

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 523 (Senator Dorman)
Finance

Compulsive Gambling

This bill requires the Secretary of the Department of Health and Mental Hygiene (DHMH) to establish an Office of Compulsive Gambling for the coordination of treatment for compulsive gamblers. The bill also requires the Secretary to make grants from State and federal funds to help public agencies or nonprofit organizations establish and operate local programs for compulsive gamblers. The Secretary must promulgate regulations governing grants.

Within the Office of Compulsive Gambling, the Secretary must establish a 10-member Compulsive Gambling Advisory Committee. Among other things, the committee is to make funding recommendations and prepare a comprehensive plan for compulsive gambling services.

Fiscal Summary

State Effect: Indeterminate increase in State and federal funds expenditures.

Local Effect: Indeterminate increase in local revenues and expenditures.

Fiscal Analysis

State Expenditures: DHMH estimates that this bill would cost \$19.1 million to implement. This estimate includes \$17.8 million for the full cost of treatment for 10,000 patients (20% of the estimated number of compulsive gamblers in Maryland), and \$1.3 million for administrative costs and advisory council expenses.

The Department of Fiscal Services (DFS) advises that DHMH has not provided sufficient justification for these costs. DFS believes that while the costs could be substantial, the actual impact would depend on (1) whether the State would be required to pay for the full cost of treatment for compulsive gamblers; and (2) the number of people the program would be required to serve. The bill requires the Secretary of DHMH to promulgate regulations regarding the eligibility of individuals requesting treatment under this program. These regulations would determine the magnitude and cost of the program.

Local Effect: To the extent that grants are made to local governments to establish and operate programs for compulsive gamblers, local revenues and expenditures could increase.

Information Source(s): Department of Health and Mental Hygiene, Department of Fiscal Services

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