

N00I00
Family Investment
Department of Human Resources

Operating Budget Data

(\$ in Thousands)

	<u>FY 08</u> <u>Actual</u>	<u>FY 09</u> <u>Working</u>	<u>FY 10</u> <u>Allowance</u>	<u>FY 09-10</u> <u>Change</u>	<u>% Change</u> <u>Prior Year</u>
General Fund	\$108,827	\$111,856	\$130,592	\$18,736	16.8%
Contingent & Back of Bill Reductions	0	0	-35,996	-35,996	
Adjusted General Fund	\$108,827	\$111,856	\$94,596	-\$17,260	-15.4%
Special Fund	74,750	51,683	70,654	18,971	36.7%
Contingent & Back of Bill Reductions	0	0	35,527	35,527	
Adjusted Special Fund	\$74,750	\$51,683	\$106,181	\$54,498	105.4%
Federal Fund	689,886	664,440	746,042	81,602	12.3%
Contingent & Back of Bill Reductions	0	0	-756	-756	
Adjusted Federal Fund	\$689,886	\$664,440	\$745,286	\$80,846	12.2%
Adjusted Grand Total	\$873,463	\$827,979	\$946,063	\$118,084	14.3%

- The budget as introduced includes a special fund deficiency of \$3,571,245, representing a portion of the proceeds from the sale of carbon dioxide emissions allowances by the Regional Greenhouse Gas Initiative. The deficiency is to provide additional funding for low-income energy assistance through the Electric Universal Services Program (EUSP.)
- The Family Investment budget increases by \$118.1 million (14.3%). This growth reflects the contingent reduction to the State match for deferred compensation but does not reflect the unallocated statewide contingent and across-the-board reductions to health insurance contributions and personnel. Nor does it reflect departmentwide across-the-board reductions related to the elimination of 200 vacant positions, a reduction in contractual employee full-time equivalents (FTEs), nor a reduction to reflect estimated savings from rebidding contracts.
- The majority of the growth in the budget reflects additional federal funds for the Supplemental Nutrition Assistance Program (previously called the Food Stamp Program) and additional special funds for EUSP derived from the sale of carbon dioxide emissions allowances. Of the special fund increase, \$35.5 million is contingent on legislation increasing the share of the emissions auction program for low-income energy assistance.

Note: Numbers may not sum to total due to rounding.

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Personnel Data

	<u>FY 08 Actual</u>	<u>FY 09 Working</u>	<u>FY 10 Allowance</u>	<u>FY 09-10 Change</u>
Regular Positions	2,113.95	2,058.95	2,044.95	-14.00
Contractual FTEs	<u>40.38</u>	<u>122.00</u>	<u>68.00</u>	<u>-54.00</u>
Total Personnel	2,154.33	2,180.95	2,112.95	-68.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	102.25	5.00%
Positions and Percentage Vacant as of 12/31/08	210.00	10.20%

- There are 14 fewer regular FTE positions in the fiscal 2010 allowance than in the fiscal 2009 working appropriation representing the abolition of vacant positions as a cost cutting measure.
- Contractual FTEs decrease by 54 in the allowance to reflect the historical level of utilization of contractual positions in the Work Opportunities Program.

Analysis in Brief

Major Trends

Increased Earnings After Leaving Welfare: About half of the families formerly receiving cash assistance are working almost six years after leaving welfare. Median earning among these families increases steadily over time. For the third year in a row, the most recent leavers are employed at rates at or slightly above earlier leavers.

Lasting Exit from Temporary Cash Assistance and Job Placements Projected to Decline: The slowing economy is expected to lead to a decrease in the percent of Temporary Cash Assistance (TCA) cases that remain closed for 12 consecutive months. It is also expected to negatively impact the number of job placements for families receiving TCA.

Energy Assistance Programs Reaching Target Populations: The percent of eligible households certified for energy assistance benefits as well as the percent of targeted populations receiving energy assistance benefits is increasing.

Issues

TCA Underbudgeted as Caseloads Rise: The fiscal 2009 budget assumes an average monthly caseload of 49,250, which is well below the average monthly caseload of 56,756 experienced in the first seven months of fiscal 2009. The fiscal 2010 budget allows for only a moderate increase to 51,600. Temporary Assistance for Needy Families funding is expected to cover the shortfall.

Higher Than Expected Temporary Disability Assistance Program Caseloads Will Necessitate Reduction in Services or Additional General Funds: The average monthly caseload for fiscal 2009 through December 2008 is nearly 2,800 above the level assumed in the budget. The Department of Human Resources (DHR) estimates that additional funding of \$5 million to \$7 million will be needed to avoid closing entry to the program or reducing benefits.

High Vacancy Rate in Local Family Investment Offices Negatively Impacts Benefit Eligibility Determinations: The statewide vacancy rate for Income Maintenance positions in local Family Investment Offices was 11.1% as of January 1, 2009. These positions are responsible for benefit eligibility determinations and re-determinations. Growing caseloads for TCA, food stamps, and medical assistance means that increasing numbers of clients are affected.

Federal Fund Increase for Energy Assistance Helps Meet Rising Demand: The federal authorization for Low Income Home Energy Assistance Program funding in federal fiscal 2009 was the highest in the program's history. Maryland's allocation of \$109.2 million is also its highest and will be used to meet the increasing demand for energy assistance.

Recommended Actions

1. Add language restricting expenditure of general funds until all other funds are expended.

Updates

DHR on Track to Meet Federal Work Participation Rate for Fiscal 2009: As of November 2008, there were 817 more cases meeting the federal work requirements than are needed to meet the work participation rate for fiscal 2009.

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Family Investment
Department of Human Resources

Operating Budget Analysis

Program Description

The Department of Human Resources' (DHR) Family Investment Administration (FIA), along with local Family Investment programs, administers cash benefit and other grant programs that provide assistance to individuals and families in financial need, as well as employment programs to promote self-sufficiency. Programs administered include:

- **Temporary Cash Assistance (TCA)** – the State's largest cash assistance program, provides financial assistance to dependent children and other family members deprived of support due to the death, incapacitation, underemployment, or unemployment of one or both parents. Federal welfare reform legislation enacted in August 1996 eliminated an individual entitlement to cash assistance and replaced it with a Temporary Assistance for Needy Families (TANF) block grant. States receive their share of the block grant as long as they comply with a maintenance of effort requirement of 80% (75% if a state is successful in meeting the federal work participation rate). Under the legislation, states determine the eligibility criteria for TCA. The federal legislation also requires welfare recipients to work in order to receive assistance for more than two years and establishes a five-year time limit on the receipt of benefits with a hardship exemption for as much as 20% of the State's caseload.
- **Family Investment Program (FIP)** – the State's program for serving welfare recipients, encompasses the provision of TCA and efforts to divert potential applicants through employment, move recipients to work, and provide retention services to enhance skills and prevent recidivism. The goal of FIP is to assist TCA applicants/recipients in becoming self-sufficient. After assessing each family's specific needs and resources, staff focus on the services required to move clients into work. TCA is provided only as a last resort. Applicants for cash assistance are required to cooperate with child support enforcement staff as a condition of eligibility and must undertake job search activities if asked. Recipients are sanctioned if they fail to comply with any work or training requirements. Screening of TCA recipients for substance abuse is mandatory, with participation in treatment required of individuals offered appropriate treatment.
- **Temporary Disability Assistance Program (TDAP)** – the State's program for disabled adults, provides a limited monthly cash benefit. The State is responsible for clients with a short-term disability (at least 3 months but less than 12 months). If the disability will last longer, the client may be eligible for federal disability payments through Supplemental Security Income (SSI). If so, they are required to pursue an SSI application and may receive help doing so. Those clients receive State cash assistance until their SSI applications are approved. The federal government reimburses the State for cash assistance paid during the processing of approved SSI applications.

