

Department of Legislative Services
Maryland General Assembly
2024 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1138 (Delegate Rosenberg, *et al.*)
Health and Government Operations

State Facilities - Procedures for Changes and Closures - Definition and Reporting

This bill expands the definition of “State facility” for specified notice, public hearing, and reporting requirements for purchasing, leasing, changing the use of, or closing State facilities to include any facility that is owned, leased, or operated by the State for the purpose of providing benefits to clients or incarcerated individuals. By August 1, 2024, the Department of Human Services (DHS) must report to the General Assembly regarding any State facility owned, leased, or operated by DHS for the purpose of providing benefits to clients that was closed after December 31, 2022. This reporting requirement generally mirrors the one required under current law for State facility closures. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: The bill’s requirements can be handled with existing budgeted resources. State operations and finances may be affected to the extent that the bill delays the closure, reopening, or change in use of any State facility that provides benefits to clients, but any such effect is likely to be minimal and absorbable. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: A “State facility” is defined as a facility that is owned, leased, or operated by the State for the purpose of providing health, juvenile, or correctional services to clients

or incarcerated individuals or a facility with 25 or more State employees regularly assigned to it.

Closure of State Facilities

Before a principal department of the Executive Branch of State government closes a State facility, the principal department must hold a public hearing. At least 180 days before the public hearing, the department must (1) give notice to the public, each member of the General Assembly that represents the district in which the facility is located, and any exclusive representative with bargaining unit employees assigned to the facility and (2) submit a report explaining the closure to the Governor and specified committees of the General Assembly. At least 270 days before the hearing, the department must make the report publicly available, and at least 90 days before the hearing, allow each exclusive representative and committee that receives the report to submit comments on the report.

The report must address the reasons for the closure; the plan for continuing or discontinuing State facility operations; the anticipated budgetary impact of the closure; any plans for assisting State employees affected by the closure in finding other employment; any plans for assisting the patients, incarcerated individuals, or residents affected by the closure; and any plans for the State facility after the closure.

Other State Facility Changes

Before a principal department changes the use, purpose, or function of a State facility, the principal department must hold a public hearing and, at least 90 days before the hearing, give notice to (1) the public, using the department's website and by press release; (2) any member of the General Assembly in whose district the State facility is located, by electronic mail and certified mail; and (3) any exclusive representative with bargaining unit employees assigned to the State facility, by electronic mail and certified mail. The principal department must again give notice of the hearing at least 30 days before the hearing to the same parties in the same manner.

Specified notice and hearing requirements apply under certain circumstances when a principal department leases or purchases land, buildings, or office space to be used for the purpose of providing health, juvenile, or correctional services to clients or incarcerated individuals and if the use of a State facility is ceased and recommences for a different use, purpose, or function.

Emergency Situations

If a government agency or judicial body determines that there is an emergency situation that poses a risk to the health or safety of patients, incarcerated individuals, residents, or

employees of a State facility, the principal department may modify the aforementioned timelines for the closure of State facilities or other State facility changes as long as the modifications provide the notice, hearing, and opportunity for comment at the earliest possible date, unless ordered otherwise by the government agency or judicial body.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 731 (Senator Carter) - Education, Energy, and the Environment.

Information Source(s): Department of Budget and Management; Department of General Services; Department of Human Services; Department of Legislative Services

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