

**Department of Legislative Services**  
 Maryland General Assembly  
 2004 Session

**FISCAL AND POLICY NOTE**

House Bill 299 (The Speaker and the Minority Leader, *et al.*)  
 (By Request – Administration)  
 Health and Government Operations

**State Government - Department of Disabilities**

This Administration bill creates the Department of Disabilities, abolishes the Governor’s Office for Individuals with Disabilities (OID), creates the Maryland Advisory Commission on Disability Policy, and creates a Disability Implementation Board within the new department. The bill transfers OID’s employees, property, funds, and all associated administrative responsibilities to the new department.

The bill takes effect July 1, 2004.

**Fiscal Summary**

**State Effect:** The FY 2005 proposed budget includes \$3,163,625 to add 10 new OID employees and create the new Department of Disabilities, a \$978,874 increase over the FY 2004 OID appropriation. The Department of Legislative Services (DLS) advises, however, that general fund expenditures could increase by \$379,443 in FY 2005 for three new positions, two of which are budgeted and one of which is not (a \$599,431 decrease from the budgeted amount). This reflects full-year salaries. Future year estimates reflect inflation.

(in dollars)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	379,400	371,500	387,200	403,900	421,600
Net Effect	(\$379,400)	(\$371,500)	(\$387,200)	(\$403,900)	(\$421,600)

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

**Local Effect:** None.

**Small Business Effect:** A small business impact statement was not provided by the Administration in time for inclusion in this fiscal note. A revised fiscal note will be issued when the Administration's assessment becomes available.

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## Analysis

**Bill Summary:** The proposed Department of Disabilities would be the principal agency responsible for developing, maintaining, revising, and enforcing statewide disability policies and standards throughout State government. The department must:

- serve as principal advisor to the Governor on the means and methods to: (1) implement and fund support to individuals with disabilities according to the State disability implementation plan; (2) modify or consolidate support to individuals with disabilities; and (3) collaborate with federal, regional, and local units of government to enhance the effectiveness of the provision and funding of support to individuals with disabilities;
- develop a State disability implementation plan;
- annually recommend capital budget projects to the Department of Budget and Management (DBM) to promote access to State-owned facilities for individuals with disabilities;
- assist units of State government to identify federal, State, local, and private funds available to the State for programs and services for individuals with disabilities; and
- provide technical assistance to local jurisdictions in planning and implementing collaborative strategies consistent with the State implementation plan.

The State disability implementation plan must include the provision of services that:

- assure compliance with the federal American with Disabilities Act (ADA) and other relevant federal and State provisions to protect the civil rights of individuals with disabilities;
- are necessary for an individual with a disability to achieve maximum participation in the mainstream in the most integrated setting possible; and

- address, on a statewide basis, the improvement of: (1) communities' capacity to support individuals with disabilities with personal attendant care and other self-directed long-term care options; (2) the availability of accessible, integrated, and affordable housing; (3) reliable transportation costs; (4) employment and training options; (5) somatic and mental health options; (6) accessible and universally designed technology; (7) support services for children, youth, and families to enable them to achieve successful learning; and (8) family support services.

By July 1 of each year, each unit of State government must develop a unit plan to implement the statewide disability implementation plan that includes an implementation schedule and strategic performance objectives. Each unit must provide an evaluation of the unit's performance in implementing its plan to the department by July 1 of each year.

The bill creates the Disability Implementation Board to carry out the State disability implementation plan. The Secretary of Disabilities must direct the work of the board and is charged with oversight, direction, and accountability to:

- examine the State's system of services and support to individuals with disabilities to ensure equal access to those services and resources;
- facilitate the development of performance objectives to create a comprehensive and integrated service delivery system for individuals with disabilities;
- develop and implement an interagency funding approach to maximize efficiencies and streamline access to services and support for individuals with disabilities; and
- formulate policies on legislative issues and communicate the policies to the General Assembly.

The Maryland Advisory Commission on Disability Policy members must advise the department in carrying out its duties, meet twice a year, and serve on subcommittees established by the Secretary of Disabilities.

Department employees must provide staff support to the board and commission. The department also must oversee and administer constituent and ombudsmen programs and the Assistive Technology Guaranteed Loan Program.

**Current Law:** ADA defines disability as a physical or mental impairment that substantially limits one or more of the major life activities of an individual, a record of such impairment, or being regarded as having such an impairment.

### *Office of Individuals with Disabilities*

OID must: (1) identify and evaluate State programs and services for individuals with disabilities; (2) collect information to identify programs and services individuals with disabilities need; (3) identify barriers to delivering adequate services and recommend procedures to remove barriers; (4) develop an information and referral service for programs and services; (5) foster coordination of and support for public and private agencies that provide programs and services to individuals with disabilities; (6) promote the designation of local or regional offices to coordinate services for individuals with disabilities; (7) monitor and encourage State compliance with laws and policies affecting individuals with disabilities and recommend changes on behalf of those persons; (8) submit an annual report on the status of programs and services, recommendations for more effective delivery of services, and provide updated information on implementation of ADA; (9) support the Maryland Advisory Council for Individuals with Disabilities; (10) annually recommend capital budget projects to DBM that promote access to State-owned facilities for individuals with disabilities; and (11) establish a Disability Access Card Program.