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- **The Burial Assistance Program** – subsidizes funeral expenses of public assistance recipients, children receiving foster care, and Medical Assistance recipients. The program is funded by the State and local governments.
- **The Food Stamp Program** – provides benefits solely for the purchase of food items to individuals and families who meet income and resource requirements. Benefit costs are 100% federally funded, while the administrative costs are split evenly between the State and federal government. Maryland provided State-funded food stamps to legal immigrant children until October 1, 2003, when the Farm Security and Rural Investment Act of 2002 (commonly known as the Farm Bill) authorized federal food stamp benefits for qualified immigrant children.
- **Emergency Assistance to Families Program** – provides financial assistance to resolve an emergency situation as defined by the local department.
- **Public Assistance to Adults** – provides payments to indigent clients residing in licensed domiciliary care homes and to Project Home clients. Recipients include mentally and physically disabled adults and individuals with Acquired Immune Deficiency Syndrome who remain in their homes.

The local departments of social services are responsible for making eligibility determinations and re-determinations for the aforementioned programs, the State's subsidized child care program called Purchase of Care, and the Medical Assistance program which is administered by the Department of Health and Mental Hygiene. Local departments have the flexibility to create their own tailor-made welfare program and determine what training and job search activities will be required of applicants. In addition, the local departments are responsible for networking with employers and determining the most appropriate use for job training funds.

Key goals for Family Investment include:

- moving families with an employable parent and no children under the age of one toward a speedy and lasting exit from TCA;
- assuring individuals and families receive appropriate benefits;
- placing TCA individuals in employment where earnings increase over time; and
- increasing the number of TCA families where an adult family member obtains and retains employment.

The Family Investment Administration also includes the Maryland Office for Refugees and Asylees (MORA) and the Office of Home Energy Programs (OHEP).

Maryland Office for Refugees and Asylees

MORA oversees a federally funded refugee settlement program that provides various services to refugees and asylees residing in Maryland. The key goals of MORA are to assist refugees and asylees to attain early economic independence and social adjustment and increase the number of foreign-born residents who successfully complete the naturalization process.

Office of Home Energy Programs

OHEP consists of three programs which provide home energy assistance through local agencies in each jurisdiction:

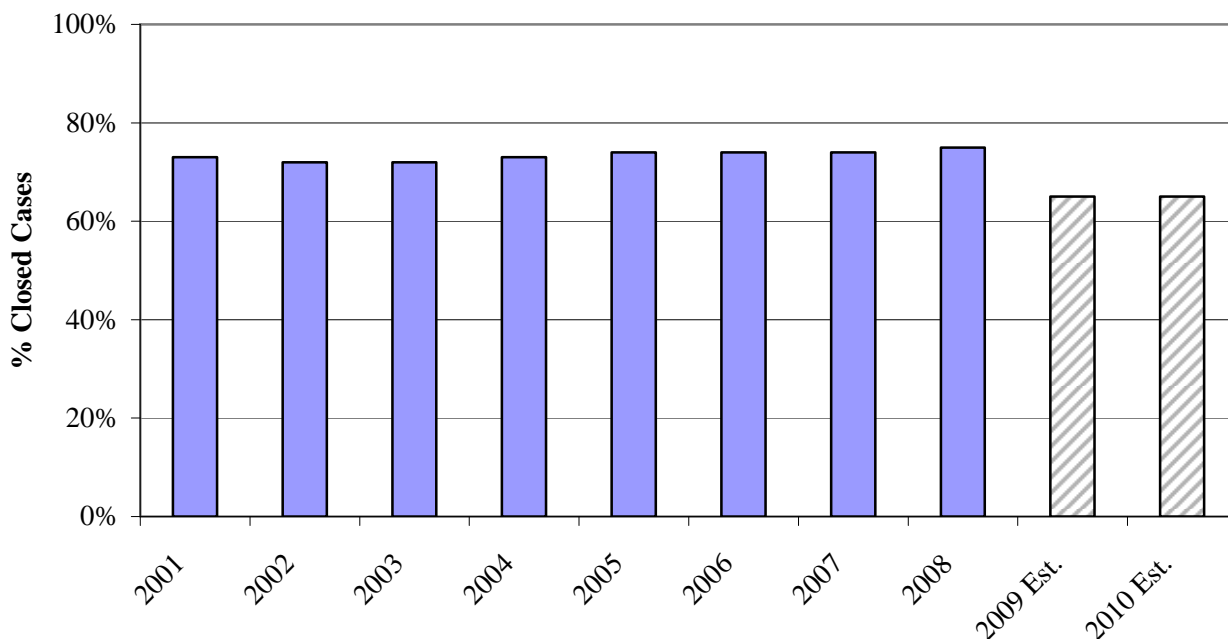
- The Maryland Energy Assistance Program (MEAP) which provides, under the federal Low Income Home Energy Assistance Program (LIHEAP) block grant, financial assistance for home energy costs for low-income citizens, crisis assistance, and furnace repair/replacements.
- The Electric Universal Service Program (EUSP) which helps make electric bills more affordable to low-income customers through bill assistance and arrearage retirement.
- The Utility Services Protection Program, which is a program of the Public Service Commission, to provide a winter shutoff protection for customers eligible for MEAP.

The key goals of OHEP are to provide access to services to as many eligible households as possible to help reduce home energy cost burdens and to meet immediate home energy needs of eligible households experiencing energy crises by preventing or remedying off-service or out-of-fuel emergencies.

Performance Analysis: Managing for Results

The first goal of FIA is to move families with an employable adult and no children under the age of one toward a speedy and lasting exit from TCA. **Exhibit 1** shows that performance relative to this goal has fluctuated over time between approximately 72 to 74% but is projected to drop to about 65% as a result of the recession.

Exhibit 1
Speedy and Lasting Exit from Temporary Cash Assistance
Fiscal 2001-2010

