

Department of Legislative Services
 Maryland General Assembly
 2023 Session

FISCAL AND POLICY NOTE
 First Reader

Senate Bill 160 (Senator Hettleman)
 Finance

Human Services - Temporary Cash Assistance - Calculation of Benefits

This bill requires the entire amount of any government housing subsidy received by an eligible recipient to be disregarded when determining the amount of Temporary Cash Assistance (TCA) for which the recipient is eligible.

Fiscal Summary

State Effect: General fund expenditures for the Department of Human Services increase by \$3.2 million in FY 2024; future year expenditures reflect annualization. Revenues are not affected. **This bill increases the cost of an entitlement program beginning in FY 2024.**

| (\$ in millions) | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 |
|------------------|---------|---------|---------|---------|---------|
| Revenues | \$0 | \$0 | \$0 | \$0 | \$0 |
| GF Expenditure | 3.2 | 4.2 | 4.2 | 4.2 | 4.2 |
| Net Effect | (\$3.2) | (\$4.2) | (\$4.2) | (\$4.2) | (\$4.2) |

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

Local Effect: The bill does not affect local government finances or operations.

Small Business Effect: None.

Analysis

Current Law: Statutory provisions and the Code of Maryland Regulations (COMAR) specify standards for both eligibility to receive TCA and the proper determination of the allowable amount of TCA benefits. Generally, when determining the TCA benefit payment amount, net countable income (earned and unearned) is subtracted from the allowable

amount for the assistance unit size, as specified in regulations. Pursuant to regulations, countable unearned income includes the first \$60 of government housing subsidies paid on behalf of recipients residing in specified types of government-subsidized housing.

State Expenditures: General fund expenditures increase by \$3,166,020 in fiscal 2024, which accounts for the bill's October 1, 2023 effective date, and by \$4,221,360 annually thereafter. This estimate is based on 5,863 eligible recipients receiving \$60 more per month in TCA benefits once the full amount of government housing subsidies is disregarded. This estimate also assumes that the number of eligible recipients who receive government housing subsidies each month remains constant.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 168 (Delegate Palakovich Carr) - Appropriations.

Information Source(s): Montgomery County; Department of Housing and Community Development; Department of Human Services; Department of Legislative Services

Fiscal Note History: First Reader - January 30, 2023
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