, half of the General Fund funding.
- Elimination of funding for Housing and Community Development Fund, which provides funding to local governments to increase affordable housing to low-income individuals.