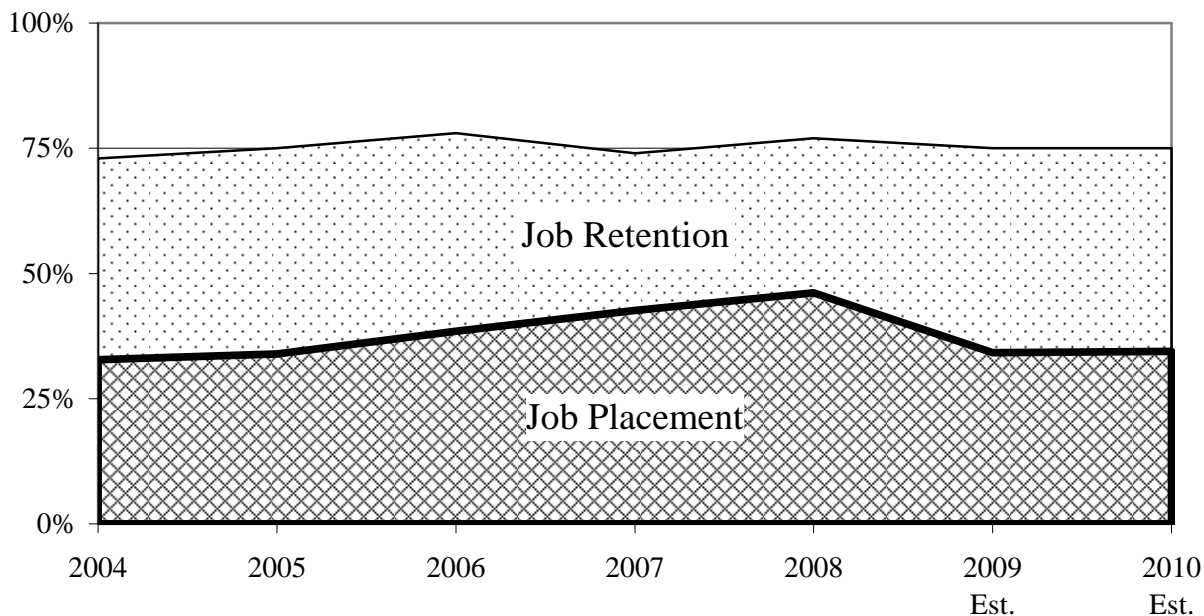


Note: This graph shows the percentage of cases with an employable adult and no children under the age of one that remain closed for at least 12 consecutive months.

Source: Governor’s Budget Books, Fiscal 2010

The hope of welfare reform is not only that welfare caseloads will decline, but also that parents will get jobs and keep them, eliminating their families’ needs for cash assistance. **Exhibit 2** illustrates DHR’s success in this regard, showing the job placement and job retention rates. Job placements increased from fiscal 2002 to 2008 but are projected to be lower in fiscal 2009 and 2010 due to the recession. Job retention has remained stable over time at 75%.

Exhibit 2
Job Placement and Job Retention
Fiscal 2004-2010



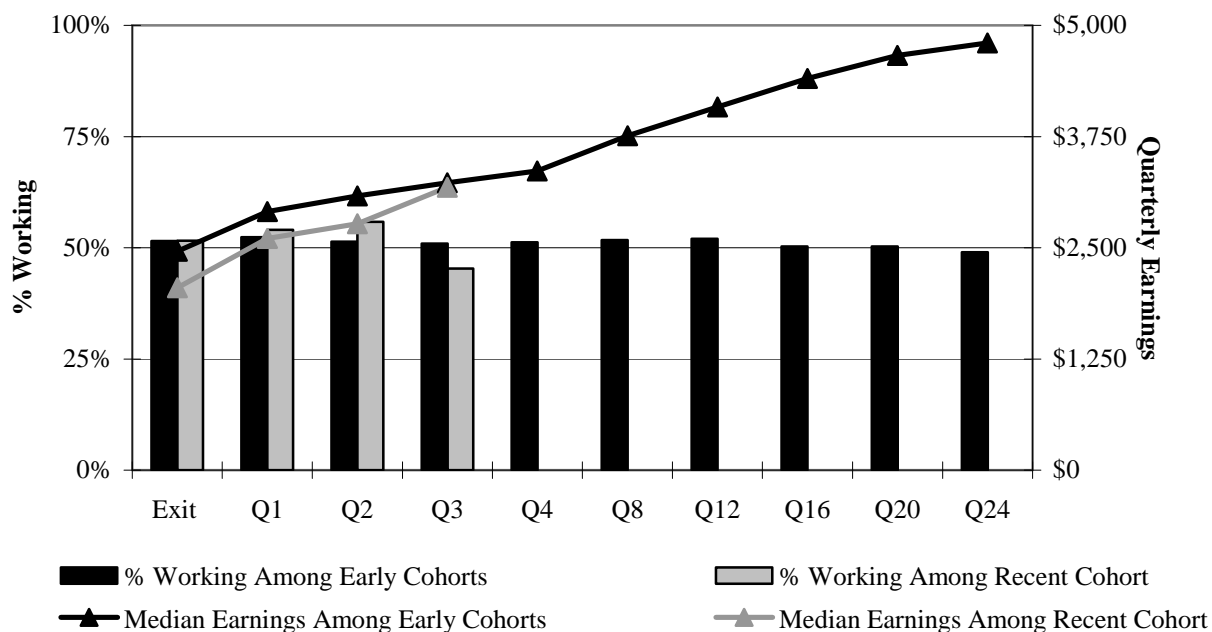
Note: Job placement measures the total number of placements as a percent of the total number of Temporary Cash Assistance cases. Job retention measures the percent of individuals who obtained employment in one calendar quarter and remain employed in the following quarter.

Source: Governor’s Budget Books, Fiscal 2010; Department of Human Resources

Exhibit 3 shows the rates of employment and earnings over time for those exiting TCA. It graphs the performance on these indicators for the most recent cohort (those who exited between April 2007 and March 2008) and for earlier cohorts (those who exited between October 1996 and March 2006).

For earlier cohorts, employment remained slightly above the 50% level until the twenty-fourth quarter. Median earnings among earlier cohorts also steadily increase throughout the study period.

Exhibit 3 Employment and Earnings after Leaving TCA



TCA: Temporary Cash Assistance

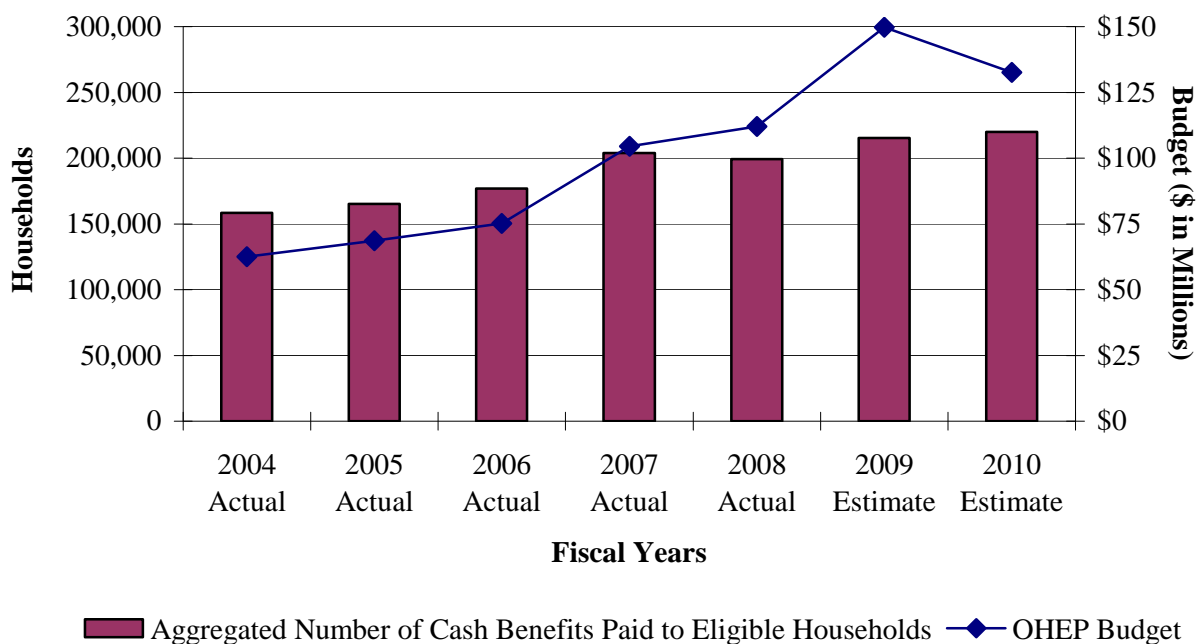
Note: This figure is derived from data collected by the University of Maryland School of Social Work and presented in *Life After Welfare: Annual Update*, October 2008. It follows a sample of TCA leavers beginning in October 1996 through March 2008, adding 5% of new TCA leavers every quarter and excluding any that return to TCA within 30 days. This data includes TCA leavers employed in Maryland in jobs covered by unemployment insurance and those working in a border state. Because the data does not include employment in non-border states, with the federal government, with multi-state employers, and in jobs not covered by unemployment insurance, it underestimates the level of post-TCA employment.

