

Department of Legislative Services
Maryland General Assembly
2016 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 604
Finance

(Senator Pugh)

Task Force on the Distribution of Funding for Senior Citizen Activities Centers

This bill establishes the Task Force on the Distribution of Funding for Senior Citizen Activities Centers. The Secretary of Aging must serve as the chair of the task force, and the Maryland Department of Aging (MDoA) must provide staff. A member of the task force may not receive compensation, but is entitled to reimbursement for expenses. The task force must report its findings and recommendations to the Secretary of Aging, the Secretary of Housing and Community Development, and specified committees of the General Assembly by October 1, 2016.

The bill takes effect June 1, 2016, and terminates May 31, 2017.

Fiscal Summary

State Effect: Any expense reimbursements for task force members and staffing costs for MDoA are assumed to be minimal and absorbable within existing budgeted resources.

Local Effect: It is assumed that the 19 directors of local Area Agencies on Aging are able to attend task force meetings without negatively impacting local operations or finances.

Small Business Effect: None.

Analysis

Bill Summary: The task force must:

- study the existing distribution of funding for senior citizen activities centers in the State, including federal funding provided under the federal Older Americans Act;
- study the distribution and needs of the increasing population of senior citizens in the State;

- evaluate funding distribution models and options; and
- make recommendations on how to address the needs of senior citizens and ensure the equitable distribution of funding for senior citizen activities centers in the State.

Current Law: The Senior Citizen Activities Center Operating Fund is a nonlapsing fund that consists of appropriations from the State budget; the Governor is required to appropriate \$500,000 annually to the fund and does so with general funds. The Senior Citizen Activities Center Operating Fund supplements any other funding for senior citizen activities centers in the State budget; it may not be used to replace existing funding. Money is distributed to counties based on a competitive grant process, with at least 50% of the funds distributed based on need for senior citizen activities centers in counties determined by MDoA to meet criteria related to economic distress.

Currently, to qualify for a need-based distribution, a county must have a strategic plan for economic development that has been approved by the Secretary of Commerce and meets one of the following two distress-related criteria:

- have an average unemployment rate of more than 150% of the average State unemployment rate for the most recent 18-month period for which there is data; or
- have an average per capita personal income that is 67% or less of the average State per capita personal income for the most recent 24-month period for which there is data.

Background: The fund was established by Chapter 635 of 2000. Generally, the fund supports activities to keep individuals healthy through services provided at senior centers, such as fitness and nutrition education programs, dental health programs, and disease management programs. MDoA has also used the fund to help ensure senior centers remain open three to five days per week to support the local senior population. The fund does not support capital improvements, which are funded through the Senior Citizen Activities Centers Capital Improvement Grants Program.

State Expenditures: MDoA advises that expenditures related to staffing the task force and preparing the report require hiring a contractual employee on July 1 (accounting for a 30-day start-up delay) for the remaining three-month period before the report is due, at a total cost of \$18,112. However, the Department of Legislative Services notes that the scope of the task force and related reporting requirement generally requires MDoA to analyze data that is already available. As a result, MDoA can likely fulfill the bill's requirement using existing resources even though staff has to be diverted from other priorities.

Additional Information

Prior Introductions: None.

Cross File: Although designated as a cross file, HB 978 (Delegate M. Washington, *et al.* – Appropriations) is different.

Information Source(s): Maryland Department of Aging, Department of Legislative Services

Fiscal Note History: First Reader - February 22, 2016
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