

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 263

(Baltimore City Senators)(By Request - Baltimore City
Administration)

Finance

Health and Government Operations

Baltimore City - AIDS Prevention Sterile Needle and Syringe Exchange Program

This bill repeals the requirement that the Aids Prevention Sterile Needle and Syringe Exchange Pilot Program in Baltimore City provide for the exchange of used hypodermic needles and syringes for sterile hypodermic needles and syringes on a “one-for-one” basis. The bill also repeals an obsolete date by which the director for the program, with the advice and approval of the oversight committee, must develop (1) operating procedures; (2) community outreach and education; and (3) a protocol for providing program participants with a linkage to substance abuse treatment and rehabilitation.

Fiscal Summary

State Effect: None. The bill does not change State activities or operations.

Local Effect: Baltimore City Health Department (BCHD) expenditures increase by approximately \$19,500 in FY 2015. Future years reflect continued distribution of additional syringes. Revenues are not affected.

Small Business Effect: None.

Analysis

Current Law/Background: Chapter 360 of 1994 established the AIDS Prevention Sterile Needle and Syringe Exchange Pilot Program in BCHD. The program exchanges clean needles and syringes for used ones on a one-for-one basis. According to BCHD, the program serves approximately 2,500 individuals on a regular basis annually and exchanges approximately 500,000 syringes for them. The program also educates participants about the dangers of contracting HIV infections through needle sharing practices and refers participants to substance abuse treatment programs.

The program was scheduled to sunset in 1997. However, Chapter 178 of 1997 repealed the termination date and continued the requirement that the Department of Health and Mental Hygiene (DHMH) submit an annual report concerning program activity and expenditures. The program must operate in accordance with procedures that are approved, with the advice and approval of the oversight committee, by the Commissioner of Health. The Commissioner of Health must also appoint a director for the program.

State Fiscal Effect: DHMH’s Prevention and Health Promotion Administration (PHPA) provides set annual funding for BCHD’s AIDS Prevention Sterile Needle and Syringe Exchange Pilot Program in the amount of \$290,860, which comes from the State general fund. The remainder of the program’s funding comes from city general funds. PHPA does not intend to increase the program’s funding, and the bill does not require any action on behalf of DHMH or PHPA. Therefore, the bill has no fiscal or operational impact on the State.

Local Expenditures: BCHD’s expenditures increase by \$19,500 in fiscal 2015 through 2017, by \$16,250 in fiscal 2018, and by \$13,000 in fiscal 2019. The increase in expenditures covers the estimated increase in syringes exchanged by BCHD annually as demonstrated in **Exhibit 1**. The program currently serves approximately 2,500 individuals on a regular basis, and it exchanges 200 syringes annually for each client. BCHD anticipates that, when the program transitions to a needs-based model, it will give each participant an additional 60 syringes annually. Each syringe costs \$0.13. Additionally, BCHD estimates that the initial increase in syringes distributed annually will taper off by 10 syringes per client in fiscal 2018 and again in 2019. Thereafter, BCHD anticipates distributing an additional 100,000 syringes annually.

Exhibit 1
Projected Increases in Expenditures for BCHD

	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Population Regularly Served	2,500	2,500	2,500	2,500	2,500
Additional Syringes per Client	60	60	60	50	40
Total Additional Syringes	150,000	150,000	150,000	125,000	100,000
Increased Cost for Syringes	\$19,500	\$19,500	\$19,500	\$16,250	\$13,000

Source: Baltimore City Health Department

Additional Information

Prior Introductions: HB 149 of 2013, a similar bill, was withdrawn without a hearing.

Cross File: HB 354 (Delegate Anderson, *et al.*) (By Request - Baltimore City Administration) – Health and Government Operations.

Information Source(s): Baltimore City, Department of Health and Mental Hygiene, Department of Legislative Services

Fiscal Note History: First Reader - January 27, 2014
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