Source: *Life After Welfare: Annual Update*, October 2008, University of Maryland School of Social Work

In comparing the most recent cohort to earlier cohorts, the percent working in the two quarters following exit is slightly higher for the most recent cohort. This is the third year in a row this has occurred. With the increasing unemployment rate due to the recession, this trend may reverse itself as following cohorts face tighter job markets.

Exhibit 4 shows the budget for OHEP juxtaposed with the aggregated number of cash benefits paid to eligible households. Both the budget and number of benefits paid increased from fiscal 2004 through 2007. The number of benefits paid decreased slightly in fiscal 2008 while the budget continued to grow, reflecting increased benefit levels to match energy price increases. The number of benefits paid is expected to increase in both fiscal 2009 and 2010 reflecting outreach efforts by DHR and additional need due to the recession. The budget in 2009 increases significantly due to a more than twofold increase in federal LIHEAP funds. This level of federal funding is not expected to be continued which leads to a projected decrease in the OHEP budget in fiscal 2010.

Exhibit 4
OHEP Outcomes vs. Funding
Fiscal 2004-2010

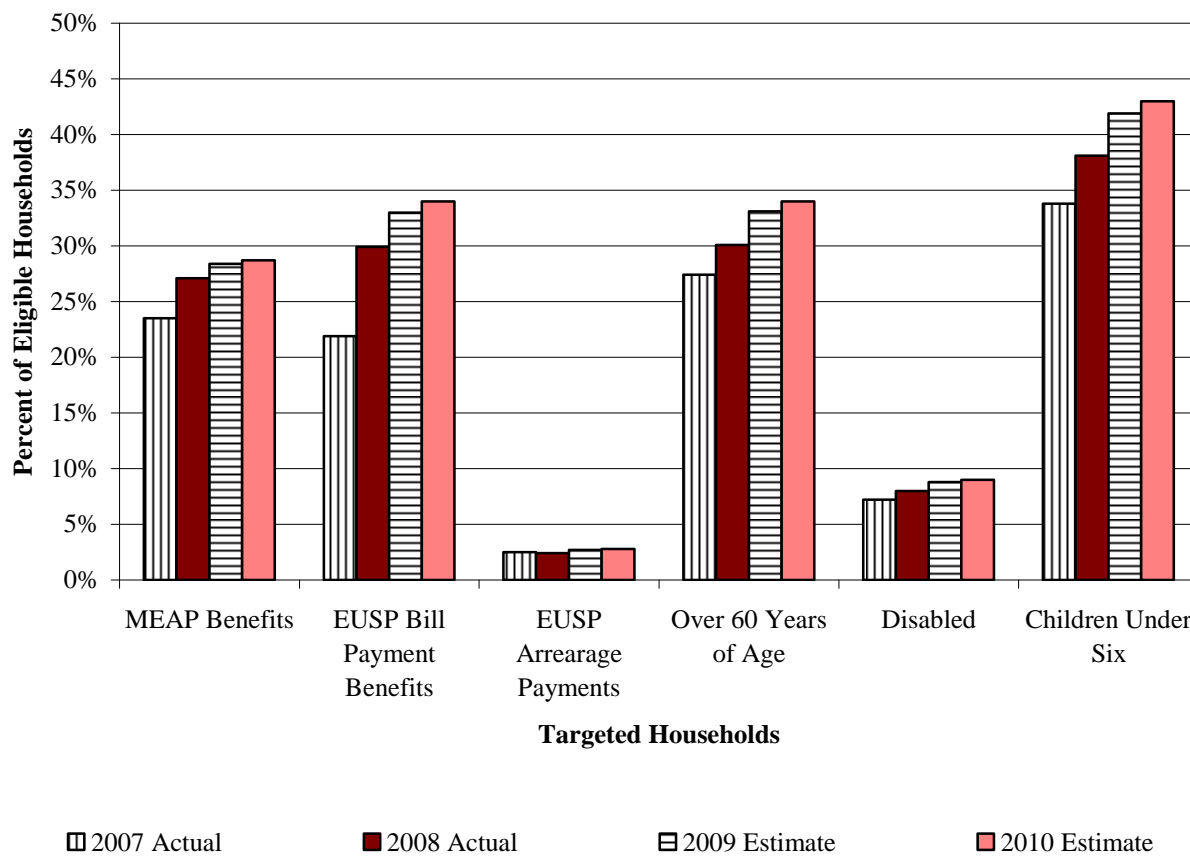


OHEP: Office of Home Energy Programs

Source: Department of Human Resources

Exhibit 5 shows the percent of eligible households certified for EUSP and MEAP benefits as well as the percent of targeted populations receiving EUSP and/or MEAP benefits for fiscal 2007 through 2010 estimated. All areas except EUSP Arrearage Payments show increasing percentages of eligible households receiving benefits. The EUSP Arrearage benefit is a once in a lifetime benefit which explains the relatively stable percentage of eligible households receiving benefits.

Exhibit 5
OHEP Percent of Eligible Households Certified for Energy Assistance and
Percent of Targeted Populations Receiving Benefits
Fiscal 2007-2010



EUSP: Electric Universal Services Program
 MEAP: Maryland Energy Assistance Program
 OHEP: Office of Home Energy Programs

Source: Department of Human Resources

Fiscal 2009 Actions

Proposed Deficiency

The budget as introduced includes a special fund deficiency of \$3,571,245, representing a portion of the proceeds from the sale of carbon dioxide emissions allowances by the Regional

Greenhouse Gas Initiative (RGGI). The deficiency is to provide additional funding for low-income energy assistance through EUSP.

Impact of Cost Containment

Cost containment reductions approved by the Board of Public Works (BPW) in June and October 2008 for Family Investment totaled \$10,546,495 (\$7,628,847 general, \$21,302 special, \$2,896,346 federal). The cost containment reductions comprise:

- savings from the hiring freeze and using nonbudgeted funds for health insurance subsidies (\$1,154,140 general, \$21,302 special, \$1,255,785 federal);
- a reduction to Assistance Payments due to lower than expected caseload and grant payments (\$1,300,000 general);
- elimination of funding for food stamp error reduction due to completion of the Program Improvement Plan to improve accuracy (\$867,000 general, \$867,000 federal);
- reduction to the Disability Entitlement Advocacy Program contract to reflect decreased contractor responsibilities/workload following changes in federal regulations prohibiting non-state personnel from accessing certain federal databases and information systems (\$500,000 general, \$773,561 federal); and
- savings resulting from the elimination of positions (106 departmentwide), removal of Other Post Employment Benefits (OPEB) prefunding, and removal of funds for health insurance subsidies for which nonbudgeted statewide employee health insurance balances were substituted (\$3,807,707 general).

