

Department of Legislative Services
 Maryland General Assembly
 2018 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 545 (Senator Conway)
 Budget and Taxation

Public Safety - Maryland Violence Intervention and Prevention Program Fund - Establishment

This bill establishes the Maryland Violence Intervention and Prevention Program Fund and the Maryland Violence Intervention and Prevention Advisory Council within the Governor’s Office of Crime Control and Prevention (GOCCP). The stated purpose of the fund, which is administered by the Executive Director of GOCCP in consultation with the council, is to (1) provide funds to local governments for the distribution of grants to implement evidence-based health programs or evidence-informed health programs and (2) evaluate the efficacy of the programs funded as a result of the bill. The Governor must annually appropriate at least \$5 million to the fund. **The bill takes effect July 1, 2018.**

Fiscal Summary

State Effect: General fund administrative expenditures increase by \$42,900 in FY 2019; future years reflect annualization and the bill’s mandated appropriation. Special fund revenues and expenditures increase by at least \$5 million annually beginning in FY 2020. **This bill establishes a mandated appropriation beginning in FY 2020.**

(in dollars)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
SF Revenue	\$0	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
GF Expenditure	\$42,900	\$5,076,500	\$5,078,800	\$5,081,600	\$5,084,500
SF Expenditure	\$0	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Net Effect	(\$42,900)	(\$5,076,500)	(\$5,078,800)	(\$5,081,600)	(\$5,084,500)

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

Local Effect: Local grant revenues and expenditures increase significantly beginning in FY 2020.

Small Business Effect: None.

Analysis

Bill Summary:

Maryland Violence Intervention and Prevention Program Fund

The fund consists of (1) money appropriated in the State budget to the fund; (2) investment earnings; and (3) any other money from any other source accepted for the benefit of the fund. The fund must be used (1) to provide funds to local governments for the distribution of grants to implement evidence-based health program or evidence-informed health programs and (2) in an amount up to 5% of the fund, for the evaluation of the efficacy of evidence-based health program or evidence-informed health programs awarded grants through the fund. Expenditures from the fund may be made only in accordance with the State Budget.

Money distributed from the fund may not be used to (1) supplant funding that would otherwise be available for violence intervention programs or (2) fund suppression activities by law enforcement.

The fund is subject to audit by the legislative auditor, as specified.

Maryland Violence Intervention and Prevention Advisory Council

The council consists of the Executive Director of GOCCP and individuals appointed by the President of the Senate and the Speaker of the House, as specified. A member of the council may not receive compensation but is entitled to reimbursement for travel expenses. The council is governed by a majority vote and must:

- allocate funds for the evaluation of the efficacy of evidence-based health programs or evidence-informed health programs that receive funding under the bill, as specified;
- provide input to the executive director on the administration of the fund;
- assist the executive director in establishing procedures for (1) local governments to apply for funding and (2) the distribution of funding;
- create guidelines for funding eligibility;
- review and approve applications for funding;
- review and publish specified reports; and
- advise the Governor and the executive director on the implementation of gun violence prevention programs in the State.

An independent, third-party researcher selected by the council must undertake an evaluation of the efficacy of evidence-based health programs or evidence-informed programs that receive funding pursuant to the bill. The results of the evaluation must be posted to GOCCP's website.

The bill establishes provisions relating to the application process for local governments. Funding awards to local governments must be made for a minimum duration of three consecutive fiscal years. A local government that receives funding pursuant to the bill must (1) provide a cash or in-kind match equivalent to 33% of the amount awarded, except as specified; (2) use the award to implement evidence-based health programs or evidence-informed health programs, as specified; and (3) submit a specified report to the executive director every two years that is posted to the GOCCP website.

Current Law/Background: GOCCP is empowered to develop collaborative and deliberative approaches to impact crime through the management of Maryland's criminal justice resources. The agency's mission is to serve as a coordinating office that advises the Governor on criminal justice strategies. In that role, GOCCP plans, promotes, and funds efforts with government entities, private organizations, and the community to advance public policy, enhance public safety, reduce crime and juvenile delinquency, and serve victims.

In October 2017, Governor Hogan announced the award of almost \$3.6 million in grants to combat violent crime across the State. The grants will be distributed by GOCCP to 55 agencies statewide in fiscal 2018.

Maryland Safe Streets Initiative

The Maryland Safe Streets Initiative is an offender-based model established to reduce crime by instituting collaboration and information sharing among all levels of government. The initiative focuses all criminal justice resources on a core group of violent offenders who commit the majority of local offenses. Maryland Safe Streets jurisdiction officials build a coalition of partners, create custom strategies to meet the model's core goals, and maintain a management structure to measure progress and hold partners accountable. Coalition strategies demonstrate a data-driven approach of proactive crime analysis and multi-jurisdictional information sharing across local, State, and federal levels. Through the initiative, GOCCP partners with local jurisdictions that demonstrate a need to reverse crime trends and a commitment to strengthening partnerships across criminal justice systems of the jurisdiction.

