

June 17, 2025

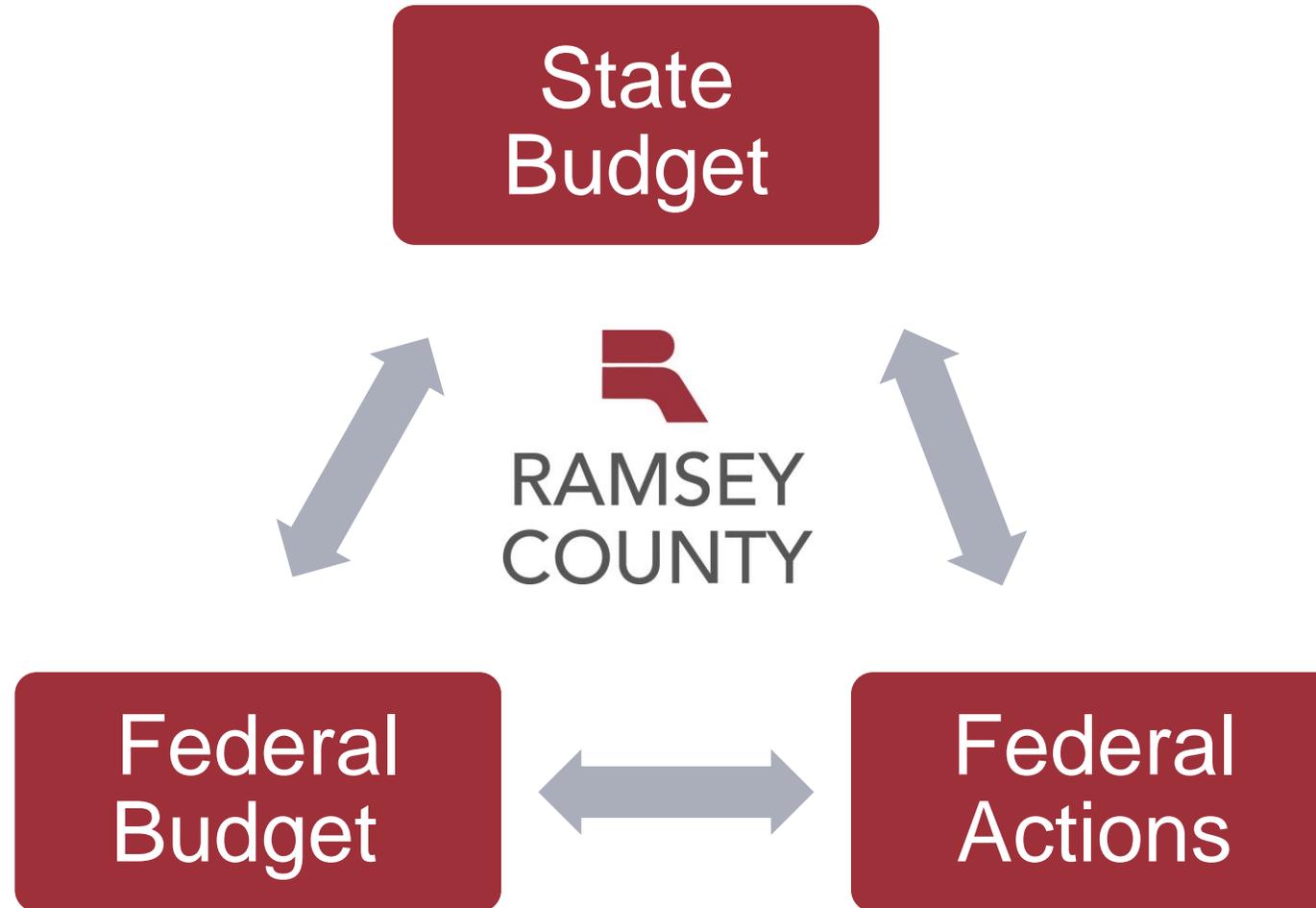
# Ramsey County Legislative and Federal Response Update



# Agenda

- **Legislative Recap**
  - **Jennifer O'Rourke, Director of Government Relations**
    - Ami Wazlawik, Government Relations Specialist
    - Jolie Wood, Government Relations Specialist
- **Ramsey County Federal Response Update**
  - **Maria Sarabia, Chief of Staff**
    - Deanna Pesik, Chief Compliance Officer & Federal Response Action Team (FRAT)

# Unprecedented Times – Tri Realities



# Legislative Recap

# Session Background Starting Point

- The 2025 Minnesota legislative session began on January 14, 2025.
- The session was unique for a variety reasons.
- Ended with a two-year budget worth \$66.8 billion dollars after special session.