In addition, the estimated general fund savings resulting from employee furloughs is \$347,000. These funds are to be withdrawn in a future BPW action.

Energy Assistance Fund Swap

The budget as introduced assumes the reversion of the entire general fund appropriation for EUSP. This is possible due to the large increase in federal LIHEAP funding made available in fiscal 2009. Prior to fiscal 2009, Maryland's LIHEAP allocations varied from a low of \$14.1 million in 1996 to a high of \$58.5 million in fiscal 2006 with an average allocation from fiscal 2000 to 2007 of \$30.3 million. Maryland's fiscal 2009 allocation jumps to \$109.2 million. Future allocations of LIHEAP are expected to be more in line with the pre-2009 levels. Therefore, the general fund savings should be considered one-time savings. DHR has submitted a budget amendment to add \$69.7 million in LIHEAP funding for fiscal 2009. Maryland must spend at least 90% of the LIHEAP funds by September 30, 2009.

Proposed Budget

As shown in **Exhibit 6**, the fiscal 2010 allowance for Family Investment increases by \$118.1 million. This growth reflects contingent reductions to the State match for deferred compensation but does not reflect unallocated statewide contingent reductions to personnel and to health insurance contributions. Nor does it reflect departmentwide across-the-board reductions related to the elimination of 200 vacant positions, a reduction in contractual full-time equivalent employees, nor a reduction to reflect estimated savings from rebidding contracts.

Personnel expenses, primarily related to health insurance and retirement contributions, increase the budget by \$905,000. Increases for these items are partially offset by decreases due to salaries for vacant positions being reset to base level, the contingent reduction of the deferred compensation match, and the removal of OPEB funding.

Benefit programs increase by \$127.6 million. Increased federal funds for food stamps and increased special funds for energy programs make up the majority of the increase.

The Work Opportunities Program decreases in several categories by a total of \$9.9 million. This decrease brings the budget in line with historical levels of spending for the program and does not represent a reduction in services.

Impact of Cost Containment

The loss of 14 vacant positions and the contingent reduction to the deferred compensation match are specific cost cutting measures made in putting together the fiscal 2010 Family Administration budget. Not included in the budget change calculations are the following statewide and departmentwide contingent and across-the-board reductions, the allocation of which may impact the Family Investment Budget:

Statewide

- Section 22 – a reduction in personnel expenses (-\$30.0 million); and
- Section 20 – a reduction to budgeted health insurance costs (-\$26.4 million).

Departmentwide

- Section 18 – abolition of 200 vacant positions (-\$3.8 million);
- Section 23 – a reduction in funding for contractual employees (-\$25,261); and
- Section 24 – a reduction in contractual services to reflect estimated savings from rebidding contracts (-\$5.8 million).

Exhibit 6
Proposed Budget
DHR – Family Investment
(\$ in Thousands)

How Much It Grows:	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Fund</u>	<u>Federal</u> <u>Fund</u>	<u>Total</u>
2009 Working Appropriation	\$111,856	\$51,683	\$664,440	\$827,979
2010 Allowance	<u>130,592</u>	<u>70,654</u>	<u>746,042</u>	<u>947,288</u>
Amount Change	\$18,736	\$18,971	\$81,602	\$119,309
Percent Change	16.8%	36.7%	12.3%	14.4%
Contingent Reductions	-\$35,996	\$35,527	-\$756	-\$1,225
Adjusted Change	-\$17,260	\$54,498	\$80,846	\$118,084
Adjusted Percent Change	-15.4%	105.4%	12.2%	14.3%

Where It Goes:

Personnel Expenses

Employee and retiree health insurance	\$5,253
Employee retirement contributions.....	1,007
Turnover adjustments	-42
Abolished positions (14).....	-587
Reduced reclassifications.....	-894
Vacant positions budgeted at base salary level.....	-1,249
Contingent reduction of deferred compensation match.....	-1,252
Other Post Employment Benefits funding.....	-1,311
Other fringe benefit adjustments	-20

Benefit Programs

Food Stamps – caseload and average grant increase	85,464
Electric Universal Services Program caseload increase	32,639
Maryland Energy Assistance Program caseload increase.....	1,611
Increase in TCA due to projected increase in average caseload from 49,250 to 51,600 .	5,453
Public Assistance to Adults increased caseload	1,300
Emergency Assistance to Families with Children increased caseload	1,102

Work Opportunities

Decreased grants for Subsidized Jobs program to reflect historic levels of spending.....	-4,700
Decreased grants for Customer Incentives program to reflect historic levels of spending.....	-2,700

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Where It Goes:

Decreased contractual employee full-time equivalents to reflect historic levels of spending.....	-2,252
Decreased grants to reflect historic levels of spending.....	-288
Other Changes	
OHEP program administration contracts with local agencies	714
Increased grants for services to refugees and asylees (federal funds)	445
Contractual services – security	440
Rent.....	434
Increased grant to Montgomery County	362
Increased utilities – electricity	171
Communications	-322
University of Maryland, Baltimore research contract	-678
Reduction to Disability Entitlement Advocacy Program contract due to changes in federal regulations limiting access to federal data systems by non-State personnel	-1,899
Other Changes	-117
Total	\$118,084

OHEP: Office of Home Energy Programs

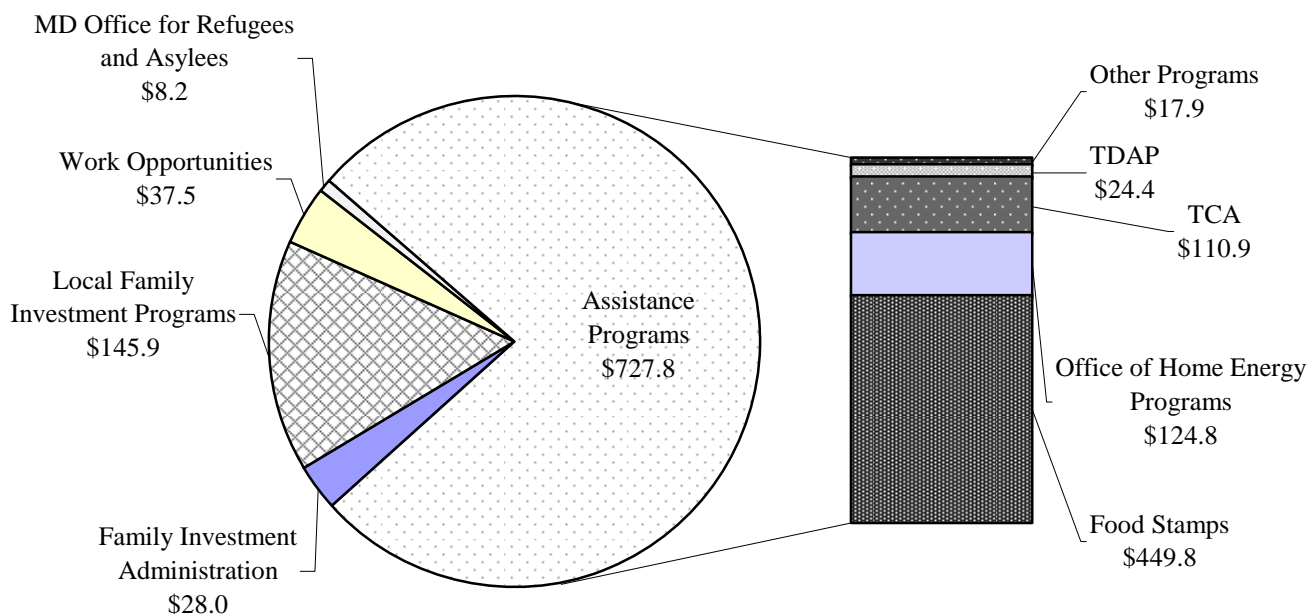
TCA: Temporary Cash Assistance

Note: Numbers may not sum to total due to rounding.

