Department of Legislative Services

Maryland General Assembly 2004 Session

FISCAL AND POLICY NOTE

House Bill 1302 Appropriations

(Delegate Rosenberg)

Marriage Promotion Act of 2004

This bill establishes a Marriage Promotion Program (MPP) and a Marriage Promotion Fund in the Department of Human Resources (DHR). The purpose of the program is to provide funding to eligible community-based organizations for implementing marriage and relationship skills programs. The fund must consist of at least \$250,000 in general funds.

The bill is effective July 1, 2004.

Fiscal Summary

State Effect: Potential minimal reduction in special fund revenues to the extent that the bill reduces collection of child support. General fund expenditures could increase by \$301,800 in FY 2005 for establishment of grant funds and additional staff to administer the grant program for marriage promotion. Potential significant general fund expenditure increase to complete the study required by the bill (up to \$1.5 million). Out-years reflect annualization and inflation.

(in dollars)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
SF Revenue	(-)	(-)	(-)	(-)	(-)
GF Expenditure	301,800	320,200	323,900	327,900	332,100
Net Effect	(\$301,800)	(\$320,200)	(\$323,900)	(\$327,900)	(\$332,100)

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

Local Effect: None.

Small Business Effect: Potential minimal. Small businesses that provide marriage and relationship skills counseling could benefit from the grants provided under this bill.

Analysis

Bill Summary: A community-based organization may apply for a marriage program grant for any fiscal year by submitting a proposal to DHR by May 1. A program proposal must contain: (1) a plan for implementing a marriage and communication skills program or a description of an existing marriage and communication skills program; (2) a plan to adopt a marriage and communication skills curriculum that emphasizes relationship skills; (3) a description of any model curriculum that the organization plans to use; and (4) a plan to incorporate discussions of family law and domestic violence issues into the curriculum.

As part of its responsibility for administering the program, DHR must review plans submitted by community-based organizations and determine which programs receive funding. DHR must also review renewal applications and distribute grants to eligible community-based organizations.

Any organization that receives funding under MPP or the Federal Healthy Marriage Initiative must ensure that domestic violence counseling services are provided to individuals in the organization's program. Community organizations may continue to obtain funding from private sources.

For temporary cash assistance (TCA) recipients who assign their support rights to the State and federal governments, if child support arrearages accrue after the assignment and the obligor and obligee subsequently reunite, the Child Support Enforcement Administration may not collect the support arrearages unless the family has a gross income equal to or greater than 225% of the federal poverty level.

The bill requires DHR to report to the Senate Budget and Taxation and House Appropriations committees by July 1 of each year on the funded marriage promotion programs and their effectiveness in promoting marriage in the State.

The bill also requires DHR, in consultation with the Department of Health and Mental Hygiene (DHMH) to study the effectiveness of publicly-funded family planning programs; teen pregnancy prevention programs; and community, school, and faith-based abstinence education programs on preventing unwed pregnancy and childbearing. DHR must report on the study's findings to the Senate Budget and Taxation and House Appropriations committees on or before October 1, 2005.

Current Law: State law does not provide for a program that specifically promotes marriage or a marriage promotion fund.

The Governor's Council on Adolescent Pregnancy is part of the Office for Children, Youth, and Families. One of the purposes of the council is to develop a coordinated comprehensive statewide plan, including the estimates of necessary government and private funding for reducing adolescent pregnancy and improving services to at-risk, pregnant, and parenting adolescents. The council is subject to sunset evaluation and scheduled to terminate on July 1, 2005.

State Revenues: Special fund revenues could be reduced to the extent that the bill reduces child support collections. TCA recipients must assign their support rights to the State and federal governments as partial reimbursement for TCA payments made on behalf of the children of the obligor; as a result, TCA child support collections are distributed 50% to the State and 50% to the federal government. Accordingly, the State and federal governments would share equally in any reduction in collection revenues. Any such reduction cannot be quantified at this time due to the unavailability of data. While this bill could result in a reduction of arrearages owed, the impact on collections is expected to be minimal.

State Expenditures: General fund expenditures could increase by an estimated \$301,752 in fiscal 2005, which accounts for a 90-day start-up delay based on the bill's July 1, 2004 effective date. The estimate reflects establishment of the grant funding (\$250,000 as specified in the bill), the cost of hiring one administrator to manage the marriage promotion grant program and includes the salary, fringe benefits, one-time start-up costs, and related ongoing operating costs. Additional significant general fund expenditures could be required to complete the study of family planning, teenage pregnancy prevention, and abstinence education programs required by the bill.

According to the University of Maryland School of Social Work, the cost of similar studies ranged from \$150,000 for a single site evaluation to \$2,500,000 for a multi-site and multi-program evaluation. Because the study required by the bill would require evaluation of different types of programs that could be government or privately funded, DHR advises the total cost could be about \$1,500,000.

The Department of Legislative Services advises that DHR may be able to achieve some savings by using data and research already compiled by the Governor's Council on Adolescent Pregnancy and research on families that has already been gathered by the Office for Children, Youth, and Families, and DHMH. Also, DHR may be able to further reduce study costs by using funding available to promote family stabilization through the Temporary Assistance to Needy Families (TANF) program. The TANF reauthorization bill currently before Congress does contain new funding for a healthy marriage/healthy families initiative. However, it is not clear when reauthorization of welfare will be enacted by the federal government. The current authorization for welfare programs expired in 2002. The impact of any potential savings cannot be quantified at this time.

Grants for Marriage Promotion	\$250,000
Salary and Fringe Benefits	46,479
Other Operating Expenses	5,273

Total FY 2005 State Expenditures

\$301,752

Future year expenditures reflect: (1) full salaries with 4.6% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses. It also assumes continued funding of the grant program at \$250,000 annually.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Services

Fiscal Note History: First Reader - March 11, 2004

mh/hlb

Analysis by: Karen D. Morgan Direct Inquiries to:

(410) 946-5510 (301) 970-5510