

Department of Legislative Services
Maryland General Assembly
2000 Session

FISCAL NOTE

House Bill 500 (Delegate Shriver. *et al.*)

Appropriations

Temporary Cash Assistance - Starting Date

This bill provides that the Department of Human Resources must pay Temporary Cash Assistance (TCA) beginning from the date a qualified recipient applies for assistance.

Fiscal Summary

State Effect: Combined general/federal fund expenditure increase of \$4.1 million in FY 2001. Future year expenditures increase due to annualization and inflation. Revenues would not be affected.

(in millions)	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
GF Revenues	\$0	\$0	\$0	\$0	\$0
GF/ FF Expenditures*	4.1	5.5	5.5	5.6	5.6
Net Effect	(\$4.1)	(\$5.5)	(\$5.5)	(\$5.6)	(\$5.6)

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

** represents combined pool of general funds and federal block grant funds*

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Department of Human Resources pays TCA beginning 14 days from the date a qualified recipient applies for assistance.

State Fiscal Effect: In the time period from October 1999, through December 1999, an average of 2,865 TCA applications for assistance were approved each month. Assistance

payments averaged \$157.80 during any two-week period within that time. Based on this, and because assistance payments will begin two weeks earlier than under current law, it is established that general/federal fund expenditures would increase by \$4.1 million in fiscal 2001, which accounts for the bill's October 1, 2000 effective date. Future year estimates reflect a stable number of applicant families, annualization, and inflation. A combined, annual, general/ federal fund expenditure increase of \$5.4 million results to extend TCA benefits from the date of application under the provisions of this bill.

The proposed 2001 budget includes \$96.6 million for cash assistance payments, of which \$43.4 million is federal block grant funds, and \$39.3 million is general funds. The remaining \$13.9 million is the State share of child support collections on behalf of TCA recipients. TCA expenditures are represented as a total pool of State and federal funds, and the exact split used for a particular program is not readily known. Any funds used to support the bill's requirements result in fewer funds available for other uses.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Human Resources, Department of Legislative Services

Fiscal Note History: First Reader - February 11, 2000
cm/jr

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