Benefits and Services to Clients

Exhibit 7 shows the fiscal 2010 allowance for Family Investment. Assistance programs make up over 78% of the total.

Exhibit 7
Family Investment
Fiscal 2010 Allowance
(\$ in Millions)



TCA: Temporary Cash Assistance
 TDAP: Temporary Disability Assistance Program

Note: “Other Programs” comprises General Public Assistance, Burial Assistance, Eviction Assistance, Welfare Avoidance Grants, Emergency Assistance to Families with Children, and Public Assistance to Adults.

Source: Governor’s Budget Books, Fiscal 2010; Department of Human Resources

- **Food Stamps:** A majority of the increase in assistance payments occurs in Food Stamps which increases \$85.5 million over fiscal 2009 to reflect an increase in the average monthly caseload from 143,607 to 161,633 and an increase in the average grant from \$211.41 to \$231.90.
- **Energy Assistance:** Energy assistance funding increases \$34.3 million over the fiscal 2009 level in the budget as introduced. However, once the fiscal 2009 special fund deficiency, the planned reversion of general funds and the additional federal funds being added by budget

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amendment are factored in, energy assistance funding will be \$17.1 million greater in fiscal 2009 than in fiscal 2010.

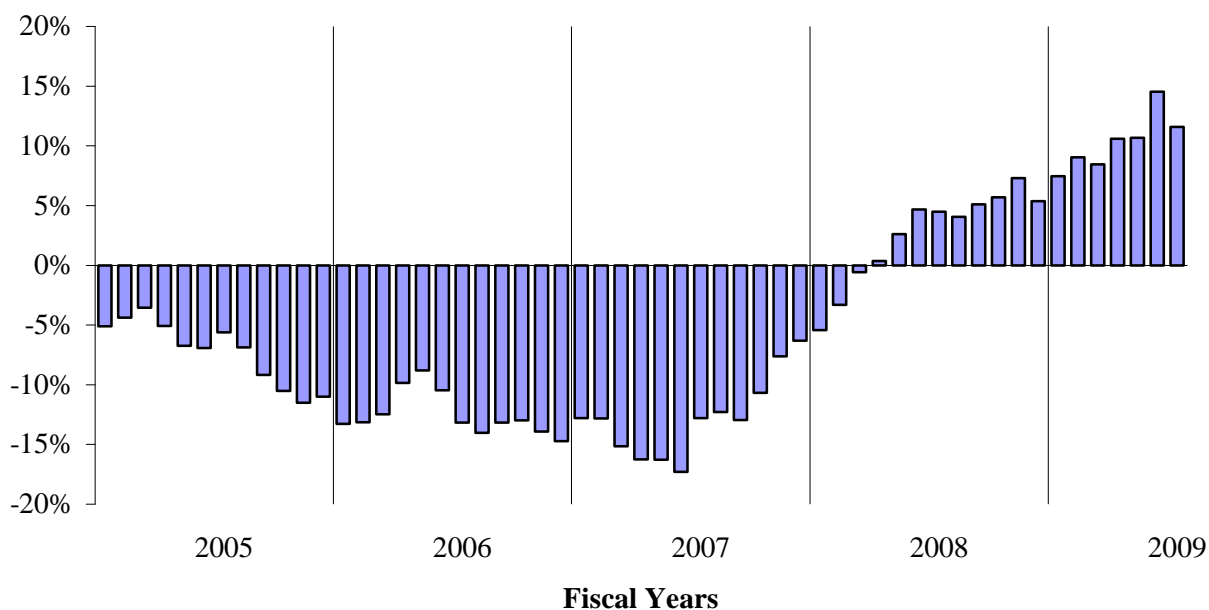
- **TCA:** The allowance for TCA increases by \$5.5 million due to a projected average monthly caseload increase from 49,250 to 51,600. As discussed in Issue 1, the budget for TCA greatly underestimates the likely caseload levels based on the levels experienced during the first half of fiscal 2009.
- **Public Assistance to Adults:** The allowance provides an increase of \$1.3 million due to a projected increase in the Project Home caseload from 430 to 587.
- **Emergency Assistance to Families with Children:** The increase of \$1.1 million is due to a projected caseload increase from 1,254 to 1,576.
- **TDAP, Welfare Avoidance Grants, General Public Assistance, Burial Assistance and Eviction Assistance:** These programs are all level funded in fiscal 2010.
- **Work Opportunities:** Although not a benefit program, the Work Opportunities Program pays for services to clients such as skills assessment, job readiness, job training, and job search services. The program is funded entirely from federal TANF dollars and decreases by \$9.9 million to reflect historical spending levels. In fiscal 2009 a cancellation of approximately \$10.0 million is expected. Factoring in this cancellation results in level funding between fiscal 2009 and 2010.

Issues

1. TCA Underbudgeted as Caseloads Rise

Exhibit 8 shows the year-over-year percent change in the TCA monthly caseload from July 2004 through January 2009. As demonstrated in Exhibit 8, there was a downward trend in the monthly caseload on a year-over-year basis from the beginning of fiscal 2005 through mid-2007. After this point, the trend reversed with the slowing in the caseload decline becoming an increase shortly after the beginning of fiscal 2008.

