

Department of Legislative Services
 Maryland General Assembly
 2013 Session

FISCAL AND POLICY NOTE

House Bill 1333 (Delegates Rosenberg and Haynes)
 Appropriations and Ways and Means

Family Investment Program - Family Literacy Pilot Program

This bill requires the Secretary of the Department of Human Resources (DHR) to establish a Family Literacy Pilot Program. The program’s purpose is to equip parents who are eligible for the Family Investment Program (FIP) and receiving Temporary Cash Assistance with the skills and tools to engage their children and families in literacy-based activities, with the goal of ultimately improving parents’ economic circumstances and children’s academic success.

The bill takes effect July 1, 2013, and terminates June 30, 2015.

Fiscal Summary

State Effect: General fund expenditures for DHR increase by a maximum of \$250,000 in FY 2015 due to bonus payments to participants who successfully complete the pilot program. No effect on revenues.

(in dollars)	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	250,000	0	0	0
Net Effect	\$0	(\$250,000)	\$0	\$0	\$0

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

Local Effect: Minimal or None.

Small Business Effect: None.

Analysis

Bill Summary: The Secretary must work in cooperation with directors of local departments of social services and in consultation with the Maryland State Department of Education (MSDE) and community-based adult literacy providers in establishing the program. The program is limited to 500 FIP recipients in Baltimore City and one other county.

The program must (1) implement policies and procedures in local departments to encourage increased adult and family participation in programs, including, or similar to, incentive-based adult literacy programs, and MSDE's Even Start Family Literacy Program and (2) target parents or caregivers of students in schools with documented low parental involvement and high truancy. A FIP recipient who successfully completes a family literacy program must be provided with a \$500 bonus.

The Secretary of Human Resources must report annually to the Senate Finance Committee and the House Appropriations Committee on the effectiveness of the program, including (1) the number of family literacy programs available for FIP recipients; (2) the number of FIP recipients participating in the program; (3) the number of FIP recipients successfully completing the program, including the number of bonuses paid; and (4) factors that affect program participation.

Current Law: FIP within local departments of social services has the primary purpose of supporting family efforts to achieve and maintain self-sufficiency through services and financial aid geared to individual family needs. FIP for a recipient must include supportive services activities, appropriate referrals to family planning counseling and services, and temporary cash assistance, as a last resort. A recipient must also agree to cooperate with child support enforcement efforts and to comply with reasonable requests for cooperation by case management workers in seeking and using available programs and community and family resources. The agreement must also specify the necessary support services that the local department will assist in providing and specify the work activities in which the recipient will participate.

State Fiscal Effect: General fund expenditures increase by a maximum of \$250,000 in fiscal 2015 for DHR to pay bonuses of \$500 to as many as 500 participants who successfully complete a family literacy program. Expenditures may be less to the extent that any participants do not complete the program successfully and are therefore ineligible for the bonuses. For purposes of this estimate, it is assumed that although the bill's effective date is July 1, 2013, expenditures do not occur until fiscal 2015 in order to allow time for DHR to implement relevant policies and procedures and for participants to complete the family literacy program.

Additional Comments: This analysis assumes that participants enroll in programs that are offered through community-based providers; therefore, it is assumed that there are no additional State or local expenditures associated with the literacy programs.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Baltimore City, Department of Human Resources, Maryland State Department of Education, Department of Legislative Services

Fiscal Note History: First Reader - March 1, 2013
ncs/lgc

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