

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 599

(Senators Hettleman and Augustine)

Budget and Taxation

Appropriations

Behavioral Health Crisis Response Grant Program - Funding

This bill reestablishes, for a three-year period, a funding mandate. Accordingly, the Governor must include \$5.0 million in the operating budget for the Behavioral Health Crisis Response Grant Program from fiscal 2027 through 2029. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: No effect in FY 2026. General fund expenditures increase by \$5.0 million from FY 2027 through 2029 for the mandated appropriation. Revenues are not affected. **This bill establishes a mandated appropriation for FY 2027 through 2029.**

(\$ in millions)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	5.0	5.0	5.0	0
Net Effect	\$0.0	(\$5.0)	(\$5.0)	(\$5.0)	\$0.0

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

Local Effect: Local revenues and expenditures increase to the extent that discretionary funding would not have been provided to award local behavioral health authorities (LBHAs) grants from FY 2027 through 2029.

Small Business Effect: Potential meaningful.

Analysis

Current Law: Chapters 209 and 210 of 2018 established the Behavioral Health Crisis Response Grant Program in the Maryland Department of Health (MDH) to provide funds

to local jurisdictions to establish and expand community behavioral health crisis response systems. The Governor was required to include the following appropriations in the State operating budget for the program: (1) \$3.0 million for fiscal 2020; (2) \$4.0 million for fiscal 2021; and (3) \$5.0 million for fiscal 2022.

Chapters 755 and 756 of 2021 modified the priorities for awarding grants to local behavioral health authorities, extended the requirement that the Governor provide a \$5.0 million annual appropriation to the program through fiscal 2025, and required – beginning in fiscal 2023 – that at least one-third of the mandated appropriation be used to award competitive grants for mobile crisis teams.

State Expenditures: Although neither the bill nor current law mandates funding for the program in fiscal 2026, MDH advises that \$5.0 million in the fiscal 2026 budget as passed by the General Assembly is intended to be used to continue funding the grant program at current levels.

Under the bill, MDH general fund expenditures increase by \$5.0 million from fiscal 2027 through 2029 due to the mandated appropriation for the grant program. This estimate assumes that discretionary funding would not continue to be provided absent the bill.

Small Business Effect: Small businesses that support behavioral health crisis services (such as community behavioral health providers) may benefit from fiscal 2027 through 2029, from continued grant funding to LBHAs.

Additional Information

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

Designated Cross File: HB 1049 (Delegate Feldmark) - Appropriations.

Information Source(s): Maryland Association of County Health Officers; Department of Budget and Management; Maryland Department of Health; Department of Legislative Services

Fiscal Note History: First Reader - February 28, 2025
km/jc
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