

Department of Legislative Services
Maryland General Assembly
2018 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1577

(Delegate Lam, *et al.*)

Appropriations

Human Services - Family Navigation Services - Provision and Funding

This bill requires the Governor's Office for Children (GOC) to fund family navigation services, which are to be provided by family navigators as determined by local management boards (LMBs). LMBs may choose whether to provide family navigation services based on local needs. In each fiscal year, the Governor must include in the annual budget a minimum appropriation of \$1,665,915 for family navigation services.

Fiscal Summary

State Effect: General fund expenditures may increase by up to \$1.7 million annually beginning in FY 2020 to meet the bill's mandated appropriation, as discussed below. Revenues are not affected. **This bill establishes a mandated appropriation beginning in FY 2020.**

Local Effect: The bill ensures that a minimum level of funding for the specified purpose of family navigation services is provided to LMBs.

Small Business Effect: None. While the bill ensures that a minimum level of funding for the specified purpose of family navigation services is provided to LMBs, four of which are nonprofit entities, they are not considered small businesses.

Analysis

Bill Summary: A "family navigator" means a parent or caregiver of a child or youth with behavioral health needs or developmental disabilities who is familiar with State and local resources and has received training to support, educate, and assist other parents and caregivers. GOC must fund family navigation services to support parents and other

caregivers of children or youth with behavioral health needs or developmental disabilities and address one or more of the following priorities: (1) reducing the impact of parental incarceration on children, families, and communities; (2) preventing youth between the ages of 16 and 24 from becoming disconnected youth; (3) reducing childhood hunger; and (4) preventing youth homelessness.

If an LMB chooses to provide family navigation services, it must use funds provided by GOC to administer the services in the county. A family navigator must support, educate, and assist a parent or caregiver of a child or youth with behavioral health needs or developmental disabilities in (1) understanding and addressing the child's or youth's behavioral health needs or developmental disabilities; (2) identifying community resources; and (3) obtaining needed services.

Current Law/Background: Each county must establish and maintain an LMB, which plans, coordinates, implements, and manages local interagency service delivery systems for children, youth, and families. A county may designate as an LMB a quasi-public nonprofit corporation that is not an instrumentality of the county government (nonprofit entity) or a public agency that is an instrumentality of the county government. Only four of the State's LMBs are nonprofit entities: Baltimore City and Allegany, Caroline, and Montgomery counties. Funding for LMBs generally comes from State agencies, the Children's Cabinet Interagency Fund, local funds, and a combination of other sources, including federal funds and private grants. Although LMBs receive State funding, they generally have latitude in determining the types of programs to support within their communities. However, LMBs are specifically encouraged to implement strategies addressing any or all of the Children's Cabinet four strategic goals as part of their base funding allocation. The priorities specified in the bill align with the four strategic goals. The Governor's proposed fiscal 2019 budget contains base funding of \$18.1 million for LMBs.

The fiscal 2017 budget restricted \$1,665,915 in general funds to be used only for navigation or case management services; the funds were not released.

Disconnected youth are individuals between the ages of 16 and 24 who are neither working nor in school. According to GOC, there are approximately 94,000 disconnected youth in the State.

State and Local Fiscal Effect: Although funding is not specifically provided in the State budget for the express purpose of supporting family navigation services, for purposes of this estimate, it is assumed that because LMBs have typically received State funding in the annual budget, some of which has been used by LMBs for family navigation programs,

overall State funding for LMBs does not necessarily increase; the Governor may choose to meet the bill's mandated appropriation by specifically designating \$1.7 million for the program while not increasing the overall amount of funding provided to LMBs.

Under the bill, GOC is responsible for ensuring that this funding, which is provided as grants to LMBs, is used for family navigation services. The Department of Legislative Services notes that the bill does not require LMBs that do not currently support family navigation services to develop or implement such a program; rather, the bill merely requires funding for this purpose to be included in the collective budget for distribution to LMBs that elect to offer such services.

However, no portion of base funding to LMBs is currently restricted to be used only to support one type of program. If the overall amount of funding provided to LMBs is not increased, the amount of unrestricted funds is effectively reduced, potentially impacting individual LMBs. GOC advises that in fiscal 2018, 12 jurisdictions are funding family navigation services at a combined total of \$1.2 million. Assuming that this level of support would have continued, if the overall appropriation to LMBs does not increase, LMBs collectively have approximately \$0.5 million less to spend on other programs in fiscal 2020, as the funds will instead be restricted for family navigation services.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Montgomery County; Governor's Office for Children; Department of Budget and Management; Department of Legislative Services

Fiscal Note History: First Reader - February 23, 2018
nb/jc

Analysis by: Jennifer K. Botts

Direct Inquiries to:

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