

Department of Legislative Services
 Maryland General Assembly
 2013 Session

FISCAL AND POLICY NOTE
 Revised

House Bill 333
 Appropriations

(Delegates Rosenberg and Haynes)

Finance

Family Investment Program - Couples Advancing Together Pilot Program

This bill requires the Department of Human Resources (DHR) to establish a “Couples Advancing Together” Pilot Program in at least three counties. The program’s purpose is to assist 100 couples that qualify for the family investment program (FIP) to move toward stable relationships and family friendly employment, for one or both parents of a child who resides with the family, in order to improve their economic circumstances and provide support for lasting family units.

The bill takes effect June 1, 2013, and terminates June 30, 2015.

Fiscal Summary

State Effect: General and federal fund expenditures increase by a total of \$68,000 in both FY 2014 and 2015 to implement the pilot program. Potential increase in federal fund revenues to the extent the bill enables DHR to leverage additional federal funds.

(in dollars)	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
FF Revenue	-	-	\$0	\$0	\$0
GF Expenditure	\$27,200	\$27,200	\$0	\$0	\$0
FF Expenditure	\$40,800	\$40,800	\$0	\$0	\$0
Net Effect	(\$68,000)	(\$68,000)	\$0	\$0	\$0

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The pilot program must be established in cooperation with directors of local departments of social services and in consultation with the Commission on Responsible Fatherhood. An individual must be an adult younger than age 36 to participate. The pilot program must include:

- implementation of policies and procedures in the local departments of social services that encourage increased participation of fathers at the beginning of the process for determining the eligibility of a family or custodial parent for benefits, including temporary cash assistance, unless the department believes the father has a history of domestic violence; and
- development of a local department referral process or integrated partnerships with other local or State agencies through which couples may jointly access programs and services that target economic stability, healthy relationships, and parenting.

The program must also include a six-week participation period during which couples receive education on, and are provided with the tools needed for, achieving success at home, in the workplace, and in society. With the assistance of subject matter experts, couples must (1) develop a written family focused career plan; (2) learn competitive skills for the job market; and (3) attend couples-focused group sessions that teach skills in employment and financial literacy, aid couples in achieving economic stability, and build healthy relationships.

In addition to any other funds available to fund the program, DHR must attempt to access funds from (1) discretionary grants available from the federal Office of Child Support Enforcement; (2) Responsible Fatherhood and Healthy Marriage grants available from the federal Department of Health and Human Services, Office of Family Assistance; and (3) any other funds available in the federal budget concerning fatherhood or healthy marriage initiatives.

By October 1, 2013, the Secretary of Human Resources must report to the Senate Finance Committee and the House Appropriations Committee on the department's efforts to secure funding for the pilot program from federal grants or other funds available in the federal budget.

The Secretary of Human Resources must report annually to the Senate Finance Committee and the House Appropriations Committee on the effectiveness of the program, including (1) the number of couples participating in the program; (2) the number of couples successfully completing the program; (3) factors that affect program participation; and (4) the number of participants who obtain employment.

For each participant who obtains employment, DHR must also include in the report (1) the type of employment obtained; (2) the number of hours in the participant's workweek; (3) the participant's hourly rate of pay; and (4) any benefits received by the participant.

Current Law: FIP within local departments of social services has the primary purpose of supporting family efforts to achieve and maintain self-sufficiency through services and financial aid geared to individual family needs. FIP for a recipient must include supportive services activities, appropriate referrals to family planning counseling and services, and temporary cash assistance, as a last resort. A recipient must also agree to cooperate with child support enforcement efforts and to comply with reasonable requests for cooperation by case management workers in seeking and using available programs and community and family resources. The agreement must also specify the necessary support services that the local department will assist in providing and specify the work activities in which the recipient will participate.

State Fiscal Effect: General and federal fund expenditures increase by \$68,000 in fiscal 2014 and 2015 to implement the pilot program. The assumptions used in calculating the estimate are stated below:

- a total of 100 couples (50 each year) participate in the pilot program;
- contractual services to provide the required education, training, and materials total be \$1,000 per couple;
- costs associated with providing childcare are necessary for 30% of the couples to allow them to participate in the program. Costs per couple to provide child care over a six-week period are estimated at \$1,200; and
- program costs are supported with general and federal funds, split 40%/60%.

The Department of Legislative Services notes that the above expenditures are a preliminary estimate only, as actual expenditures depend on how the pilot program is implemented. In addition, the need to use general funds may be reduced or eliminated entirely to the extent that DHR is able to leverage additional federal funds to support the program. The implementation of policies and procedures to encourage increased paternal participation and the development of a local department referral process, as required under the bill's provisions, can be handled with existing resources. DHR can also use existing resources to complete the required reports. Despite the bill's June 1, 2013 effective date, it is assumed that no costs are incurred until fiscal 2014.

Additional Information

Prior Introductions: HB 958 of 2012 received an unfavorable report from the House Appropriations Committee.

Cross File: None.

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

Fiscal Note History: First Reader - February 8, 2013
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