Exhibit 8
TCA Monthly Caseload
Percent Change over Prior Year
Fiscal 2005-2009

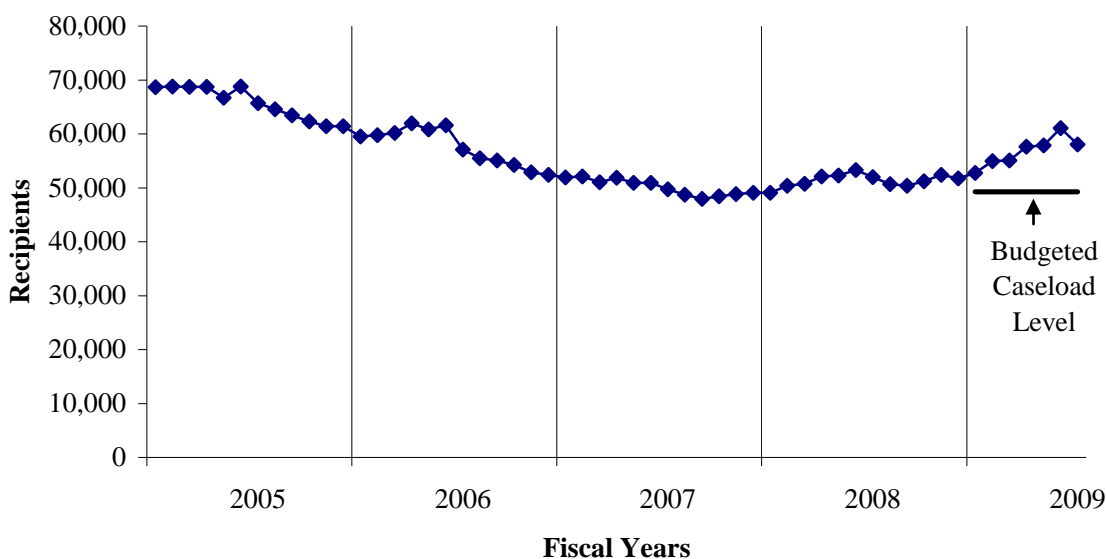


TCA: Temporary Cash Assistance

Source: Department of Human Resources; Department of Legislative Services

Exhibit 9 shows the monthly caseload from July 2004 through January 2009. The caseload has generally been increasing since March 2007, decreasing only 6 out of 23 months since that time. The TCA budgets for fiscal 2009 and 2010 do not anticipate the caseload growth currently being experienced. The fiscal 2009 budget assumes an average monthly caseload of 49,250, which is well below the levels being experienced as clearly demonstrated in Exhibit 9. The fiscal 2010 budget allows for a moderate increase to 51,600 which is also lower than the average monthly caseload of 56,756 experienced in the first seven months of fiscal 2009.

Exhibit 9
TCA Caseload by Month
Fiscal 2005-2009



TCA: Temporary Cash Assistance

Source: Department of Human Resources; Department of Legislative Services

Looking forward, the Department of Legislative Services (DLS) projects that the average monthly caseload will reach 58,771 in fiscal 2009 and, based on current employment estimates, will continue to grow through December 2009, resulting in an average monthly caseload in fiscal 2010 of 70,414. **Exhibit 10** shows the caseload and funding trends from fiscal 2007 through 2010.

Due to the higher than budgeted caseload in fiscal 2009, DLS estimates that an additional \$19.1 million will be needed for TCA. For fiscal 2010, DLS is projecting a budget shortfall of \$45.1 million. No general funds will be needed to address these shortfalls due to additional TANF funds expected as part of the federal stimulus (\$34.7 million,) and the allocation of up to \$45.8 million from the Contingency TANF Fund for which DHR has applied due to the increase in the State’s food stamp caseload.

Exhibit 10
TCA Enrollment and Funding Trends
Fiscal 2007-2010

	<u>2007</u> <u>Actual</u>	<u>2008</u> <u>Actual</u>	<u>2009</u> <u>Estimate</u>	<u>2010</u> <u>Estimate</u>
Average Monthly Enrollment	50,149	51,554	58,771	70,414
Average Monthly Grant	\$164.43	\$170.39	\$176.53	\$184.55
Budgeted Funds in Millions				
General Funds	\$12.7	\$5.5	\$6.6	\$6.6
Total Funds	\$98.1	\$104.2	\$105.4	\$110.9
DLS Estimate			\$124.5	\$155.9
Difference			-\$19.1	-\$45.1
General Fund Shortfall			\$0.0	\$0.0

DLS: Department of Legislative Services

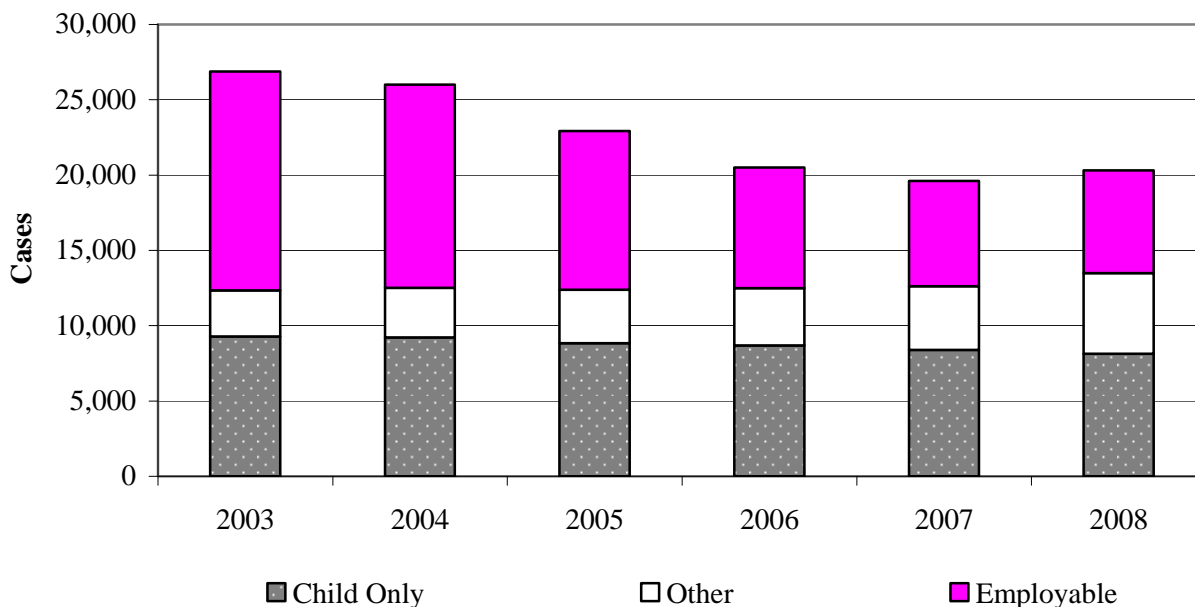
TCA: Temporary Cash Assistance.

Source: Department of Human Resources; Department of Legislative Services

Characteristics of the Current Caseload

To track recipients needing employment services, DHR divides the caseload into two main groups – (1) the “core” caseload; and (2) cases headed by an employable adult. The core cases include child only cases, women with children under age one, disabled cases, caretaker relatives, and other cases exempted from work requirements. With the exception of women with children under age one, DHR does not expect the core cases to transition off cash assistance by seeking employment. Child only cases, for example, typically leave the rolls after reaching adulthood. As employable adults have successfully entered the labor market, the core cases have represented an increasing percentage of the total TCA caseload. As shown in **Exhibit 11**, while the total caseloads have declined since 2003, the non-employable core caseload has remained virtually the same. As a result, the non-employable core caseload – as a percent of total caseload – has increased from just under 46% in 2003 to 66% in 2008. The employable caseload declined from just over 54% in 2003 to 34% in 2007.

Exhibit 11
Characteristics of the Current Caseload
July Caseloads
Fiscal 2003-2008



Source: Department of Human Resources

In the early years of welfare reform, DHR concentrated on serving those easiest to place in employment. Through its successful efforts, most of these cases have transitioned from welfare to work. Now, the remaining cases headed by an employable adult typically face multiple barriers to employment such as substance abuse and/or mental health issues, poor work histories, low educational attainment, and limited access to transportation and child care. To realize further caseload reductions, DHR must continue to provide intensive services to help these employable adults enter and remain in the labor force.

DHR is restructuring its programs to improve employment outcomes with an initiative called Reaching Independence and Stability through Employment. DHR is collaborating with the Department of Labor, Licensing, and Regulation, the Department of Business and Economic Development and community colleges with the goals of training TCA recipients for and placing them in jobs that pay a living wage, provide health benefits, and provide career mobility. The hope is this initiative will not simply move TCA recipients off the rolls and into low-wage jobs that keep them dependent on an array of government supported services.

