

Department of Legislative Services
 Maryland General Assembly
 2022 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 802

(Senators Guzzone and Hester)

Education, Health, and Environmental Affairs

Appropriations and Ways and Means

**Maryland Consortium on Coordinated Community Supports - Membership and
 Coordinated Community Supports Partnership Fund - Revisions**

This bill increases, from two to four, the number of additional staff that must be added to the Maryland Community Health Resources Commission (MCHRC) to staff the Maryland Consortium on Coordinated Community Supports. Four additional members are added to the consortium. A memorandum of understanding must be entered into by the consortium, MCHRC, and the National Center for School Mental Health (NCSMH) regarding provision of technical assistance by NCSMH. Responsibility for administering the Coordinated Community Supports Partnership (CCSP) Fund is transferred from the Maryland State Department of Education (MSDE) to MCHRC. Beginning with fiscal 2024, the amount that the Governor must appropriate annually to the CCSP Fund is increased by specified amounts. **The bill takes effect July 1, 2022.**

Fiscal Summary

State Effect: General/special fund expenditures increase by \$10 million in FY 2024 and 2025, and by \$5 million annually beginning in FY 2026, reflecting increased mandated appropriations to the CCSP Fund. CCSP Fund revenues and expenditures increase correspondingly. Special fund expenditures also increase for required staffing (\$180,000 in FY 2023); out-year staffing costs reflect annualization and inflation. **This bill increases a mandated appropriation beginning in FY 2024.**

(in dollars)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
SF Revenue	\$0	\$10,000,000	\$10,000,000	\$5,000,000	\$5,000,000
SF Expenditure	\$180,000	\$10,216,500	\$10,222,600	\$5,228,400	\$5,234,400
GF/SF Exp.	\$0	\$10,000,000	\$10,000,000	\$5,000,000	\$5,000,000
Net Effect	(\$180,000)	(\$10,216,500)	(\$10,222,600)	(\$5,228,400)	(\$5,234,400)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The Governor must include in the annual budget bill appropriations to the CCSP Fund totaling \$85 million in fiscal 2024; \$110 million in fiscal 2025, and \$130 million in fiscal 2026 and each subsequent fiscal year. The bill clarifies that grants from the CCSP Fund are provided by MCHRC and that State funding provided under the CCSP Fund is supplemental to funding that would otherwise be appropriated to the MCHRC Fund in the State budget.

The consortium chair is appointed jointly from among its members by the President of the Senate and the Speaker of the House of Delegates. A majority of appointed consortium members serving on the consortium is a quorum. The consortium is no longer responsible for developing and implementing a grant program to award grants to coordinated community supports partnerships, but instead must provide guidance and support to MCHRC to do so. MCHRC may adopt rules and regulations to carry out the work of the consortium and the commission, including administration of the fund and grant program. Appointed members of the consortium serve four-year terms beginning on the date of appointment and are limited to no more than two consecutive terms. The bill staggers the terms for initial consortium members and requires that the initial report of the consortium to the Accountability and Implementation Board (AIB), the Governor, and the General Assembly must be submitted by December 1, 2022.

Current Law: The Governor must include in the annual budget bill appropriations to the CCSP Fund totaling \$25 million in fiscal 2022, \$50 million in fiscal 2023, \$75 million in fiscal 2024, \$100 million in fiscal 2025, and \$125 million in fiscal 2026 and each subsequent fiscal year. Although the CCSP Fund is currently capitalized with funding from another special fund, the Blueprint for Maryland's Future Fund (BMFF), other sources of funding – including general funds – could be used to capitalize the CCSP Fund.

Chapter 36 of 2021, which implemented the Blueprint for Maryland's Future (Blueprint), also established the consortium within MCHRC. The consortium must complete certain tasks related to the development of coordinated community supports partnerships to meet student behavioral health needs and other related challenges in a holistic, nonstigmatized, and coordinated manner, including developing a statewide framework for the creation of coordinated community supports partnership, implementing a related grant program, evaluating a payment reimbursement program for providers, and developing a program for uninsured students. In addition, in consultation with MSDE, the consortium must develop best practices for the creation of a positive classroom for all students. The Blueprint also expanded funding for school-based health clinics and for local school systems to train school staff to recognize student behavioral health issues and required local boards of education to enhance and expand the availability of behavioral health services to students.

Term lengths and limits for the consortium are not specified under statute. MSDE administers the CCSP Fund, and the fund is used by the consortium, which is responsible for developing and implementing the associated grant program. Beginning on July 1, 2022, and each July 1 thereafter, the consortium must submit a specified report to AIB, the Governor, and the General Assembly.

MCHRC is an independent commission that operates within the Maryland Department of Health. The commission is composed of 11 members appointed by the Governor with the advice and consent of the Senate, and its purpose is to increase access to health care through community health resources.

State Fiscal Effect: This bill increases, from two to four, the number of additional staff that must be added to MCHRC to staff the consortium. Thus, special fund expenditures increase by \$179,997 in fiscal 2023, which accounts for the bill’s October 1, 2022 effective date. This estimate reflects the cost of MCHRC hiring two education/behavioral health specialists to assist with the operations of the consortium. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. These costs are assumed to be covered with available special fund balance in either the MCHRC Fund or the CCSP Fund. Otherwise, general fund expenditures increase instead.

Positions	2.0
Salaries and Fringe Benefits	\$165,311
One-time Start-up Costs	13,096
Ongoing Operating Expenses	<u>1,590</u>
Total FY 2023 State Expenditures	\$179,997

Future year expenditures reflect full salaries with annual increases and employee turnover as well as annual increases in ongoing operating expenses.

The bill shifts administration of the CCSP Fund from MSDE to MCHRC; thus, special fund revenues and existing special fund expenditures transfer accordingly, for no net effect. However, the bill also increases the mandated appropriations to that fund, beginning in fiscal 2024. As a combination of general and special funds may be used to capitalize the CCSP Fund, some combination of general and special fund expenditures is assumed to be used for the required increases each year – \$10 million in fiscal 2024 and 2025 and \$5 million annually thereafter. CCSP Fund revenues and expenditures increase correspondingly.

To the extent that general funds are used to cover the mandated appropriation increases, the BMFF fund balance remains available for other Blueprint funding. If BMFF monies are used to cover the increases, then general funds will be needed either sooner or at a

higher level than anticipated to help cover Blueprint implementation costs (currently, \$260 million in general fund expenditures are anticipated to be needed in fiscal 2026).

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Maryland State Department of Education; Maryland Department of Health; Department of Human Services; Department of Juvenile Services; Department of Legislative Services

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Analysis by: Scott P. Gates

Direct Inquiries to:
(410) 946-5510
(301) 970-5510