## Overview

- Special Session occurred on June 9-10.
- As of June 12, all budget bills have been signed into law by the Governor.
- State's two-year budget is set.
- Possible special session may be needed depending on the federal budget outcomes.



## Some Ramsey County Accomplishments

- Extension of \$5 million for youth treatment homes to June 30, 2027.
- Economic Development Authority (EDA) provision.
- Extension of \$500 thousand for Ramsey County's youth technology training pathways program.
- Child support redirection (RCAO priority).



# General County Accomplishments

- No cuts to County Program Aid (CPA), Local Homelessness Prevention Aid, or Statewide Affordable Housing Aid.
- No shift of transportation funding from counties to Met Council.
- Far fewer cost shares/shifts in Human Services.
- \$35 million to State Agencies for Social Services Information System (SSIS) modernization.
- Extension of 48-hour rule provision; \$55 million + \$20 million for Miller Building (psychiatric beds).
- MNChoices changes – allowance for verbal attestation.

## General County Accomplishments, continued

- \$12 million statewide to address food insecurity at the community level.
- Changes to the community corrections formula to use three-year average for felony and gross misdemeanor per diem rates; helps with budget and expense planning.
- Administrative subpoenas allowed for wage theft investigations with RCAO; helping residents with more timely determination of any economic injustice.

# Ongoing Advocacy Efforts for Ramsey County



- Bonding Proposals for local projects and county economic development.
- Housing & Homelessness resources still needed for our residents.
- Changes to County Program Aid Formula to better meet Ramsey County needs.

## Ongoing Complexities... Increasing Costs to County

- Possible increase in costs in Anoka Metro Regional Treatment Center (AMRTC) daily per diem.
- Increases in costs and ongoing need for child protection services to prevent harm and better serve families and children.
- Repeal of Local Cannabis Aid; city and county sales tax redirected to state to help balance state deficit.
- More to come!

# Human Services Cost Pressures Loom

- Newly established ***Long -Term Services and Supports Advisory Council*** is charged to identify savings of approximately \$180 million by December 2026.
  - The level of impact on counties if savings is not secured, across the state, is to be determined but would be significant.
- Potential reduction in reimbursement for MNChoices assessments.

# Looking Ahead: On-going State Budget Pressures

- Minnesota receives roughly \$26 billion from the federal government for matches to the state Medicaid program and \$19 billion in federal funds for other programs. Any cuts at the federal level could significantly impact state budget projections.
- While the current short-term surplus has been reduced, the long-term structural deficit for fiscal years 2028-2029 has grown to nearly \$6 billion — roughly \$800 million more than previous estimates in 2024.
- Minnesota Management and Budget (MMB) cites higher-than-expected inflation as the primary reason for this worsening outlook. Compared to the November 2024 budget forecast, current year revenues have increased by \$640 million, but expenditures have grown by even more — \$790 million.

# Government Relations

- Attending community meetings and supporting countywide priorities.
- Planning for possible special session.
- Planning for 2026 Legislative Session – Policy / Bonding Year.
- Continued engagement with local and national partners such as AMC and NACo.



# Congressionally Directed Spending

# Congressional Earmarks

- Congressionally Directed Spending (CDS), also known as earmarks, is a process where Members of Congress request federal funding for specific projects within their district or state. These requests are then included in federal appropriations legislation, allowing for discretionary funding to be directed to specific locations or entities.
- Between the three offices of Congresswoman McCollum and Senators Klobuchar and Smith, they are advancing four projects.
- Next Steps: Our delegation have put these into the Appropriations committee process. We will hope to hear more later this fall.
- The FY25 projects were put forward and never funded because of the Continuing Resolution budget situation if you recall from April.

