

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 224

(Chair, Appropriations Committee)(By Request -
Departmental - Human Services)

Appropriations

Reentry and Reintegration Support Program - Establishment

This departmental bill requires the Department of Human Services (DHS), the Department of Public Safety and Correctional Services (DPSCS), and the Maryland Department of Health (MDH) to jointly establish and administer the Maryland Reentry and Reintegration Support Program (MRRSP). The program must provide coordinated prerelease “covered benefits” application assistance to “returning citizens” who choose to participate in the program. The departments must jointly develop a process to provide a returning citizen with the opportunity to apply for covered benefits before their scheduled release date. By April 1, 2027, the departments must jointly develop and enter into a memorandum of understanding (MOU) to implement the program.

Fiscal Summary

State Effect: General and federal fund expenditures increase, potentially significantly, beginning in FY 2027, as discussed below. Federal fund revenues increase correspondingly to any increase in federal fund expenditures, as discussed below.

Local Effect: The bill is not anticipated to materially affect local finances.

Small Business Effect: DHS has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services (DLS) concurs with this assessment.

Analysis

Bill Summary:

Defined Terms: “Covered benefits” means (1) the Supplemental Nutrition Assistance Program (SNAP); (2) Temporary Cash Assistance; and (3) the Maryland Medical Assistance Program. “Releasing institution” means a State correctional facility operated by or under the authority of DPSCS. “Returning citizen” means an individual confined in a State correctional facility who is expected to be released within 90 days.

Program Requirements: MRRSP must include a voluntary and standardized prerelease application process for covered benefits. DPSCS must assist each participating returning citizen in applying for covered benefits and obtaining required verifications at no cost to the individual.

Program staff within the “releasing institution” must assist a participating returning citizen in completing and submitting all necessary applications and documentation for covered benefits. Required verifications include a certified copy of the returning citizen’s birth certificate, a copy of the returning citizen’s Social Security card, proof of the returning citizen’s income and assets; proof of the returning citizen’s shelter costs, and other information necessary to establish eligibility for benefits. This assistance must be provided in a timely manner to ensure, to the extent practicable, that the returning citizen possesses the required verification on release from a State correctional facility.

Memorandum of Understanding: The MOU must establish a secure data sharing process to (1) facilitate the timely processing of applications for covered benefits; (2) verify a returning citizen’s identity and eligibility; and (3) ensure that, to the extent practicable, covered benefits are active and accessible to the returning citizen immediately on release. Data shared between the departments must be used solely for the purposes of administering the program and must be subject to all applicable State and federal laws.

Current Law:

Required Documents

The Commissioner of Correction must issue an identification (ID) card to an incarcerated individual before release from confinement in a State correctional facility. The ID card must meet the requirements for secondary identification for the purpose of an ID card issued by the Motor Vehicle Administration under § 12-301 of the Transportation Article. In addition, pursuant to Chapter 514 of 2020, the Commissioner of Correction must obtain an incarcerated individual’s birth certificate and Social Security card after taking custody of an incarcerated individual (unless the incarcerated individual does not consent).

Release from Division of Correction

The Commissioner of Correction must adopt regulations (1) establishing a release plan for incarcerated individuals upon release from confinement in a State correctional facility to help identify resources to assist incarcerated individuals following release, including the provision of transportation from the facility for an incarcerated individual upon release and (2) implementing provisions concerning issuance of an ID card to incarcerated individuals on release from confinement in a State correctional facility.

Current regulations specify that, when feasible, a parole release plan must be completed before a parole hearing. A release plan must include the name of the parolee's employer or evidence of other legitimate means of financial support, the location at which the parolee will reside, and the nature of any community services necessary to meet the special needs of the parolee.

Task Force on the Creation of a Division of Returning Citizens and Expanded Reentry Services

Chapters 936 and 937 of 2024 established the Task Force on the Creation of a Division of Returning Citizens and Expanded Reentry Services, staffed by DPSCS. The task force must (1) identify and assess the reentry services that exist in the State; (2) identify gaps in reentry services; (3) assess the markers of successful reentry; (4) ensure that the recommendations of the task force equally consider returning citizens regardless of gender; (5) develop a plan to establish a Division of Returning Citizens within DPSCS for specified purposes; and (6) develop a plan to expand specified services for individuals after release from incarceration.

Chapters 112 and 113 of 2025 extended the termination date of the task force to June 30, 2027, and the deadline for submission of the task force's required report to October 31, 2026.

Background: DHS advises that the bill is intended to build on the work of the Task Force on the Creation of a Division of Returning Citizens and Expanded Reentry Services and to address challenges in obtaining benefits for returning citizens. The intent is to create a coordinated pre-release benefits application process and to alter existing procedures for benefit eligibility determination and release planning within the affected agencies.

State Fiscal Effect: General fund expenditures increase, potentially significantly, beginning in fiscal 2027 for staff and programming costs for DHS, DPSCS, and MDH to implement the bill. However, without actual experience under the bill, DLS is unable to verify the extent to which additional programming and staff are required.

Although DPSCS estimates that approximately 1,900 individuals are released to the community from State correctional facilities annually across all jurisdictions, the number

of returning citizens that will choose to participate in MRRSP or who are eligible to receive covered benefits cannot be reliably estimated, nor can the amount of staff needed to process any increase in applications.

Based on information provided by DHS, the department likely incurs one-time programming costs of \$250,000 to create a system for coordinated processing of applications and secure data sharing. However, until all agencies enter the required MOU, requirements for the system cannot be determined. In addition, although DPSCS currently assists returning citizens to obtain birth certificates and Social Security cards, it is unclear to what extent additional staff may be needed to obtain any additional information needed to establish eligibility for covered benefits and to facilitate the timely processing of applications for covered benefits. While MDH and DPSCS have an established agreement and process in place for data sharing, it is unclear if updates are needed to meet MRRSP requirements. Further, it is unclear to what extent additional staff are needed to process applications for covered benefits within MDH and DHS.

To the extent that new staff are needed in MDH and DHS to process additional applications for federal covered benefits, the State may be able to recover approximately 50% of the costs from federal funds. Thus, any increase in participation in covered benefits likely results in an increase in federal fund revenues. By ensuring eligible individuals are enrolled in Medicaid and SNAP upon release, the State can maximize federal financial participation for allowable administrative costs associated with the enrollment increase.

Additional Information

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

Designated Cross File: SB 97 (Chair, Judicial Proceedings Committee)(By Request - Departmental - Human Services) - Judicial Proceedings.

Information Source(s): Maryland Association of County Health Officers; Maryland Department of Health; Department of Human Services; Department of Public Safety and Correctional Services; Department of Legislative Services

Fiscal Note History: First Reader - January 19, 2026
sj/jc

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ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Reentry and Reintegration Support Program - Establishment

BILL NUMBER: HB 224

PREPARED BY: Graham O'Neil

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

X WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

_____ WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

This proposal is not expected to have a direct economic impact on for-profit small businesses in Maryland. The legislation does not impose any new reporting, record-keeping, or other administrative requirements on small businesses.

However, the bill is expected to have a positive indirect impact on the non-profit sector. Community-based non-profit organizations that provide reentry services are crucial partners. This legislation will better equip these non-profits to provide more effective wrap-around services, which may lead to increased demand and strengthen their role within the community.