

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 746

(Delegate Qi, *et al.*)

Appropriations

Education, Health, and Environmental Affairs

Mobile Laundry for the Homeless Pilot Program - Established

This bill establishes the Mobile Laundry for the Homeless Pilot Program within the Division of Neighborhood Revitalization of the Department of Housing and Community Development (DHCD) to assist nonprofit organizations in providing mobile laundry services for the homeless. **The bill terminates September 30, 2024.**

Fiscal Summary

State Effect: General fund expenditures increase by \$75,000 annually from FY 2021 through 2024 for DHCD to award grants. Revenues are not affected.

(in dollars)	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	75,000	75,000	75,000	75,000	0
Net Effect	(\$75,000)	(\$75,000)	(\$75,000)	(\$75,000)	\$0

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The stated purpose of the pilot program is to provide funds to nonprofit organizations to establish or expand mobile laundry services for the homeless. The bill defines “mobile laundry services” as the washing, drying, and folding of clothes performed from a vehicle equipped with washing and drying machines.

The division must award funds under the program through a matching grant to establish mobile laundry services for the homeless that (1) serve homeless populations lacking access to clean water and laundry services and (2) integrate delivery of laundry services with other services provided by the applicant. To be eligible for a grant under the program, a nonprofit organization must (1) have a mission that includes service to the homeless and (2) secure contributions at least equal in value to half the amount of funding sought under the pilot program. In-kind contributions may be used to meet the funding requirement.

In selecting grantees, the division must positively rate applicants that (1) demonstrate fiscal controls, including by making use of multiple sources of funding; (2) exhibit project effectiveness, as specified; (3) show previous successful experience administering grants; and (4) meet any other criteria the division considers relevant.

The division must establish a system of outcome measurement to assess the effectiveness of the pilot program. A grant recipient must submit any information that the division determines is necessary for the system of outcome measurement. By October 1, 2022, the division must report to DHCD the outcomes measured pursuant to the bill.

By December 15, 2023, DHCD must report to the Governor and the General Assembly on whether the pilot program should continue to operate.

Current Law/Background: The majority of State-funded homeless service grants are managed by DHCD; the Office of Community Programs within DHCD oversees efforts to reduce homelessness in the State. DHCD does not provide direct housing placement or emergency support services specifically to homeless individuals; instead, it coordinates with and awards grant funding to local administering agencies and service providers to support various programs.

Within DHCD's portfolio, the Shelter and Transitional Housing Facilities Grant Program provides grants to local governments and nonprofit organizations for the creation of emergency shelters and transitional housing for individuals and families. The Governor's proposed fiscal 2021 capital budget includes \$3.0 million in general obligation bond funding for the shelter and transitional housing programs; funding from the program is limited to 50% of a project's cost.

According to the Maryland Interagency Council on Homelessness, there were 6,561 homeless individuals in Maryland in 2019.

DHCD has previously issued a grant for laundry services. The Sudlersville Laundromat, which offers laundry services for lower-income families, was partially funded with grant money from DHCD. Mobile laundry services have been implemented in Australia, Greece, Los Angeles, and New Zealand.

State Expenditures: General fund expenditures increase by \$75,000 annually from fiscal 2021 through 2024 for DCHD to award matching grants to eligible nonprofit organizations. This analysis assumes that grant awards are not made in fiscal 2025, despite the bill's September 30, 2024 termination date.

Any administrative duties can be handled with existing staff. DHCD advises, however, that a larger grant program likely requires additional staff to administer.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Department of Housing and Community Development; *The Guardian*; *Kent County Times*; Department of Legislative Services

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rh/mcr
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