

**Department of Legislative Services**  
Maryland General Assembly

**FISCAL NOTE**  
**Revised**

House Bill 550 (Delegate Rosenberg, *et al.*)  
Appropriations

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**Community Services Trust Fund - Revisions**

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This bill expands the circumstances under which funds accrue to the Community Services Trust Fund by eliminating the requirement that funds be deposited only as a result of closure of a Developmental Disabilities Administration (DDA) facility or a Mental Hygiene Administration (MHA) facility. This means that monies resulting from the long-term lease or sale of property or equipment of a DDA or MHA facility would accrue to the fund. The bill's provisions do not apply to a Mental Hygiene Administration facility in Dorchester County (Eastern Shore Hospital). This exemption terminates on June 30, 2000. The bill repeals the Community Services Trust Fund's sunset date of May 31, 1999 and provides that unexpended fiscal 1999 DDA Waiting List Initiative general funds are not to revert to the general fund but must remain available for expenditure on the Waiting List Initiative in fiscal 2000.

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**Fiscal Summary**

**State Effect:** Potential indeterminate increase in special fund revenues accruing to the Community Services Trust Fund with offsetting decrease in revenues accruing to the State general fund. Additional potential decrease in revenues accruing to the State general fund from the bill's Waiting List Initiative carryover provision would be offset by increased Waiting List Initiative general fund expenditures.

**Local Effect:** None.

**Small Business Effect:** Potential meaningful.

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## **Fiscal Analysis**

**Background:** The Community Services Trust Fund was established by Chapters 675 and 646 of 1996. The Comptroller is to transfer into the Waiting List Equity Fund (DDA) and the Mental Hygiene Community-Based Services Fund the investment earnings of the Community Services Trust Fund, in accordance with an appropriation in the annual State budget. No funds have accrued to the Community Services Trust Fund to date, but the sale of Great Oaks, a DDA facility, is expected to result in a deposit of \$6.8 million by early fiscal 1999.

The fiscal 1999 budget includes \$13 million in Waiting List Initiative general funds for the purpose of reducing the number of individuals waiting for day, support, and residential services. Over the next five years, a total of \$68.4 million in general funds is proposed to be funded under the Waiting List Initiative.

**State Effect:** Special fund revenues could increase by a minimal amount since the bill expands the circumstances under which funds accrue to the Community Services Trust Fund. For example, the Rosewood Center, a DDA facility, has been leasing portions of its property to non-profit or governmental entities as the number of Rosewood clients falls, generally for \$1 a year. Therefore, unless the State begins to lease to private entities at a higher rate, any increase in special fund revenues is assumed to be minimal. General fund revenues could decrease by an equal amount, since lease revenues would otherwise have accrued to the general fund. Funds accruing to the general fund could also decrease by an indeterminate amount as a result of prohibiting unexpended Waiting List Initiative funds from reverting to the general fund at the end of fiscal 1999. Any such decrease in general fund revenues would be offset by an increase in general fund Waiting List Initiative expenditures.

**Small Business Effect:** Funds accruing to the Community Services Trust Fund, Waiting List Equity Fund, Mental Hygiene Community-Based Services Fund, and Waiting List Initiative general funds are used to procure community services such as supported employment and group homes to individuals with developmental disabilities and mental disorders. Thus, increases in fund balances could result in increased revenues to small business contractors providing such services.

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**Information Source(s):** Department of Health and Mental Hygiene (Developmental Disabilities Administration, Mental Hygiene Administration), Department of Legislative Services

**Fiscal Note History:** First Reader - February 27, 1998  
lc Revised - House Third Reader - April 1, 1998  
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