

Department of Legislative Services
 Maryland General Assembly
 2001 Session

FISCAL NOTE

House Bill 589 (Delegate Mohorovic, *et al.*)
 Environmental Matters and Judiciary

Mental Hygiene Administration - Traumatic Brain Injury Rehabilitation Fund

This bill establishes a Traumatic Brain Injury Rehabilitation Fund to assist individuals who have suffered “traumatic brain injuries” and their families in paying for services and products.

Fiscal Summary

State Effect: General fund revenues could increase by an estimated \$1.75 million and special fund revenues could increase by an estimated \$2 million in FY 2002. General fund administrative expenditures could increase by an estimated \$161,300 in FY 2002. Future year revenues reflect a 3% increase in the number of cases surcharged; general fund expenditures reflect annualization and inflation.

(in dollars)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
GF Revenue	\$1,750,000	\$3,150,000	\$3,304,500	\$3,463,600	\$3,627,500
SF Revenue	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
GF Expenditure	161,300	82,400	86,800	91,400	96,300
Net Effect	\$3,588,700	\$5,067,600	\$5,217,700	\$5,372,200	\$5,531,200

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The bill establishes a continuing, nonlapsing Traumatic Brain Injury Rehabilitation Fund (fund) to be administered by the Mental Hygiene Administration

(MHA). The fund consists of: (1) a \$10 surcharge that will be added to any traffic case conviction after October 1, 2001 for which points may be assessed; (2) moneys received from any other source; (3) investment earnings derived from moneys in the fund; and (4) any federal matching funds received by the State for traumatic brain injury treatment or assistance. The Comptroller of the Treasury must forward \$2 million of the surcharges collected to the fund on July 15, 2002 and on the same date each year thereafter. Any moneys that are not forwarded to the fund will remain in and be credited to the general fund.

The stated purpose of the fund is to assist individuals, on or after October 1, 2002, who have suffered traumatic brain injuries after the age of 21, and their families, in paying for services and products that are not covered by insurance and will increase the individual's opportunity for an optimal quality of life. MHA shall use the fund to pay for services and products from approved providers; to provide State matching funds in order to qualify for federal funding of traumatic brain injury assistance or treatment; and to pay the costs associated with administering the fund. MHA is required to develop a list of approved providers and make this list available to individuals with traumatic brain injuries. The Office of Legislative Audits is charged with auditing the fund. MHA must report to the Governor and the General Assembly on the level of moneys in the fund by November 1 of each year.

Current Law: None applicable.

Background: Each year 2 million Americans sustain traumatic brain injuries from automobile crashes, falls, recreation injuries, assaults, and violence. These injuries are the leading cause of death and disability in children and young adults in the United States. Of those who suffer traumatic brain injuries, 75,000 to 100,000 will die, and 70,000 to 90,000 must live the remainder of their lives with severe disabilities. Families provide the majority of care for people with brain injuries, and many exhaust their family resources or have to give up jobs to care for a family member full time.

Maryland's traumatic brain injury program, run by the Brain Injury Association of Maryland in coordination with the Department of Health and Mental Hygiene (DHMH), provides education and training about traumatic brain injury, and promotes outreach and public awareness. This program was funded by \$100,000 in State general funds and \$200,000 in federal matching grant funds in fiscal 2001. Funding is projected to remain constant in fiscal 2002, the last year that the State will receive funding under the grant.

While DHMH does have an advisory board to address traumatic brain injury, there is no specific locus for the treatment of persons with traumatic brain injuries within the department. The Developmental Disabilities Administration provides some services for those injured before age 22, and some of those who are injured after the age of 22 are

cared for in State psychiatric hospitals. Gaps exist, however, in services for persons with traumatic brain injuries who require community residential placement, community-based rehabilitation, personal care, and long-term support services. DHMH estimates that the annual cost of providing these type of services ranges from \$15,000 to \$125,000 per individual, depending on the degree of care required.

State Revenues: In fiscal 2002, the District Court is expected to handle approximately 500,000 traffic citations for which points may be assessed. Based on this information, general fund revenues could increase by \$1.75 million in fiscal 2002 and special fund revenues could increase by \$2 million, which reflects the bill’s October 1, 2001 effective date. Future year estimates reflect a growth rate of 3% per year, based on the average increase in cases over the fiscal 1997 to fiscal 2000 period. This estimate assumes that for each case, the regular fine plus the \$10 surcharge will be assessed and paid. It should be noted, however, that the Administrative Office of the Courts advises that increases in general fund revenues could be offset by fine reductions, because when additional fees increase the total amount that a defendant must pay, a judge may reduce the fine to accommodate the increase and thereby deprive the general fund.

State Expenditures: General fund administrative expenditures could increase by an estimated \$161,315 in fiscal 2002, which accounts for the bill’s October 1, 2001 effective date. This estimate reflects the cost of hiring one program administrator and one-half fiscal accounting clerk for DHMH. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. It also includes \$99,750 in contractual services to: (1) redesign the court’s automated traffic system (\$9,950); (2) revise and redistribute the traffic citations to all law enforcement agencies (\$80,000); and (3) \$10,000 to modify the court’s Interactive Voice Response System.

Salaries and Fringe Benefits	\$57,544
Contractual Expenses	99,750
Other Operating Expenses	<u>4,021</u>
Total FY 2002 State Expenditures	\$161,315

Future year expenditures reflect: (1) full salaries with a 6.5% increase in fiscal 2003 and a 4.5% increase each year thereafter, with a 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

Additional Information

Prior Introductions: None.

Cross File: SB 107 (Senator Kelley, *et al.* – Judicial Proceedings) is identified as a cross file although it is different.

Information Source(s): Department of Health and Mental Hygiene, State Police, Judiciary (Administrative Office of the Courts), Office of Legislative Audits, Department of Transportation (Motor Vehicle Administration), Brain Injury Association of Maryland, National Conference of State Legislatures, Department of Legislative Services

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