Earlier this month, the PA House of Representatives amended and passed HB 218, reflecting the House Republican budget proposal for FY 2017-2018. The proposal is a $31.5 billion budget, about $800 million less than proposed by the Governor, and contains sweeping cuts in funding for criminal justice, human services, and administrative programs that counties perform on the Commonwealth’s behalf, amounting to millions of dollars.

Under HB 218, counties would experience significant and devastating cuts to key county line items, which would ultimately mean increases in local taxes to maintain these services. The following are proposed cuts to counties under HB 218 passed by the House:

**Line items to be eliminated:**
- Juvenile probation services ($18.9 million)
- Adult probation services ($16.2 million)
- Intermediate punishment treatment programs ($18.2 million)
- County trial reimbursement ($200,000)
- Senior judge reimbursement ($1.4 million)
- Court interpreter county grants ($1.5 million)
- Sentencing Commission ($1.9 million)
- Local Government Commission ($1.1 million)

**Line items to be decreased:**
- County court reimbursement (reduced by $3.5 million)
- Jurors cost reimbursement (reduced by $168,000)
- Mental health services (reduced by $5 million from Governor’s proposal for total cut of $19.6 million)
- Behavioral health services (reduced by $4 million)
- Human Services Development Fund (reduced by $2 million)
- Homeless Assistance (reduced by $2.8 million)

**TALKING POINTS: HIGHLIGHTS**
- While legislators characterize HB 218 as “just a starting point,” it represents a starting point for the budget process that the counties cannot support.
- The proposal eliminates funding for several criminal justice and administrative programs that counties perform on the Commonwealth’s behalf, and makes significant cuts to other key line items.
The eliminated funds and funding reductions do not come with relief from any mandates – counties will be forced to continue providing these services on county property tax dollars while regulated and controlled by state policy.

It is characterized as a “no tax increase” budget. Instead, the lack of adequate funding from the Commonwealth will mean local tax increases to maintain services – any vote for this budget is a vote for property tax increases.

The proposal argues that savings are to be had in reinventing government, but the cuts in HB 218 run exactly opposite to that objective, wholly dismantling successful initiatives already in place and thwarting investment in any new innovations.

The proposal represents a continuing pattern of the state failing to meet its full responsibility to its service delivery partners and its citizens most in need.

Compounding the effect, these cuts will fall in the middle of the county fiscal year, which raises the specter of service interruptions as counties adjust to mid-year cuts.

**TALKING POINTS: DETAILS**

**Reinventing Government: Criminal Justice**

- Pennsylvania *leads the nation* in the adoption and implementation of criminal justice system reforms and best practices at both adult and juvenile levels, such as diversion, behavioral health services and the Justice Reinvestment I and II initiatives – but HB 218 **cuts or eliminates** the very programs and agencies that are key to these innovative reforms.
- The cuts reverse the significant and documented gains made by the Commonwealth and counties, and stymie any future innovation.
- The cuts will cause inmate populations to swell, will reinstate a pattern of offenders cycling through the system, and will decrease public safety:
  - Cuts in mental health and behavioral health funding means more people with those challenges will end up in our jails instead of community services that can actually help them.
  - Eliminating intermediate punishment funding takes away community alternatives that yield the best chance of offenders productively changing behaviors.
  - Eliminating juvenile probation funding means loss of home-based treatment and instead places juveniles back in placement, firmly in the criminal justice system.
  - Eliminating adult probation grant-in-aid, which supports community supervision options, will severely challenge ongoing efforts by counties to make smart decisions about the use of jail.
  - Pre-trial programs and county based jail diversion efforts and the gains made over the past ten years in reducing incarceration of non-violent individuals will take an immediate step backward, and force the costs onto property owners.
  - Many counties utilize HSDF to support housing for inmates re-entering their communities, and without stable housing, former inmates have been statistically proven to fail shortly after release.
  - Lack of effective diversion and pre-trial programs will impact the state Department of Corrections and will limit their options for population control, a significant driver of state budget spending.
Eliminating the Sentencing Commission results in a lack of uniformity in the provision of justice across the state.

_reinventing government: human services unification_

- Counties do not have a formal position on the merger of the four state human services departments into a single Health and Human Services agency. But counties do believe it presents opportunities and it should be explored.
- Counties, as ultimate service providers for many of the services falling under HHS, must be at the table and in fact are essential partners based on our experience in consolidated service provision.
- Even if unification does not occur, the discussions will identify needed and productive system reforms that should be pursued.

_reinventing government: human services generally_

- Almost half of the counties have experience in the innovative block grant human services delivery model, which affords the opportunity to tailor available dollars to specific local needs with better outcomes for both client and taxpayer, and the model is now newly available to all counties.
- Funding cuts to human services programs hamper implementation and innovation, and instead will require counties to focus just on meeting minimum service delivery thresholds.
- Funding needs are tied to caseloads, not to administrative overhead. This is particularly critical in entitlement programs like children and youth where changes in reporting requirements have led to caseload increases of as much as 100%, a cost burden that HB 218 fails to fully recognize, and that ends up being met with county property tax dollars.
- Cuts to child care supports and services will harm the efforts of county children and youth agencies when working with families that need support.
- Human service programs are increasingly directed to support court-involved citizens and for efforts to improve outcomes for re-entering former inmates and cuts in both areas simultaneously will result in an impossible situation for counties and their citizens.

_reinventing government: legislative support_

- While no funding for the Local Government Commission comes directly to counties, the Commission’s work impacts county governance and its capacity to provide service.
- The Commission has staffing and expertise that enable it to undertake projects that are beyond the scope and available time of legislative committee staff.
- The Commission has completed a legislative draft of a full rewrite of the County Code, the first undertaken since the mid-1950s. This follows statutory rewrites in recent years of the Second Class Township Code, the Borough Code and the Third Class City Code.
- The Commission did all of the work in developing the Consolidated County Assessment Law (CCAL), combining six different assessment statutes into a single code and improving assessment administration as well as public understanding of the process.
- The Commission is now completing work on substantive updates to the CCAL that will serve as the first true reforms of the property tax assessment process.
The Department of Community and Economic Development’s Center for Local Government Services is a valuable partner to county and municipal government in improving service delivery. Close to a dozen counties have taken advantage of the Department’s Early Intervention Program, which provides consultation on revamping the county’s internal administrative and systems structures.