

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1467
Appropriations

(Delegate Krimm)

Department of Human Resources - Housing Counselor and Aftercare Program

This bill establishes a Housing Counselor and Aftercare Program in the Department of Human Resources (DHR) to assist clients in obtaining and maintaining permanent affordable housing. The Secretary of Human Resources must adopt regulations to implement the bill.

Fiscal Summary

State Effect: DHR general fund expenditures increase by a potentially significant amount beginning in FY 2017 to provide grants for counties to implement a Housing Counselor and Aftercare Program. Regulations can be adopted using existing DHR resources. Revenues are not affected.

Local Effect: Local grant revenues and expenditures increase for jurisdictions that elect to participate.

Small Business Effect: None.

Analysis

Bill Summary: A “client” is an individual or family who is homeless or is experiencing, or is in imminent danger of experiencing, a housing crisis. Housing counselors in the program must assist clients with securing housing by:

- developing a comprehensive, updated list of housing resources;
- assisting in searching for and obtaining permanent, affordable housing;

- establishing a working relationship and advocating for clients with landlords, property managers, realty companies, and other sources of low-income housing;
- working with the clients' case manager, when necessary, to coordinate services to the client;
- assisting clients, as needed, with issues that contribute to chronic housing problems, including budgeting and household management; and
- performing other duties as designated by DHR.

Aftercare case managers must help clients maintain permanent affordable housing by:

- assessing the needs of the clients and developing individualized plans to meet each client's identified needs;
- referring the clients to services, based on need;
- monitoring the services provided to the clients and intervening with service providers, if clients have difficulty accessing the services;
- maintaining regular contact with each client for counseling, skills development, and crisis intervention; and
- performing other duties as designated by DHR.

Each county may apply to DHR for a grant to administer the program in that county. DHR must provide a grant to a county that submits an application and complies with program requirements as set by DHR. A county that receives a grant must provide funds for additional costs related to the program in excess of the grant as provided by DHR. Funds for DHR to provide grants for counties must be as provided in the State budget. Grants may be used for (1) salaries and benefits for housing counselors and aftercare case managers; (2) client-related expenses; and (3) other items as designated by DHR.

Current Law/Background: DHR provides only a limited number of programs that support currently homeless families beyond indirect supportive programs. The Housing Counselor Program (which is not established in statute) provides funding to support a staff position that assists families or those at risk of homelessness in obtaining and maintaining housing. Funds available from this program may be used for staff costs or client expenses associated with obtaining housing. These client expenses may include the first month's rent, security deposit, certain moving costs, and certain transportation costs. DHR provides

these grant funds to either nonprofit organizations or local government entities. The program is available in five jurisdictions (Baltimore City and Baltimore, Harford Montgomery, and Washington counties).

State/Local Fiscal Effect: Because DHR is required to provide a grant to any county that submits an application and complies with program requirements, general fund expenditures increase beginning in fiscal 2017, potentially significantly, to the extent that counties elect to participate and provide funding for additional costs to support a Housing Counselor and Aftercare Program in their jurisdictions. However, an exact fiscal impact cannot be determined as expenditures depend on the number of jurisdictions that apply for a grant and the scope of the program that is implemented in individual jurisdictions.

For illustrative purposes only, DHR estimates that expenditures increase by \$506,000 annually, if all counties that do not already have a program apply for a grant. This estimate is based on expenses incurred in jurisdictions with existing programs and takes into consideration the number of homeless individuals estimated to be residing in the respective jurisdictions. The estimate assumes that DHR makes the following grants: (1) \$37,000 to eight counties (Allegany, Anne Arundel, Carroll, Cecil, Frederick, Garrett, Howard, and Prince George's); (2) \$25,000 to six counties (Calvert, Charles, St. Mary's, Somerset, Wicomico, and Worcester); and (3) \$15,000 to four counties (Dorchester, Kent, Queen Anne's, and Talbot). The Department of Legislative Services notes that because counties are not required to participate, actual expenditures may be considerably less if multiple jurisdictions elect not to participate. Counties that apply for grants must provide additional funding to support a program, the amount of which varies among jurisdictions. DHR also advises that counties with an existing program may seek additional grant funding once an official program is established, which may also increase expenditures.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Montgomery and Prince George's counties, Department of Human Resources, Department of Legislative Services

Fiscal Note History: First Reader - March 4, 2016
min/jc

Analysis by: Jennifer K. Botts

Direct Inquiries to:
(410) 946-5510
(301) 970-5510