



# BOARD OF SUPERVISORS

April 10<sup>th</sup>, 2026

PRESIDENT  
Eric Lucan  
5TH DISTRICT

Senator Mike McGuire  
1021 O St., Suite 8518  
Sacramento, CA 95814

Assemblymember Damon Connolly  
1021 O Street Ste. 5240  
Sacramento, CA 95814

VICE PRESIDENT  
Stephanie Moulton-Peters  
3RD DISTRICT

## RE: Marin County Budget Priorities Amid Deficit Environment and H.R.1 Impacts

Dear Senator McGuire and Assemblymember Connolly,

2ND VICE PRESIDENT  
Brian Colbert  
2ND DISTRICT

On behalf of the Marin County Board of Supervisors, thank you for your continued partnership to understand the far-reaching impacts of H.R.1 on the ability of counties to maintain and improve community health and well-being. We also acknowledge that the State of California continues to face a challenging fiscal environment, and respect that difficult decisions must be made to protect core services.

Mary Sackett  
1ST DISTRICT

As you and your colleagues consider these realities, we write to respectfully share Marin County's most urgent priorities and echo the advocacy by our state-wide partners to ensure we can serve our most vulnerable residents.

Dennis Rodoni  
4TH DISTRICT

### Marin County Budget Priorities

Derek Johnson  
COUNTY EXECUTIVE  
CLERK OF THE BOARD

#### H.R.1 Impacts on CMSP counties

Carla Kacmar  
ASSISTANT CLERK OF THE BOARD

Due to the passage of H.R.1, single adult Medi-Cal enrollees will face new federal Medicaid work requirements starting on January 1, 2027. Individuals that are unable to meet these new requirements – estimated at 6,708 in Marin County – will be disenrolled, many returning to rely on indigent coverage provided in Marin County by the County Medical Services Program (CMSP). As you know, with the expansion of Medi-Cal under the Affordable Care Act (ACA), Health Realignment funds were redirected from CMSP counties and the CMSP Governing Board to the State because the resources were no longer necessary. With many Medi-Cal enrollees losing coverage, we strongly **support CMSP's call for state funding to be reinstated**. The CMSP Governing Board (Marin County Executive Derek Johnson is a Board member), is seeking an **appropriation of a minimum of \$300 million beginning in FY 2027-28**.

Marin County Civic Center  
3501 Civic Center Drive  
Suite 329  
San Rafael, CA 94903  
415 473 7331 T  
415 473 3645 F  
415 473 6172 TTY  
MarinCounty.gov/board

Additionally, we know that the California State Association of Counties (CSAC), has requested \$1.9 billion in FY 2026-27 and \$4.5 billion in FY 2027-28 to address expected costs to counties state-wide. Marin County's needs are encapsulated by these requests from state-wide associations, including our concern that the Governor's Budget released in January does not include funding to support counties' increased administrative costs. These funding needs are to account for an additional 5% of CalFresh administrative costs being shifted to counties to operate our program at current levels and the additional eligibility costs of implementing H.R.1 work requirements for Medi-Cal.

### **Homelessness and Housing Funding**

Marin County has fully embraced a Housing First model and has made demonstrable progress in reducing homelessness – thanks to state investments and your support – particularly through the Homeless Housing, Assistance, and Prevention Program (HHAP) and Encampment Resolution Funding (ERF).

Since 2022, **chronic homelessness among individuals in Marin has declined by 37%**. Prior year state investments are actively resolving encampments and reducing unsheltered homelessness, and we urge consideration for the following investments to continue this progress:

- Restore investment in HHAP to \$1 billion, up from \$500 million; and
- Continue ERF funding beyond Round 5.

Our Board was proud to be the **first in the state to endorse Proposition 1**, we did so knowing it would stretch limited behavioral health resources across a broader population. We cannot simultaneously reduce homelessness funding without severely jeopardizing overall progress on housing and behavioral health.

### **Behavioral Health Funding**

Marin County supports a systems-oriented approach to behavioral health reform and policy development, recognizing importance of cohesive policies and programs and appropriate funding that empowers counties to deliver targeted, effective, flexible, and cohesive care to individuals most in need. **Marin County was recently designated as one of ten “CARE Champion” counties** by Governor Newsom as a leader in the state for successful implementation of the CARE Act. To continue delivering a high standard of care, we urge consideration for the following investments:

- Behavioral Health Services Act (BHSA) fund stabilization to address existing funding volatility and allow for long-term planning; and
- Ongoing funding for Behavioral Health care needs in light of Proposition 36, SB 43, the CARE Act, CalAIM and other programs that have impacted limited behavioral health resources. Despite a one-time allocation that was made from the State’s General Fund in the 2025 Budget Act, the Governor’s Budget proposal currently does not include any additional funding to address county implementation costs.

### **Health Access Concerns**

Among the proposals in the Governor’s Budget released in January, there are **three key concerning cuts** that would most affect vulnerable populations in Marin.

- Extending H.R.1 work requirements to Medi-Cal enrollees of unsatisfactory immigration status, despite this change not being federally required since coverage for these residents is a state-funded program. We estimate the number of enrollees in Marin County at 11,000 who would now be subject to new work requirements and may lose coverage if not met. We know that while many of these individuals work, the documentation needed to show work requirements are met would likely cause many to disenroll.
- Removal of the state’s share of costs for In Home Supportive Services (IHSS) hours-per-case-growth. This is estimated at a \$233 million shift to counties. IHSS is highly

utilized in Marin County given our high population of older adults and generous contribution to the program from the County General Fund.

- Lack of renewed funding for the California Nutrition Incentive Program (CNIP) “Market Match” program which provides CalFresh recipients with money to purchase fresh fruits and vegetables at farmers markets. This program drives health equity, and economic development in rural areas such as West Marin.

We appreciate your leadership in the State Legislature to raise the important perspective of counties that are providing critical services to our shared constituents. We remain committed to being a strong partner to State decision-makers and endeavor to communicate the critical nature of these priorities.

Sincerely,



Eric Lucan, President  
Marin County Board of Supervisors

CC: Marin County Board of Supervisors