

Department of Legislative Services
 Maryland General Assembly
 2018 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 988 (Delegate Gaines, *et al.*)
 Appropriations

2020 Census Grant Program - Establishment and Funding

This bill creates a 2020 Census Grant Program, funded by a \$5 million general fund appropriation in fiscal 2020, to issue matching grants to local governments and nonprofit organizations to support accurate population counting and collection of information for the State and its local jurisdictions under the 2020 Census. **The bill takes effect June 1, 2018, and terminates June 30, 2019.**

Fiscal Summary

State Effect: General fund expenditures increase by \$5 million in FY 2020. Revenues are not directly affected. **This bill establishes a mandated appropriation for FY 2020.**

(in dollars)	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	5,000,000	0	0	0
Net Effect	\$0	(\$5,000,000)	\$0	\$0	\$0

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

Local Effect: Local revenues and expenditures increase significantly, reflecting receipt and spending of some portion of the \$5 million total amount appropriated for the grant program, along with spending of local matching funding.

Small Business Effect: Potential meaningful.

Analysis

Bill Summary: The bill creates a 2020 Census Grant Program for the purpose of issuing matching grants to local governments and nonprofit organizations to support the accurate

counting of the population of the State and its local jurisdictions and the collection of basic demographic and housing information of the population of the State for the 2020 Census.

For fiscal 2020, the Governor must include in the annual State operating budget for the 2020 Census Grant Program a general fund appropriation of \$5 million.

The bill also creates a 2020 Census Grant Program Panel to award the matching grants. A local government or nonprofit organization may apply to the grant panel for matching funds, by March 1, 2019. The grant panel must award matching funds, by April 1, 2019, in an amount determined by the grant panel, to local governments and nonprofit organizations for approved applications. The Department of Legislative Services (DLS) must provide staff for the grant panel.

Current Law/Background: A decennial census is required to be taken every ten years, pursuant to the U.S. Constitution and federal statute, with the next census occurring in 2020. April 1 of the year of the census, under federal law, is known as the “decennial census date.” Tabulation of the population must be completed within nine months of the census date. Census data is used for various purposes, including (1) apportionment of seats allocated to the states in the U.S. House of Representatives; (2) redrawing of district boundaries at various levels of government (congressional, state legislative, local districts); (3) distribution of an estimated \$675 billion in federal funding annually; and (4) serving as a basis for government policy, commercial, and economic decision-making.

A significant part of the U.S. Census Bureau’s 2020 Census Operational Plan is motivating people to respond to the census, a much less expensive method of gathering the data than sending fieldworkers to collect information from nonresponders. The U.S. Census Bureau indicates that local governments or nonprofit groups can help, through marketing or other efforts, to promote the census and encourage residents to respond. The bureau also produces an interactive map that makes it easier to identify areas that typically have low response rates for censuses and surveys, which community planners and local officials can use to plan, focus, and allocate resources for encouraging response to the census.

State Expenditures: General fund expenditures increase by \$5 million in fiscal 2020, reflecting the general fund appropriation required to be included by the Governor in the annual State operating budget for the program. DLS can likely handle staffing the grant panel within existing budgeted resources but does not have particular expertise in awarding grants/matching funds. It is assumed, however, that any additional costs associated with awarding funds are covered by the mandated appropriation.

Local Fiscal Effect: Local revenues and expenditures increase significantly, reflecting (1) some portion of the \$5 million being awarded to local governments (exclusive of amounts awarded to nonprofit organizations and any administrative costs) and (2) spending

of the awarded funds, along with local matching funds, for marketing or other efforts to promote the census and encourage residents to respond.

Small Business Effect: Small businesses may meaningfully benefit to the extent their services are used for marketing or other efforts funded by the grant program.

Additional Information

Prior Introductions: None.

Cross File: SB 855 (Senator Guzzone) - Budget and Taxation.

Information Source(s): Department of Budget and Management; Baltimore, Charles, and Montgomery counties; Maryland Association of Counties; cities of Frederick and Havre de Grace; Maryland Municipal League; U.S. Census Bureau; Department of Legislative Services

Fiscal Note History: First Reader - February 18, 2018
mm/hlb

Analysis by: Scott D. Kennedy

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