The Disability Access Card Program entitles card holders to any assistance granted by and through voluntary programs, State laws, and ordinances or resolutions of political subdivisions. Disabled State residents are eligible for the program. The program defines a disabled individual as a person who is certified as permanently and totally disabled by a unit of the State or the U.S. that classifies disabled individuals.

The Maryland Advisory Council for Individuals with Disabilities must: (1) advise the office; (2) review statewide activities for individuals with disabilities; (3) foster coordination of and support for programs for individuals with disabilities; (4) study ways to maximize the use of facilities and services available to individuals with disabilities; (5) hold meetings; and (6) assist any local governing body of a county to establish a local advisory council for individuals with disabilities.

### *Assistive Technology Guaranteed Loan Fund*

The Assistive Technology Guaranteed Loan Fund administered by OID provides assistance for purchasing assistive technology equipment to enable individuals with disabilities to become more independent or more productive community members with an improved quality of life.

Assistive technology includes wheelchairs, motorized scooters, Braille equipment, voice simulation systems, scanners, assistive listening devices, telecommunications devices for the deaf, augmentative communication systems, environmental control systems, computers and adaptive peripherals, building modifications for accessibility, motor vehicles, and vehicle modifications.

**Background:** In 2001, the Community Access Steering Committee (CASC), staffed by representatives from various agencies, submitted a report to the Governor, noting that the State's disability programs are fragmented and difficult to navigate due to different funding streams and federal requirements. The report also noted that the shortage of resources was a barrier to efficiently providing services.

CASC recommended establishing an interagency workgroup to coordinate programs for people with disabilities. The workgroup would utilize existing State positions and resources to improve disability services. The report sets forth a detailed plan with recommended practices and strategies for providing more coordinated and efficient disability services. However, the interagency workgroup has not been implemented.

The Commission on the Structure and Efficiency of State Government issued a report in December 2003 that cited a lack of centralized leadership at the State level to develop, coordinate, and implement policies and services for the disabled and special needs communities. The commission recommended elevating OID to cabinet-level status and merging the Office of the Deaf and Hard of Hearing into the new department.

**State Revenues:** DBM estimates that it would be able to attain an additional \$1,250,000 annually beginning in fiscal 2005 from federal and foundation funds for disability services in Maryland. While DBM may be able to secure new funds to support the Department on Disabilities, the Department of Legislative Services (DLS) believes that those funds cannot be counted on until they are actually secured.

**State Expenditures:** The Governor's proposed budget for fiscal 2005 includes \$3,163,625 for OID, a \$978,874 increase over the fiscal 2004 appropriation for the office which would be used in the creation of the Department on Disabilities. These funds, however, are not contingent upon enactment of this bill. The budgeted amount reflects:

- \$708,304 in salaries and fringe benefits for 10 new positions (a Medicaid policy expert, an expert in children and youth issues, a housing expert, an adult services expert, a director of the Office of Research and Evaluation, a grants coordinator, a community outreach liaison, a policy and research assistant, executive administrative assistant, and an information technology administrator);

- \$4,364 for contractual employees;
- \$21,850 for communications expenses;
- \$18,550 for travel expenses for community outreach activities;
- \$15,883 for automobile operations;
- \$53,855 for contractual services that includes a job coach for an employee with a developmental disability, temporary office assistance, a consultant on social security issues, interpreters for meetings, interpreters and facilitators for an employment summit, and other routine office expenses;
- \$3,450 for office supplies;
- \$3,250 for equipment replacement;
- \$28,953 for equipment for the 10 new employees such as computers, desks, and telephones; and
- \$89,709 for office space rent.

In addition to the 10 new positions included in the proposed fiscal 2005 budget, a deputy director will be appointed to the new department from an existing budgeted position within the Department of Health and Mental Hygiene.

DLS advises, however, that the bill's requirements could be met with a general fund expenditure increase of \$379,443 in fiscal 2005. Because OID is already required under statute to perform many of the functions required by this bill, the additional policy experts, grants coordinator, community outreach liaison, executive assistant, and information technology coordinator are unnecessary.

The costs to implement the legislation include \$257,228, which is included in the proposed fiscal 2005 budget, for: a salary increase for the head of OID to Secretary status, a new director of the Office of Research and Evaluation, and policy and research assistant; travel expenses for community outreach; and contractual services for a job coach, interpreters, and other expenses. It also includes a general fund increase of \$122,215, which is not included in the proposed fiscal 2005 budget, to hire one assistant Attorney General for the new department to provide legal aid, advice, and counsel to the department, as required under this bill. OID currently does not have an assistant Attorney General assigned to it, but shares an assistant Attorney General with other government entities. It includes full salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$248,600
Contractual Services	53,855
Salary Increase for Secretary	19,965
Travel	18,550
Automobile Expenses	15,883
Operating Expenses	<u>22,590</u>
<b>Total FY 2005 State Expenditures</b>	<b>\$379,443</b>

Future year expenditures reflect: (1) full salaries with 4.6% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating.

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### Additional Information

**Prior Introductions:** None.

**Cross File:** SB 188 (The President, *et al.*) (By Request – Administration) – Education, Health, and Environmental Affairs and Budget and Taxation.

**Information Source(s):** Department of Human Resources, Governor’s Office (Children, Youth, and Families, Individuals with Disabilities), Department of Health and Mental Hygiene, Department of Aging, Department of Budget and Management, Department of Legislative Services

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