

Department of Legislative Services  
 Maryland General Assembly  
 2019 Session

FISCAL AND POLICY NOTE  
 Enrolled - Revised

House Bill 1348  
 Appropriations

(Delegate Haynes, *et al.*)

Budget and Taxation

Public Safety – Markell Hendricks Youth Crime Prevention and Diversion  
 Parole Fund – Establishment

This bill establishes the Markell Hendricks Youth Crime Prevention and Diversion Parole Fund to provide grants to local law enforcement agencies to administer a diversion program for juveniles, as specified, or a youth engagement program or event in a high-crime area. The Executive Director of the Governor’s Office of Crime Control and Prevention (GOCCP) must administer the fund, establish application procedures, and make grants from the fund to local law enforcement agencies. The Governor must annually appropriate at least \$50,000 for the fund. **The bill takes effect July 1, 2019.**

Fiscal Summary

**State Effect:** General fund expenditures increase by at least \$50,000 in FY 2020, which assumes that at least \$50,000 is provided to capitalize the fund, even though funding is discretionary in that year. Future year general fund expenditures reflect the bill’s mandated appropriation. Special fund revenues and expenditures increase correspondingly beginning in FY 2020. **This bill establishes a mandated appropriation beginning in FY 2021.**

(in dollars)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
SF Revenue	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
GF Expenditure	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
SF Expenditure	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Net Effect	(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)	(\$50,000)

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

**Local Effect:** Minimal increase in local law enforcement revenues and expenditures beginning in FY 2020.

**Small Business Effect:** None.

## Analysis

**Bill Summary:** The fund is a special, nonlapsing fund consisting of money appropriated in the State budget, investment earnings, and money from any other source accepted for the benefit of the fund. The fund may only be used to provide grant assistance to local law enforcement agencies to administer a diversion program for juveniles, as specified, or a youth engagement program or event in a high-crime area. Priority for grant funding must be given to those jurisdictions with the highest number of offenders.

Money disbursed from the fund is supplemental to and not intended to supplant funding that would otherwise be available to local law enforcement agencies. Expenditures from the fund may be made only in accordance with the State budget.

The account and transactions of the fund are subject to audit by the Legislative Auditor.

A local law enforcement agency that applies for a grant from the fund must provide the executive director with any information the executive director deems necessary.

**Current Law:** The State provides regular and supplemental grants to local government police operations through various programs and funds administered by GOCCP. GOCCP plans, promotes, and funds efforts with government entities, private organizations, and the community to advance public policy, enhance public safety, reduce crime and juvenile delinquency, and serve victims. Examples of grants administered by GOCCP include the Maryland Violence Intervention and Prevention Program Fund, the Community Program Fund, and the State Aid for Police Protection Fund.

A diversion program is one in which the primary goal is to reduce the occurrence of juvenile crime by diverting a youth from the traditional juvenile justice system and providing an alternative to formal processing. Diversion programs and practices vary in terms of the juvenile justice contact point at which the youth is diverted and the types of services provided. For example, some local law enforcement agencies run diversion programs; only juveniles who fail to complete those programs are referred to the Department of Juvenile Services (DJS). Although law enforcement officers must typically file a complaint with a DJS intake officer within 15 days after taking a child into custody, if a child is referred to a diversion program, the law enforcement officer may file a complaint up to 120 days later.

## **State Fiscal Effect:**

### *Capitalization of the Fund*

Although the mandated appropriation cannot take effect until fiscal 2021, this analysis assumes that funding for grants is provided beginning in fiscal 2020, even though such funding is discretionary in that year. Thus, general fund expenditures increase by at least \$50,000 annually beginning in fiscal 2020 to capitalize the new special fund.

Special fund revenues and expenditures increase correspondingly, reflecting receipt of the general funds and spending from the fund to provide grants to local law enforcement agencies. This analysis assumes that GOCCP uses the full appropriation each year to provide grants to eligible local law enforcement agencies.

### *Administrative Expenses*

GOCCP advises that a grant administrator is needed to establish the required procedures and to manage the fund; however, the Department of Legislative Services disagrees. GOCCP currently manages other funds and already has sufficient procedures in place to administer the special fund established by the bill. In addition, because the level of mandated funding is not significant, the bill is unlikely to result in an extensive number of grants. Thus, GOCCP should be able to manage the fund using existing budgeted resources.

The Office of Legislative Audits can audit the new fund with existing resources during the course of the regular GOCCP fiscal compliance audit.

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## **Additional Information**

**Prior Introductions:** HB 1732 of 2018, a similar bill, was referred to the House Rules and Executive Nominations Committee, but no further action was taken.

**Cross File:** None.

**Information Source(s):** Harford, Montgomery, Prince George's, and Talbot counties; Maryland Association of Counties; City of College Park; Maryland Municipal League; Governor's Office; Governor's Office of Crime Control and Prevention; Department of Budget and Management; Department of Legislative Services

**Fiscal Note History:**  
an/lgc

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