



2009-10 Proposed Budget Impacts Deferral of AB 3632 Payments

The County of San Diego opposes the Governor's proposal to defer funding for AB 3632 payments for one year.

Issue:

The proposal to defer AB 3632 claims payments to counties puts special educational students who require mental health services at risk of poor school performance and out of home care.

Fiscal Impact:

The state receives over \$1 billion annually through the federal Individuals with Disabilities Education Act (IDEA). County mental health programs are budgeted to receive \$69 million of the IDEA funds. Under AB 3632 the state contributes an additional \$52 million from the state General Fund.

The Administration's proposal would suspend the state's \$52 million share of this program for one year, resulting in a delay of \$4 million to the County of San Diego.

Service Impact:

The deferral of payments could result in potentially up to 1,800 children not receiving mental health services.

Services include assessment and treatment, including individual and family group case management.

Background:

The federal Individuals with Disabilities Education Act requires that children with special needs receive special education instruction and related services. These services include occupational and physical therapy, speech therapy, and mental health services.

School districts are responsible for identifying children with special education needs, developing a student's Individualized Education Plan (IEP) and for providing or ensuring educational and related services.

In 1984, with the enactment of AB 3632, California transferred the responsibility for providing mental health services to children with special needs from school districts to county mental health departments. AB 3632 also mandated county mental health departments to provide a range of mental health services as identified in the child's IEP.

Counties provide AB 3632 services and then submit the claims to the state for reimbursement.

Broken Commitments:

The state already owes counties approximately \$300 million for past unreimbursed mandate claims for the AB 3632 program.