



BILL: HB0158 – Department of Aging – Social Connections Program - Establishment

POSITION: FWA - Favorable with Amendments

COMMITTEE: HGO – Health and Government Operations

DATE: January 23, 2025

SUBMITTED BY: Maryland Department of Disabilities
217 East Redwood Street, Suite 1300
Baltimore, MD 21202

Dear Chair Pena-Melnyk,

The Maryland Department of Disabilities (MDOD) is pleased to submit this letter in support of HB0158 Department of Aging – Social Connections Program – Establishment. We commend the revisions to Social Connections that will support access to the program for all eligible Marylanders, including those who are older and are deaf, hard-of hearing, or have communication disabilities. We also look forward to the continued collaboration among the Maryland Department of Aging (MDoA), MDOD, and MDOD’s Telecommunications Access of Maryland Program (TAM) memorialized by these changes.

MDOD would like to provide additional support and context for an amendment to HB0158 repealing Human Services Article § 7-806(a)(2)(ii) (bill page 5, lines 14 through 17, as noted below):

- 11 (2) For fiscal year 2019 and each fiscal year thereafter, the program under
12 § 3.5–702 of the State Finance and Procurement Article shall be funded at an amount that:
- 13 (i) is equal to the cost that the Department of Aging is expected to
14 incur for the upcoming fiscal year to provide the service and administer the program; {and}
- 15 (ii) ~~does not exceed 5 cents per month for each account out of the~~
16 ~~surcharge amount authorized under subsection (c) of this section; AND~~
- 17 **(H) IS BASED ON A BUDGET DEVELOPED BY THE DEPARTMENT**
18 **OF AGING IN COLLABORATION WITH THE DEPARTMENT OF DISABILITIES AND IN**
19 **CONSIDERATION OF THE FISCAL NEEDS OF THE PROGRAMS FUNDED THROUGH THE**
20 **SURCHARGES PAID UNDER SUBSECTION (C) OF THIS SECTION.**

Social Connections is funded by the Universal Service Trust Fund (USTF), which, as of 2020, the Secretary of MDOD administers pursuant to Human Services Article § 7-806(f). Prior to July 2020, the USTF was administered by the Department of Information Technology. Currently, five programs are funded by the USTF. (These are described in the attachment.)

The USTF is funded through a surcharge applied to bills for telecommunications services rendered in Maryland. The surcharge rate is set by the department that oversees the USTF (currently MDOD) in

collaboration with the Public Service Commission (PSC). The USTF was intended as a flexible funding mechanism and the surcharge changes over time. Prior to 2017, this surcharge was 11 cents per account. In 2017, while the USTF was still administered by DoIT, this rate was reduced to 5 cents. In December 2024, MDOD directed the PSC to increase the surcharge to 9 cents to ensure continued financial stability for the USTF programs.

Social Connections is the only USTF-funded program that has a funding amount specified in statute. Per Human Services Article § 7-806(a)(2)(ii), Social Connections' funding is currently capped at 5 cents per account; between 2017 and June 2025, 5 cents per account would be 100% of the USTF's annual revenue. While MDoA never requested that full amount for Social Connections, it had that ability under law if the program expenses had risen to that level. Doing so would have defunded all other USTF programs, including Maryland Relay, which administers federally mandated telecommunications services required by Title IV of the Americans with Disabilities Act. If Maryland Relay were to become insufficiently funded, Maryland's telecommunications providers would become individually responsible for providing the accessible services currently delivered by Maryland Relay.

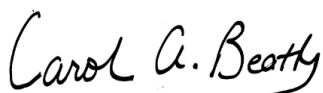
At the same time, Social Connections could be unnecessarily limited by this cap. For instance, should the surcharge someday increase to the legally allowed maximum of 18 cents per account, Social Connections would be limited to the 5 cents per account, even if Social Connections needed additional funding and such funding was available in the USTF.

