

## PUBLIC POLICY

### LEGISLATIVE UPDATE

**All of Maryland Nonprofits' legislative initiatives are now pending decisions in legislative committees in Annapolis.** If you have already contacted the committees or individual legislators about these bills we thank you for your support.

**If not, you can still help.** Please contact the committees and express your support. If possible, pass this message on through your own networks.

The bills are listed below with brief summaries. There is more information, including links to the bills, and the committees' rosters and contact information at the Maryland Nonprofits website under the Policy Action Center (click on "Issues and Legislation").

**Problems with State Procurement -** House Bill 527 in the House Health and Government Operations Committee, and Senate Bill 686 in the Senate Finance Committee, create a task force including representatives of providers to study issues with procurement of health and social services.

**Nonprofit Development Center Program** in DBED - House Bill 1214 in the House Economic Matters Committee, and Senate Bill 605 in the Senate Finance Committee, establish a special fund in the Department of Business and Economic Development to help support training and technical assistance to nonprofit boards and managers on organizational development, governance and effective management.

**Require Disclosure of Reductions in State Programs -** Senate Bill 692 in the Senate Budget and Taxation Committee, and House Bill 109 in the House Appropriations Committee, require the state budget books to include a listing of any program where the funding or level of services to be provided is reduced by 5% or more from the level in the previous approved budget.

**Study Funding Needs for State Programs and Services -** House Bill 1190 in the House Appropriations Committee, and Senate Bill 691 in the Senate Budget and Taxation Committee establish a task force to review funding of state services since 2001

and to make staffing and funding recommendations based on current or estimated future needs for those services.

Please contact Henry Bogdan at [hbogdan@mdnonprofit.org](mailto:hbogdan@mdnonprofit.org) or 410-727-6367 ext. 18 with questions or for more information.

## BUDGET AND TAX POLICY INSTITUTE

The Maryland Budget and Tax Policy Institute has completed several major projects in the past month:

### REGULAR PERSON'S GUIDE TO THE GOVERNOR'S BUDGET

This year's edition of the "Regular Person's Guide to the Governor's Budget" is available on our website ([www.marylandpolicy.org](http://www.marylandpolicy.org)) and in printed form upon request. The purpose of the Guide, as the name suggests, is to provide basic, useful information about the State's spending plan to people who normally do not "live and breathe this stuff." The 2008 Regular Person's Guide has been co-sponsored by the Open Society Institute-Baltimore.

The largest items in the state budget are health and primary and secondary education. If we add in higher education, then health and all levels of education together comprise over half of the state budget. If we add transportation, human services and public safety then the six largest functions total 83%. The Regular Person's Guide provides information on the budget's "big picture," readable synopses on the proposed budgets for these six subject areas, and plain-English reference material on the state budget process, a budget glossary, and a listing of useful websites.

### PROGRESSIVE TAX CREDIT PROPOSALS

The Maryland General Assembly is considering two bills to soften the effects of sales tax increases on Maryland's lowest-income households. Senate Bill 618 expands existing property tax credits to help low-income homeowners and renters. Senate Bill 619/House Bill 924 creates a new refundable tax credit for sales tax expenses, available to low-income households. Institute Director

Neil Bergsman has been coordinating with the legislation's sponsors and other leaders in the advocacy community to advocate for these proposals.

### JUVENILE SERVICES BUDGET REVIEW

MB&TPI collaborated with the Maryland Advocates for Children and Youth (ACY) on a review of the proposed budget for the Department of Juvenile Services. The report finds that:

The Governor's proposed Fiscal Year (FY) 2009 operating budget for the Department of Juvenile Services (DJS) provides a 12 percent increase that covers shortfalls in expenses for residential costs. Accounting for a \$27.2 million FY 2008 deficiency for DJS, the FY 2009 allowance increases only \$2.5 million over adjusted FY 2008 funding.

The proposed capital budget includes design funds for one new and one replacement residential center. DJS' five-year plan would replace two more existing centers and build one more new center at a total cost of \$230 million for the five projects.

Nearly 60 percent of the Department's budget funds residential placements. Substantial new resources for less restrictive, community-based services are not apparent.

The administration has not released a detailed plan to explain how these facilities fit into a complete continuum of care.

ACY recommends expanding evidence-based practices that expand opportunity for youth and save the state money. This reform model would divert 314 more youth from residential to community programs than DJS' goal. It would save more than \$20 million in the first year, which could be re-invested in expanded community services for at-risk youth.

The full report is available at [www.marylandpolicy.org](http://www.marylandpolicy.org) and [www.acy.org](http://www.acy.org).