



Maryland

DEPARTMENT OF BUDGET
AND MANAGEMENT

LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lieutenant Governor

DAVID R. BRINKLEY
Secretary

MARC L. NICOLE
Deputy Secretary

HOUSE BILL 1318 Health Occupations – Mental Health Services – Cultural Competency and Diversity (Smith)

STATEMENT OF INFORMATION

DATE: March 3, 2022

COMMITTEE: House Health & Government Operations

SUMMARY OF BILL: HB 1318 relates to mental health services by enhancing cultural competency and diversity within specific mental health professions; establishes the Culturally Informed and Culturally Responsive Mental Health Task Force that is to make recommendations regarding hiring, recruitment, and training of culturally competent mental health providers from diverse racial and ethnic communities; establishes the Alternative Mental Health Professional Licensing Pathways Workgroup that is designed to remove barriers to licensure; mandates an appropriation in the amount of \$150,000 in FY 2024 and FY 2025 to staff and develop recommendations for the Culturally Informed and Culturally Responsive Mental Health Task Force; mandates an appropriation in the amount of \$500,000 in FY 2024 and FY 2025 to the Maryland Department of Health for a grant program to provide for the continuing education necessary for social workers, professional counselors and therapists, psychologists, and other mental health providers who are members of underrepresented communities to become supervisors for individuals pursuing licensure in mental health professions; and mandates an appropriation in the amount of \$3 million in FY 2024 and FY 2025 to provide loan forgiveness under the Janet L. Hoffman Loan Assistance Repayment Program, \$1 million of which shall be used for loan repayment for mental health professionals who are Black, indigenous, persons of color, or members of an underrepresented community. The Task Force and Workgroup both sunset on September 30, 2026.

EXPLANATION: The Department of Budget and Management's focus is not on the underlying policy proposal being advanced by the legislation, but rather on the aggregate \$7.3 million mandated appropriation provisions that impacts the FY 2024 and FY 2025 budgets.

DBM has the responsibility of submitting a balanced budget to the General Assembly annually, which will require spending allocations for FY 2024 to be within the official revenues estimates approved by the Board of Revenue Estimates in December 2022.

Changes to the Maryland Constitution in 2020 provide the General Assembly with additional budgetary authority, beginning in the 2023 Session, to realign total spending by increasing and adding items to appropriations in the budget submitted by the Governor. The legislature's new budgetary power diminishes, if not negates, the need for mandated appropriation bills.

Fully funding the implementation of the Blueprint for Maryland's Future (Kirwan) will require fiscal discipline in the years ahead, if the State is to maintain the current projected structural budget surpluses. Mandated spending

45 Calvert Street · Annapolis, MD 21401-1907

Tel: 410-260-7041 · Fax: 410-974-2585 · Toll Free: 1-800-705-3493 · TTY Users: Call via Maryland Relay

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increases need to be reevaluated within the context of this education funding priority and the Governor's tax relief proposals.

Economic conditions remain precarious as a result of COVID-19. High rates of inflation and workforce shortages may be short lived or persist, thereby impacting the Maryland economy. While current budget forecasts project structural surpluses, the impact of the ongoing COVID-19 pandemic continues to present a significant budgetary vulnerability. The Department continues to urge the General Assembly to focus on maintaining the structural budget surplus.

**For additional information, contact Barbara Wilkins at (410) 260-6371
or barbara.wilkins1@maryland.gov**