As part of its role administering the USTF (as required at § 7-806(f)), MDOD administers the Social Connections funding as a Reimbursable Fund. The amount of funding for the Social Connections program is included in MDOD's budget each development cycle, and is based upon previous FY actuals, the current FY appropriation, and the projected FY expenses as communicated to MDOD by MDoA. Social Connections is included in both MDoA's and MDOD's budget submissions to DBM.

Other provisions in § 7-806 ensure that Social Connections will remain sufficiently funded; § 7-806(a)(2)(i) already requires that Social Connections receive the funding it needs based on expected need, and § 7-806(d) directs the Secretary of MDOD to certify to PSC the costs of all USTF-funded programs for the purpose of setting an appropriate USTF surcharge. The new language proposed in § 7-806 as part of HB0158 further memorializes the collaboration that already exists between MDoA and MDOD, as well as acknowledging that the USTF is shared by multiple programs.

For the reasons stated above, MDOD requests a favorable report for HB0158 with the amendment removing in statute a specified budget maximum for Social Connections. Removing this cap ensures the financial stability of the other USTF-funded programs, including the Maryland Relay program responsible for maintaining Maryland's compliance with the ADA, and avoids potentially shortchanging Social Connections in the future. Thank you for the opportunity to provide this letter of support.

Sincerely,



Carol A. Beatty
Secretary

Attachment 1: Programs Funded by the USTF

Telecommunications Access of Maryland (TAM): Background

TAM operates under the Maryland Department of Disabilities, providing necessary services and equipment to facilitate effective telephone communication for individuals who are deaf, hard of hearing, blind, have speech difficulties, or other disabilities.

Core USTF/TAM Programs

1. Maryland Relay – (\$ 2,220,000 Per Annum)

Maryland Relay provides Telecommunications Relay Services (TRS) 24 hours a day and 365 days a year, enabling individuals with hearing or speech disabilities to communicate on the telephone through a communications assistant. TRS is a federally mandated service under Title IV of the Americans with Disabilities Act. By serving as Maryland's certified TRS provider Maryland Relay fulfills the ADA obligations that would otherwise fall directly on each telecommunications carrier in the state. Should Maryland Relay ever become insufficiently funded, it would be decertified as the TRS provider and common carriers would individually have to assume the financial and logistical responsibility of providing TRS.

2. Maryland Accessible Telecommunications (MAT) (\$ 1,200,000 Per Annum)

The MAT program provides specialized telephone equipment to individuals with disabilities.

3. Communication Facilitator Program (\$ 90,000 Per Annum)

Launched in 2021, the Communications Facilitator program provides personalized support and specialized communication techniques to help individuals with both hearing and vision impairments effectively use TRS.

Other Programs Funded by the USTF

1. NFB NewsLine Reading Service (\$ 46,500 Per Annum)

The Maryland State Library for the Blind and Print Disabled (MSLA) receives USTF funds, which it provides to the National Federation of the Blind to deliver the NFB Newsline Reading Service for blind and visually impaired individuals

2. Social Connections Program (\$ 450,000 Per Annum)

The Social Connections Program, overseen by the Maryland Department of Aging (MDoA), offers a complimentary, opt-in telephone service that routinely monitors the well-being of older residents statewide. Participants receive a call, with necessary follow-up actions taken if assistance is deemed needed. MDOD reimburses MDoA for program expenditures based upon the budget submitted to MDOD at the beginning of the budget development cycle.

Attachment 2: USTF Funding History

Pre-2017

- The USTF surcharge amount was set to 11 cents per account, leading to a surplus.

2017

- Due to the surplus in the USTF, the surcharge amount was reduced to 5 cents per account, generating about \$2.7 million a year.

2017-2024

- The total expenditures of the USTF-programs has been around \$4 million a year, while the USTF has been earning \$2.7 million.
- USTF-funded programs have been funded through a combination of the pre-2017 surplus and the revenue generated between 2017-2024.
- The programs have nearly exhausted the surplus.

July 2025

- The surcharge will increase to 9 cents per account.
- USTF programs will be sufficiently funded by this 9 cents per account without generating an excessive surplus.

