

Department of Legislative Services
Maryland General Assembly
2014 Session

FISCAL AND POLICY NOTE

House Bill 560
Appropriations

(Delegate Bates, *et al.*)

Task Force to Study Federal Funding in Maryland

This bill establishes the Task Force to Study Federal Funding in Maryland to assess the level of dependency that the State and local governments have on federal funding and related issues. By December 1, 2015, the task force must make recommendations to the Governor and the General Assembly's budget committees regarding methods to reduce the State's dependency on federal funding, avoid or minimize the risk of a reduction in federal funding, and prepare for and respond to any reduction in federal funding. Members of the task force may not receive compensation but are entitled to reimbursement for their expenses. The Department of Legislative Services (DLS) and the Department of Budget and Management (DBM) must staff the task force.

The bill takes effect July 1, 2014, and terminates June 30, 2016.

Fiscal Summary

State Effect: None. Any expense reimbursements and staffing costs are expected to be minimal and absorbable within existing budgeted resources for DBM and DLS. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: The Governor's proposed fiscal 2015 operating budget includes \$10.6 billion in federal funds, which make up 27% of total State revenues. This

represents a 7.0% increase in federal funds over fiscal 2014 levels. Combined, three agencies account for more than three-quarters of federal fund operating revenues: the Department of Health and Mental Hygiene (for Medicaid); the Department of Human Resources (for public assistance programs); and the Maryland State Department of Education (for K-12 education programs).

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Legislative Services, Department of Budget and Management

Fiscal Note History: First Reader - February 6, 2014
ncs/ljm

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