

Department of Legislative Services
 Maryland General Assembly
 2001 Session

FISCAL NOTE

House Bill 721

(Delegate Sher, *et al.*)

Environmental Matters

Economic and Environmental Affairs

Department of Aging - Innovations in Aging Services Program

This bill creates the Innovations in Aging Services Program within the Department of Aging (DOA) and establishes the Innovations in Aging Services Advisory Council.

Fiscal Summary

State Effect: General fund revenues and expenditures would not be affected in FY 2002 because the bill's initial requirements could be absorbed within existing resources. In FY 2003, expenditures could increase by about \$198,300. Future year costs reflect salary increases, inflation, and a constant number of awards (three @ \$50,000 each).

(in dollars)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	198,300	195,300	197,100	199,100
Net Effect	\$0	(\$198,300)	(\$195,300)	(\$197,100)	(\$199,100)

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

Local Effect: Potential minimal. Local governments may be eligible to apply for Innovations in Aging Services Program funds.

Small Business Effect: Minimal.

Analysis

Bill Summary: The Innovations in Aging Services Program is designed to provide competitive funding grants to design and test innovative ideas in programs and services

for older individuals, publicly disseminate the results of the tests, and help meet the need for trained personnel providing services for Maryland's senior population.

The Innovations in Aging Services Advisory Council has 14 members from specified backgrounds that serve four-year terms. The Secretary of Aging is required to appoint the initial members of the council by November 1, 2001. Annually, the Secretary is required to develop an Innovations in Aging Services Program plan and submit it to the Governor and the General Assembly for approval as part of the annual budget. The plan is to set forth priorities for funding grants for innovative aging services and for training personnel providing services to the elderly in the State, and must include provisions for evaluating any program funded under the plan. The Secretary is required to report to the Governor and the General Assembly on the evaluations of programs that are funded, and to adopt regulations governing the provisions set forth in this bill.

The Secretary is required to solicit grant proposals to implement the program priorities that have been approved by the Governor and the General Assembly, and can accept moneys provided by other public and private sources to aid in funding the grants.

Current Law: None applicable.

State Fiscal Effect: General fund revenues and expenditures would not be affected in fiscal 2002 because the bill's initial planning and development requirements can be absorbed within DOA's existing resources.

The implementation phase of the program, however, does require State funding. In order to implement a viable program in fiscal 2003, general fund expenditures could increase by \$198,314, assuming the award of three \$50,000 grants. The estimate also reflects the cost of hiring one half-time administrator to solicit grant proposals, provide staff support to the advisory council, and coordinate the dissemination of project results and outside evaluation projects. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses

Salary and Fringe Benefits	\$28,197
Grants (three @ \$50,000)	150,000
Other Operating Expenses	<u>20,117</u>
Total FY 2003 State Expenditures	\$198,314

Future year expenditures reflect: (1) full salary with a 4.5% increase each year and 3% employee turnover; (2) 1% annual increases in ongoing operating expenses; and (3) a constant amount of funding for grants (three @ \$50,000 each).

Additional Information

Prior Introductions: None.

Cross File: SB 535 (Senator Collins) – Economic and Environmental Affairs.

Information Source(s): Department of Aging, Department of Legislative Services

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