

Department of Legislative Services  
 Maryland General Assembly  
 2015 Session

FISCAL AND POLICY NOTE

House Bill 1031 (Delegate A. Washington, *et al.*)  
 Ways and Means

Governor's Office for Children - Let's Play Maryland Pilot Program

This bill establishes the Let's Play Maryland Pilot Program in the Governor's Office for Children (GOC). The stated purpose of the program is to provide grants on a competitive basis to sports organizations or leagues in order to increase opportunities for children from low-income families to participate in organized sports. The Governor must include in the annual budget for fiscal 2017 and 2018 an appropriation of \$500,000 to fund the program.

The bill takes effect July 1, 2015, and terminates June 30, 2018.

Fiscal Summary

**State Effect:** General fund expenditures increase by \$12,900 in FY 2016, which assumes an April 1, 2016 start date for one part-time contractual employee to manage the program. Future year expenditures reflect annualization and inflation, the mandated appropriation beginning in FY 2017, and termination of the program at the end of FY 2018. Revenues are not affected. **This bill establishes a mandated appropriation in FY 2017 and 2018.**

(in dollars)	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	12,900	532,600	534,000	0	0
Net Effect	(\$12,900)	(\$532,600)	(\$534,000)	\$0	\$0

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

**Local Effect:** None.

**Small Business Effect:** Minimal.

## Analysis

**Bill Summary:** GOC must (1) administer the program; (2) develop requirements for grant applications; (3) develop a process for authenticating the availability of matching funds; (4) publish information about the program, including eligibility requirements and the application process, on its website; and (5) review grant applications. GOC must also develop criteria for the evaluation of grant applications, including the applicant's ability to serve children from families earning less than 200% of the federal poverty level and obtain matching funds equal to the requested grant amount.

To be eligible to participate in the program, a sports organization or league must (1) be located in the State; (2) serve children at least half of whom are from families earning less than 200% of the federal poverty level; and (3) demonstrate the availability of, or a commitment for, matching funds that equal the requested grant amount. GOC may award grants to sports organizations or leagues beginning July 1, 2016.

By December 1 of 2016 and 2017, each grantee must report specified information to GOC. By December 31 of 2016 and 2017, GOC must report to the General Assembly on the implementation and effectiveness of the program.

**Background:** Numerous studies have shown that youth sports have many positive impacts and that children who play sports establish lifelong habits for good health. This is particularly important at a time when the incidence of obesity has increased by more than 50% among the nation's children and teens since 1976. However, costs associated with organized sports can serve as an obstacle for some families.

**State Expenditures:** General fund expenditures increase by \$12,869 in fiscal 2016, and by a minimum of \$532,600 annually thereafter through fiscal 2018 to implement the program.

GOC advises that two regular full-time positions are needed to implement this bill. However, the Department of Legislative Services (DLS) advises that the added responsibilities incurred by this legislation are not permanent and thus may be performed by a contractual employee. While DLS agrees that additional staff is required, it estimates that the duties can be performed by one part-time employee. Accordingly, this estimate reflects the cost of hiring one part-time contractual program monitor. Although grants may not be awarded until July 1, 2016, this estimates assumes an April 1, 2016 hiring date to allow time for the employee to develop requirements for and solicit grant applications.

Contractual Position	0.5
Salary and Fringe Benefits	\$8,510
Operating Expenses	<u>4,359</u>
<b>Total FY 2016 State Expenditures</b>	<b>\$12,869</b>

Future year expenditures reflect a full salary with annual increases and employee turnover as well as \$500,000 for grants due to the bill's mandated appropriation. There is no impact after fiscal 2018 due to the bill's termination date.

This estimate does not include any health insurance costs that could be incurred for specified contractual employees under the State's implementation of the federal Patient Protection and Affordable Care Act.

---

### Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Governor's Office for Children, Department of Budget and Management, National Council on Youth Sports, Kids Play USA Foundation, Department of Legislative Services

**Fiscal Note History:** First Reader - March 10, 2015  
md/lgc

---

Analysis by: Jennifer K. Botts

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510