

Department of Legislative Services
2013 Session

FISCAL AND POLICY NOTE

House Bill 632
Appropriations

(Delegate K. Kelly)

Family Investment Program - State Government Hiring Plans - Application

This bill exempts the Maryland Department of Transportation (MDOT) from the requirement for each principal department of State government to develop and implement a plan for hiring specified individuals.

The bill takes effect July 1, 2013.

Fiscal Summary

State Effect: Potential minimal increase in general and federal fund expenditures due to increased eligibility for public benefits.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Secretary of Budget and Management, with the assistance of the Secretary of Human Resources, must develop and implement a plan for hiring current and former recipients of assistance under the Family Investment Program (FIP), children of current or former recipients, foster youth, and obligors by the principal departments within the Executive Branch of State Government. Each plan must include:

- the units that could most easily hire the individuals;
- the positions most suitable for the individuals;
- a proposal for recruiting eligible individuals;

- job retention strategies; and
- a target number of individuals to be recruited.

A “former recipient” is an individual who received benefits under FIP within the Department of Human Resources (DHR) in the past five years. “Children of current or former recipients” means minors who are at least 14 years old and reside with current or former recipients of benefits.

“Foster youth” means an individual who:

- is an adult in out-of-home care under the responsibility of the State; or
- is an adult younger than age 25 and was in out-of-home care under the responsibility of the State on the individual’s eighteenth birthday.

An “obligor” is an individual who is required to pay support under a court order.

The Secretary of Budget and Management, in consultation with the Secretary of Human Resources, must submit an annual report by November 1 of each year to the Senate Finance Committee and the House Appropriations Committee. The report must include the number of individuals hired and retained by the principal departments within the Executive Branch.

The Secretary of Human Resources and each local director of social services must develop and implement local government hiring plans under which local governments may hire recipients. The Secretary of Human Resources must cooperate with local directors to establish a job skills enhancement program to provide newly employed current and former recipients with specified training. The job skills enhancement program must target unskilled and semiskilled former and current recipients who are newly employed in entry-level positions that have limited potential for advancement beyond entry-level.

Background: According to the most recent annual report submitted by the Secretary of Budget and Management, 70 recipients, 11 children of former recipients, 4 foster youth, 3 obligors, and 1 child of a current recipient were hired by State agencies in fiscal 2012. Since the inception of the program in 1999, 79 individuals have been hired by MDOT under the provisions of the program. These numbers do not include contractual or temporary hires.

DHR did not provide a requested response on the potential fiscal impact of this bill. The Department of Legislative Services advises, however, that this bill may reduce the number of current and former recipients, children of current or former recipients, foster

youth, and obligors who are hired by MDOT. To the extent that these individuals remain unemployed for longer periods of time as a result, federal and general fund expenditures may increase minimally due to increased eligibility for public benefits.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Budget and Management, Maryland Department of Transportation, Department of Legislative Services

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mlm/lgc

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