# Advancing Projects

- Opioid Addiction Recovery Response (OARR): This builds off the violence reduction efforts in the County Attorney's office and works with Office of Safety and Justice and Public Health. \$1.2M
- Wet Bulb project: Heat sensor project supporting our climate work and serving vulnerable communities. \$750,000
- Anerobic Digester: A joint Ramsey-Washington County project. Anaerobic digesters turn waste into a resource—benefiting the environment, public health, and the economy. \$5 million.
- The Ramsey County Sheriff's office put forward a request for a mobile crisis response vehicle unit-at \$330,000.

# Federal Response

# Background

- Update at the April 22, 2025 County Board meeting.
- Continue to mobilize internal and external efforts.
- Employee webpage.
- Ramsey News article for employees.
- Public Webpage.

## Preparing for federal and state funding changes

Ramsey County is committed to creating a vibrant community where all are valued and thrive.

We understand that many residents and partners have questions regarding memorandums, proclamations and executive orders issued by the White House and their potential impacts to local government.

We remain committed to transparency, continued service delivery and protecting the well-being of our residents. The county is actively engaging with local, state and federal partners to minimize disruptions and advocate for our community's needs.

We remain unwavering in our commitment to our [vision, mission and goals](#). All county departments and services are open for business. We look forward to serving you.

Ramsey County is closely monitoring proposed changes to federal and state budgets, including potential changes to grants and shifts in policy priorities. These changes could impact the essential services and supports that thousands of residents rely on every day — such as public health, housing, workforce development and infrastructure.

To stay ahead of these challenges, the county is:

- Strengthening internal coordination.
- Analyzing potential budget impacts to guide long-term planning.
- Assessing potential service and staffing implications across departments.
- Engaging with policymakers to advocate for local needs.
- Connecting with other government organizations and partners.
- Providing transparent information and updates to stakeholders and community.

### More information

- [Federal response presentation \(April 22, 2025 board meeting\)](#)



# Organizational Supports



## FRAT BULLETIN: GRANT PROCESS CHANGE

 May 7, 2025

Bulletin Number 20250507

# Federal Reconciliation Bill

- On May 22, the US House passed a budget reconciliation bill (HR 1).
- HR 1 now goes to the Senate, which will work through June to pass the bill according to its own reconciliation process by July 4. If they make changes to the bill, the bill must go back to the House for another vote.

# Ramsey County Medicaid and SNAP

- In 2023, 37% of Ramsey County residents received Medicaid (Medical Assistance or MA) for at least one month of the year.
- There are currently 85,000 MA cases in Ramsey County.
- Currently there are 35,000 SNAP cases in Ramsey County.
- A significant number of these cases could lose eligibility due to work requirements.