In fiscal 2018, GOCCP expects to distribute almost \$2 million in grants to 10 agencies statewide. Funding is distributed through an application process to eligible jurisdictions

with violent crime rates significantly higher than the State average and a population larger than 10,000.

Gun Violence Reduction Grant

The Responsible Gun Safety Act of 2000 established the Maryland Cease Fire Council to assist in the establishment of programs designed to reduce the incidence of firearm-related crime. GOCCP, in conjunction with the council, evaluates grant applications under the program. The Gun Violence Reduction Grants support programs that target criminals and juveniles who use or illegally possess firearms, law enforcement and prosecution programs that support firearms reduction, covert investigations and debriefing of arrestees and offenders for information related to illegal firearms trafficking, and initiatives that support the identification of illegal firearms traffickers and the tracing of firearms.

Fiscal 2018 funding was made available to all law enforcement and State's Attorneys, allowing multiple entities to apply within one jurisdiction. GOCCP expects to distribute approximately \$900,000 in grants to 21 agencies statewide in fiscal 2018.

Sex Offender and Compliance Enforcement

The Sex Offender and Compliance Enforcement Program provides support to 24 law enforcement agencies in the State with specialized units that primarily handle the sex offender registry within local jurisdictions. The funds assist law enforcement agencies in duties related to sex offender registration, compliance verification, and enforcement against violent sex offenders.

In fiscal 2018, GOCCP expects to distribute \$728,900 in grants to 24 law enforcement agencies statewide.

State Expenditures: General fund administrative expenditures increase by \$42,939 in fiscal 2019 for GOCCP to hire a program manager to assist the executive director with establishing procedures for and administering the new fund. Beginning in fiscal 2020, general fund expenditures increase by at least \$5 million due to the bill's mandated appropriation; special fund revenues to the new fund and expenditures from the fund increase correspondingly.

Administrative Costs for GOCCP

General fund expenditures for GOCCP increase by \$42,939 in fiscal 2019, which accounts for a six-month start-up delay. This estimate reflects the cost of hiring one program manager to assist with the establishment of procedures for and the administration of the

new fund. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Position	1
Salary and Fringe Benefits	\$37,736
Other Operating Expenses	<u>5,203</u>
Total FY 2019 State Expenditures	\$42,939

This analysis assumes that it takes some time for the council to be appointed and for GOCCP, in consultation with the council, to establish application procedures for local governments as well as procedures for the distribution of money from the fund. Thus, it is assumed that only administrative costs are incurred in fiscal 2019 and that grant funding is not appropriated or awarded until fiscal 2020.

Future year expenditures reflect a full salary with annual increases and employee turnover and ongoing operating expenses.

Because the bill does not explicitly authorize the new special fund to be used to cover GOCCP's administrative costs, this analysis assumes that additional general funds beyond those provided to capitalize the new special fund are needed to cover those costs.

Mandated Appropriation to Capitalize the New Special Fund

Beginning in fiscal 2020, general fund expenditures increase by at least \$5 million annually due to the bill's mandated appropriation. As noted above, it is assumed that this funding is not appropriated, and that grants from the special fund are not awarded, until fiscal 2020 so that GOCCP has time to work with the council to establish the necessary procedures for the fund. If timing permits once the procedures have been established, applications for grant awards could be accepted and reviewed in fiscal 2019 so that grant awards could be made at the start of fiscal 2020.

Special fund revenues to and expenditures from the new fund increase correspondingly. This analysis does not reflect any additional special fund revenues that may accrue to the fund from investment earnings or from other sources. Accordingly, fund activity could be higher. This analysis also assumes that all appropriated special funds are spent each year.

Local Fiscal Effect: Local grant revenues and expenditures increase significantly for local jurisdictions that apply for and are awarded funds beginning in fiscal 2020. Generally, in order to qualify for a grant pursuant to the bill, a local government must provide either a cash or in-kind match equivalent to 33% of the amount awarded; however, this matching fund requirement may be waived if the local government is able to demonstrate good cause, as specified. While the total grant funding awarded to local jurisdictions as a result of the

bill is significant given the \$5 million annual mandated appropriation, the distribution of awards among jurisdictions cannot be predicted.

Additional Information

Prior Introductions: None.

Cross File: HB 432 (Delegate Lierman, *et al.*) - Appropriations.

Information Source(s): Anne Arundel, Baltimore, Garrett, and Montgomery counties; Comptroller's Office; Governor's Office of Crime Control and Prevention; Department of Budget and Management; Maryland Department of Health; Department of State Police; Department of Legislative Services

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