

Department of Legislative Services
 Maryland General Assembly
 2001 Session

FISCAL NOTE

House Bill 650 (Chairman, Appropriations)
 (Departmental – Children, Youth and Families)
 Appropriations

Office for Children, Youth, and Families - Revisions

This departmental bill alters the structure and function of certain units in the Office for Children, Youth, and Families; requires the adoption of regulations concerning local management boards; requires the local coordinating councils in each jurisdiction to coordinate residential placement for children with “special needs” and provides for staffing of the local coordinating councils; modifies the duties of the State Coordinating Council to include reviewing recommendations for State funding of individual placements submitted by a local coordinating council; and requires the Subcabinet for Children, Youth, and Families to formulate a plan to develop and evaluate community-based resources for the placement of children with special needs. The bill also codifies the Maryland School-Based Health Center Policy Advisory Council.

The bill takes effect October 1, 2001.

Fiscal Summary

State Effect: General fund expenditures could increase by \$353,900 in FY 2002. Future years reflect annualization and inflation. Revenues would not be affected.

(in dollars)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	353,900	466,200	473,100	480,100	487,400
Net Effect	(\$353,900)	(\$466,200)	(\$473,100)	(\$480,100)	(\$487,400)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: The local coordinating councils would receive additional funding to pay for support staff.

Small Business Effect: The Office for Children, Youth, and Families has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Bill Summary: Under the provisions of the bill, the Office for Children, Youth, and Families is comprised of the following units: (1) the Governor's Council on Adolescent Pregnancy; (2) the State Coordinating Council; (3) the Maryland School-Based Health Center Policy Advisory Council; (4) the State Council on Child Abuse and Neglect; (5) the State Commission on Infant Mortality Prevention; and (6) other multiple agency initiatives for children, youth, and families that are not reserved by law to another agency.

The Special Secretary of the Office for Children, Youth, and Families is required to adopt regulations concerning local management boards.

The local coordinating councils in each jurisdiction are required to coordinate residential placement for children with special needs (children who are deemed to require, or be at risk of requiring, a residential placement). The local coordinating councils must accept placement referrals from certain State agencies; decide what type of placement is needed; provide an interagency plan of care for the child's residential placement or appropriate, alternative, community-based services for the child; submit recommended plans of care to the State Coordinating Council; and assist the agency primarily responsible for the child's care in implementing and monitoring the residential placements. The local coordinating councils are overseen by the State Coordinating Council, which, among other things is required to review recommendations for State funding of individual placements submitted by a local coordinating council. The bill requires the local management boards to provide administrative staff to support the local coordinating councils.

By July 1, 2002, the Subcabinet for Children, Youth, and Families, in collaboration with a committee formed of individuals from State agencies, local management boards, and core service agencies, is required to develop a three-year plan to develop community-based resources for children with special needs and reduce the number of children in placements outside of their home communities. Until the plan is fully implemented, a local or State agency may approve a new out-of-State placement only under certain circumstances.

The bill also codifies the creation of the Maryland School-Based Health Center Policy Advisory Council, which is an independent entity located within the Office for Children, Youth, and Families. The purpose of the council is to coordinate the interagency effort to develop, sustain, and promote quality school-based health centers in Maryland.

Current Law: The office has the following units: (1) the Advisory Committee for Children, Youth, and Families; (2) Children's Councils; (3) the Governor's Council on Adolescent Pregnancy; (4) the State Coordinating Council for Residential Placement of Developmentally Disabled Children; and (5) other multiple agency initiatives for children, youth, and families that are not reserved by law to another agency. The office also has a Subcabinet for Children, Youth, and Families.

The office contracts for the provision of services to children and families in Maryland's 24 jurisdictions. These contracts are either directly with the localities or with nonprofit entities. Each jurisdiction has a local management board that ensures the implementation of a local, interagency service delivery system for children, youth, and families for that jurisdiction. The subcabinet oversees the 24 local management boards. The subcabinet and the local management boards are supported by the Subcabinet for Children, Youth, and Families Resource Fund.

Each jurisdiction also has a local coordinating council that works to place children with disabilities into residential placement. The local coordinating councils are overseen by the State Coordinating Council. The local coordinating councils are required to adopt placement referrals from certain State agencies; decide what type of placement is needed; provide an interagency plan of care for the child's residential placement or appropriate, alternative, community-based services for the child; submit recommended plans of care to the State Coordinating Council; and assist the agency primarily responsible for the child's care in implementing and monitoring the residential placements. Staff for the State Coordinating Council is provided for by the Office for Children, Youth, and Families. Local coordinating councils currently have no support staff.

State Expenditures: This bill affects State expenditures in two ways: (1) the bill extends the provision of residential services from children with disabilities to children with special needs, and requires the State Coordinating Council to review recommendations for State funding of the individual placements, thus resulting in an increase in the number of cases that must be reviewed; and (2) the bill requires the local management boards to provide administrative staff to support the local coordinating councils. Consequently, general fund expenditures could increase by an estimated \$353,908 in fiscal 2002, which reflects the bill's October 1, 2001 effective date. This estimate includes funding to pay for staff to support the 24 local coordinating councils. It also reflects the cost of hiring one administrator to oversee the review of additional cases

as required by the bill. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$34,386
Grants to Local Offices	319,200
Operating Expenses	<u>323</u>
Total FY 2002 State Expenditures	\$353,909

Future year expenditures reflect: (1) full salaries with a 6.5% increase in fiscal 2003 and a 4.5% increase each year thereafter, with 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses, including grants to local offices.

Local Revenues: Local coordinating councils currently have no support staff. Under the provisions of this bill, funds for staffing would be provided.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Human Resources; Governor's Office for Children, Youth, and Families; Department of Health and Mental Hygiene (Community Public Health Administration); Department of Legislative Services

Fiscal Note History: First Reader – February 23, 2001
jm/sgp

Analysis by: Sandra Steele

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510