

**Department of Legislative Services**  
 Maryland General Assembly  
 2007 Session

**FISCAL AND POLICY NOTE**  
**Revised**

Senate Bill 611

(Senator Middleton)

Finance

Health and Government Operations

**Statewide Empowerment Zones for Seniors Commission**

This bill establishes the Statewide Empowerment Zone for Seniors Commission to recommend a plan to develop an empowerment zones for seniors program in Maryland. The program would direct financial and regulatory incentives to local communities that develop a qualifying comprehensive empowerment zones for seniors plan to enhance aging-in-place services and facilitate the personal independence and civic and social engagement of seniors in the community.

The bill takes effect October 1, 2007 and terminates September 30, 2009.

**Fiscal Summary**

**State Effect:** General fund expenditures could increase by \$29,800 in FY 2008 to fund the commission. No effect on revenues. Future years reflect inflation and the bill's May 31, 2009 termination date.

| (in dollars)   | FY 2008    | FY 2009    | FY 2010    | FY 2011 | FY 2012 |
|----------------|------------|------------|------------|---------|---------|
| Revenues       | \$0        | \$0        | \$0        | \$0     | \$0     |
| GF Expenditure | 29,800     | 40,100     | 10,100     | 0       | 0       |
| Net Effect     | (\$29,800) | (\$40,100) | (\$10,100) | \$0     | \$0     |

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

**Local Effect:** None.

**Small Business Effect:** None.

## Analysis

**Bill Summary:** The commission must recommend State incentives to provide to a community that submits a qualifying comprehensive empowerment zones for seniors plan, including regulatory and funding options.

A qualifying plan must be developed and implemented jointly by stakeholders in a community, including the State and local governments, senior housing owners or managers, health providers, nonprofit elderly services providers, local businesses, and individual seniors. A qualifying plan must also: (1) include affordable, accessible, and appropriate housing; (2) include supportive community features and services; (3) provide adequate mobility options; (4) include evidence-based prevention strategies to reduce the incidence of disease and injury and to help individuals with functional disability or chronic illness to manage their conditions; and (5) promote successful aging by facilitating personal independence and engaging residents in civic and social life.

The Maryland Department of Aging (MDoA) must provide staff to the commission, whose members are not entitled to compensation, but may receive reimbursement for expenses. An interim report is due by January 1, 2008 and a final report by January 1, 2009.

**Current Law/Background:** There is no Statewide Empowerment Zones for Seniors Commission or program under current law.

The fiscal 2007 budget includes \$500,000 to establish a Naturally Occurring Retirement Community (NORC) program in MDoA. A NORC is a community or neighborhood where residents remain for years and age-in-place as neighbors. A NORC supportive services program provides social opportunities, transportation, and linkage to services. Maryland has two NORC programs that are predominately funded with federal grants; however, this federal funding is in jeopardy. One is in northwest Baltimore and the other is in Montgomery County.

There are approximately 650,000 Maryland residents aged 65 and older. The U.S. Census Bureau and the Maryland Department of Planning project that this number will grow to 733,000 in 2010 and over 1 million by 2020.

**State Fiscal Effect:** General fund expenditures could increase by \$29,775 in fiscal 2008, which reflects the bill's October 1, 2007 effective date. Expenditures would be used to hire a consultant to provide staff support to the commission and to reimburse consumer members for travel expenses. MDoA notes that if the bill is enacted, but the commission is not funded, it could use funds from the NORC program for the commission.

Future year expenditures reflect: (1) annualization in fiscal 2009; (2) 1% inflation; and (3) the bill's September 30, 2009 termination date.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 605 (Delegate Kullen, *et al.*) – Health and Government Operations.

**Information Source(s):** Maryland Department of Aging, Department of Health and Mental Hygiene, Department of Housing and Community Development, Maryland Department of Planning, Maryland Department of Transportation, Department of Legislative Services

**Fiscal Note History:** First Reader - March 1, 2007  
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