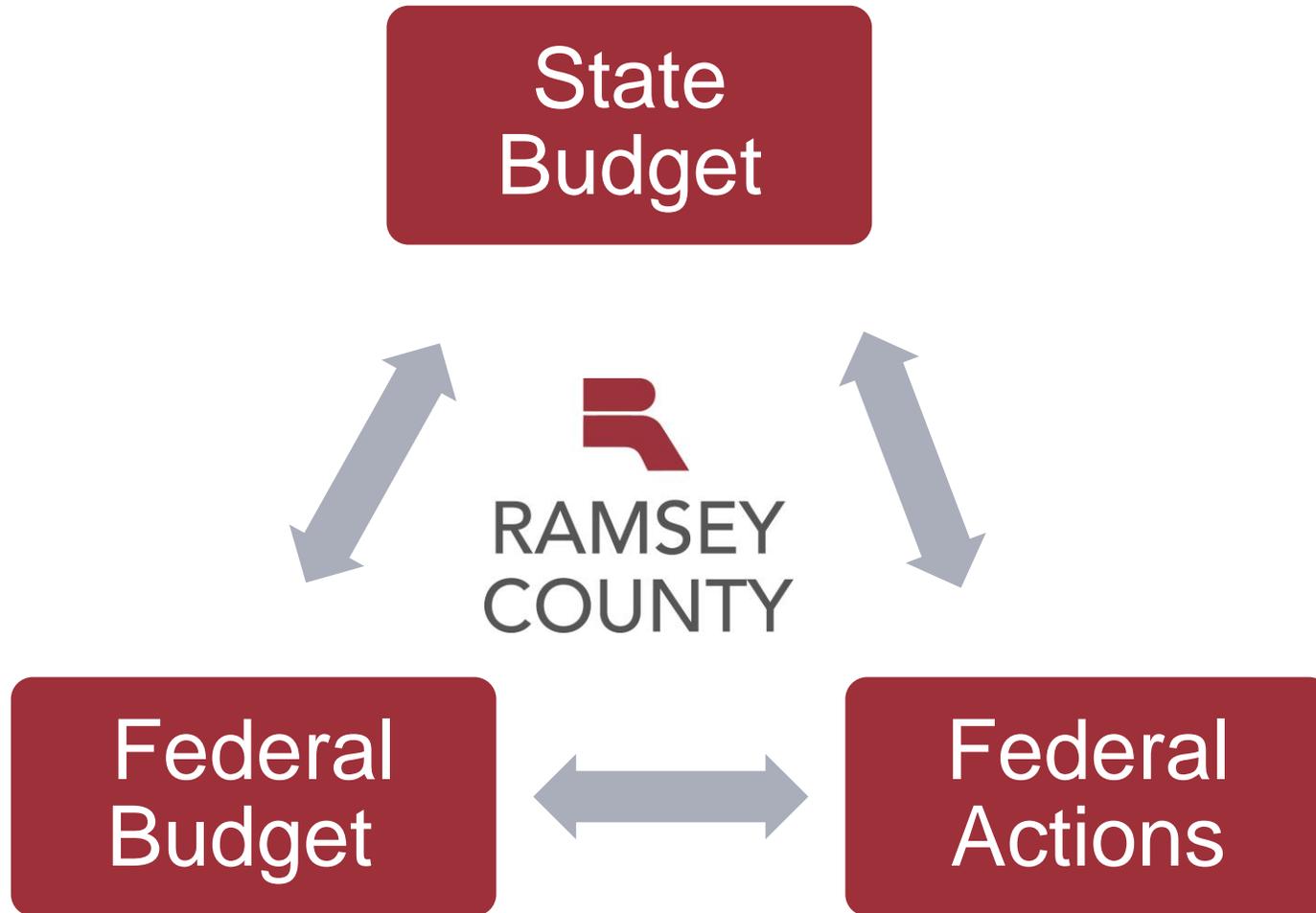
# Medicaid and SNAP

- County administered programs; eligibility rules are in state law and DHS is the state Medicaid agency.
- The provisions of the Federal Reconciliation Bill (HR1) limit access to Medicaid and SNAP, critical social safety net programs on which many residents depend.
- HR1 imposes work requirements as a new eligibility requirement and creates new out-of-pocket costs for certain Medicaid enrollees, expands work requirements for certain SNAP enrollees, and increases state and county administrative cost shares.
- All increased eligibility requirements and verifications will fall administratively to counties. The state technology systems we are required to use to determine eligibility are antiquated.
- Ramsey County will not be able to absorb the combined costs of federal program cuts and heavy administrative mandates.
- These reductions would likely mean longer wait times for critical services and benefits, reduced or triaged services, and higher property taxes.

# Ramsey County Response

- Ramsey County is engaging with state legislators and our congressional delegation to share the impact that these changes will have on Ramsey County residents.
- We will continue to analyze the potential impacts to the county budget and to assess not only direct, but indirect and collateral impacts.
- Ramsey County hosts community meetings for recipients of public benefits.
- Plans to host several convenings of aligned partners, advocacy groups and other community organizations on a regular cadence to stay strategically engaged and leverage partnerships in response to changes that will affect our Ramsey County community.
- Considerations as part of the County Manager's 2026-2027 budget process.

# Unprecedented Times – Tri Realities



- The state budget, federal budget, and federal action orders continue to shape our county's financial landscape.
- These all play a critical role in informing our priorities and decisions throughout the biennial budget process and long-term fiscal planning for the county.

# Questions