



Maryland

DEPARTMENT OF BUDGET
AND MANAGEMENT

LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lieutenant Governor

DAVID R. BRINKLEY
Secretary

MARC L. NICOLE
Deputy Secretary

SENATE BILL 777 Public Health – Maryland Prenatal and Infant Care Grant Program Fund (Elfreth, et al)

STATEMENT OF INFORMATION

DATE: February 24, 2021

COMMITTEE: Senate Budget & Taxation

SUMMARY OF BILL: SB 777 increases the \$100,000 annual mandated appropriation for the Maryland Prenatal and Infant Care Grant Program to \$1.1 million in FY 2023, \$2.1 million in FY 2024, and \$3.1 million in FY 2025, and each fiscal year thereafter. The bill also expands the purpose and recipients of grant funds, by including federally qualified health centers, hospitals, and providers of prenatal care to provide and promote prenatal care to women who would otherwise not receive prenatal care. The current program provides grants to counties and municipalities to provide care coordination services.

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 increase in the original mandated funding for this program. DBM has the responsibility of submitting a balanced budget to the General Assembly annually, which requires spending allocations for FY 2022 to be within the official revenues estimates approved by the Board of Revenue Estimates in December 2020.

Economic conditions remain precarious as a result of COVID-19, making revenue predictions for the remainder of FY 2021 and FY 2022 highly volatile. Many individuals and households are unemployed or underemployed, with many industry sectors operating at much less than 100% capacity. Federal stimulus programs are providing much needed relief, but the impact of the COVID-19 pandemic continues to present a significant budgetary vulnerability.

The General Assembly and Administration have successfully enacted the Governor's emergency Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and Families Act (SB 496 RELIEF Act), which provides \$1.2 billion in direct stimulus and tax relief for Maryland working families, small businesses, and those who have lost their jobs as a result of the COVID-19 pandemic. It is incumbent upon us to allow the impact of this unprecedented relief package on the State's economy to take effect. Further mandated spending increases need to be reevaluated within the context of an ongoing pandemic.

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