Five-year Lifetime Limit on Receipt of Cash Assistance

Moving employable adults to self-sufficiency is of particular importance in light of the federal limit placed on receipts of cash assistance. Federal law prohibits cases headed by an adult from receiving TANF-funded cash benefits for more than five cumulative years. However, federal law also provides exemptions to the time limit for “hardship” as defined by the State. Under this provision, 20% of the caseload receiving TANF-funded cash assistance from the previous federal fiscal year may continue to receive these benefits beyond five years.

September 2008 was the eighty-first month in which some families had reached the five-year benefit limit. The annual average number of families receiving TANF assistance during federal fiscal 2007 was 19,371. The annual average number of cases headed by adults that received assistance for more than 60 months during federal fiscal 2008 was 1,257. Since this number is below the 20% exemption limit for federal fiscal 2008 of 3,874, no one was removed from the caseload. According to DHR’s projections, the earliest that any recipient would lose benefits because of the time limit is federal fiscal 2014. Until that time, the department expects to accommodate, under federal hardship exemptions, all families who cooperate with program requirements.

DHR should brief the committees on the status of its application for additional TANF funding.

2. Higher Than Expected Temporary Disability Assistance Program Caseloads Will Necessitate Reduction in Services or Additional General Funds

TDAP, formerly called Transitional Emergency, Medical and Housing Assistance, is available to help low-income, disabled Marylanders with no other resources, to obtain cash, medical, and housing assistance. TDAP pays a maximum monthly grant of \$185. Eligibility criteria are:

- applicants are disabled and have no children under 18 living with them;
- a doctor must fill out a medical form saying the applicant cannot work for at least 3 months;
- applicants with long-term, chronic conditions must also apply for other benefits such as Social Security Disability Income (SSDI), Supplemental Security Income (SSI), and employee disability; and
- if applicants have a drug or alcohol problem, someone else must handle their TDAP money for them.

Benefits are limited to 12 months in a 36 month period unless they are applying for SSI or appealing an SSI decision. Applicants approved for SSI must reimburse TDAP for grants received from the

time the SSI application was submitted (SSI recipients receive SSI benefits as of their application date.)

Caseloads in fiscal 2009 through December 2008 are up significantly from previous years as shown in **Exhibit 12**. The average monthly caseload for fiscal 2009 through December 2008 is nearly 2,800 above the level assumed in the budget. In years prior to fiscal 2009, approximately half the budgeted funds remained to be spent from January through June. For fiscal 2009, less than 39% of the budgeted funds remain to be spent in the January through June period.

Exhibit 12
Temporary Disability Assistance Program
Funding and Average Monthly Caseloads
Fiscal 2006-2009

	<u>Total Funding</u>	<u>Paid through December</u>	<u>Total Average Monthly Recipients¹</u>	<u>Average Monthly Recipients through December</u>
2006	\$23.8	\$12.3	10,972	11,287
2007	24.3	11.9	11,491	11,456
2008	25.0	12.6	11,645	11,742
2009	24.4	14.9	11,000	13,792

¹The Total Average Monthly Recipients number shown for fiscal 2009 is the estimate upon which the budget is based.

Source: Department of Human Resources

TDAP is not an entitlement program, and DHR has the authority to limit new entries into the program and/or reduce grant amounts in order to stay within the appropriated funds. DHR estimates that additional general funds of between \$5 million and \$7 million would be needed in 2009 in order to prevent the need to restrict access to the program or reduce benefits.

DHR should brief the committees on actions it intends to take related to TDAP funding, program access, and benefit levels for both fiscal 2009 and 2010.

3. High Vacancy Rate in Local Family Investment Offices Negatively Impacts Benefit Eligibility Determinations

As of January 1, 2009, there were 190.5 vacant positions in the Local Family Investment Program for a vacancy rate of 10.2% (excluding positions abolished in the fiscal 2010 allowance). Over 81.0% of the vacancies were Income Maintenance worker or supervisor positions. These are

the positions responsible for eligibility determinations and re-determinations for benefits such as food stamps, TCA, and Medical Assistance. High vacancies in these positions result in clients waiting longer for benefits. With caseloads increasing due to the economic conditions, increasing numbers of people are affected. **Exhibit 13** shows the position status for Income Maintenance positions by local Department of Social Services. The statewide vacancy rate for Income Maintenance positions was 11.1%. A few local departments had rates well in excess of the statewide total and positions assigned to Medical Assistance determinations had a vacancy rate of 24.8%.

Exhibit 13
Income Maintenance Position Status by Local Department
As of January 1, 2009

<u>Local DSS</u>	<u>Filled</u>	<u>Vacant</u>	<u>Total</u>	<u>% Vacant</u>
Allegany	37.80	1.00	38.80	2.6%
Anne Arundel	55.50	15.00	70.50	21.3%
Baltimore City	495.50	51.00	546.50	9.3%
Baltimore	115.00	17.00	132.00	12.9%
Calvert	17.50	1.00	18.50	5.4%
Caroline	11.00	1.00	12.00	8.3%
Carroll	16.00	2.00	18.00	11.1%
Cecil	24.00	3.00	27.00	11.1%
Charles	22.00	1.00	23.00	4.3%
Dorchester	17.50	0.00	17.50	0.0%
Frederick	21.50	5.00	26.50	18.9%
Garrett	13.50	0.00	13.50	0.0%
Harford	30.50	8.50	39.00	21.8%
Howard	17.00	4.00	21.00	19.0%
Kent	5.00	1.00	6.00	16.7%
Prince George's	154.00	22.00	176.00	12.5%
Queen Anne's	8.50	0.00	8.50	0.0%
St. Mary's	16.00	2.00	18.00	11.1%
Somerset	14.62	0.00	14.62	0.0%
Talbot	11.00	0.00	11.00	0.0%
Washington	39.50	1.00	40.50	2.5%
Wicomico	30.00	4.00	34.00	11.8%
Worcester	14.00	0.50	14.50	3.4%
Other	12.00	2.00	14.00	14.3%
MA Determinations	39.50	13.00	52.50	24.8%
Total	1,238.42	155.00	1,393.42	11.1%

DSS: Department of Social Services

MA: Medical Assistance

Note: Montgomery County is not included because it receives a block grant from the State and administers its own Department of Social Services, the employees of which are county, not State employees.

Source: State Personnel Database, Department of Budget and Management

These positions have been subject to a hiring freeze for over a year, which has undoubtedly contributed to the elevated vacancy rates. For a period of time, DHR received a blanket exemption from the hiring freeze for positions associated with benefit eligibility determinations.

Section 18 of the budget bill reduces the number of Executive Branch vacant positions by 1,000 in the fiscal 2010 budget, 200 of which are to come from DHR. As of January 1, 2009, DHR had 499.95 FTE positions vacant with Income Maintenance positions comprising the largest classification experiencing vacancies. Child Welfare social worker positions comprise the second largest class of vacant positions. Given that these are both sensitive direct service classifications, DHR will be hard pressed to make the required reductions without impacting efforts to improve service in the Family Investment and Child Welfare areas.

DHR should comment on the high vacancy rates in local Family Investment offices, the actions it is taking to decrease the number of vacancies and whether such actions include seeking a blanket hiring freeze exemption for positions associated with benefit eligibility determinations. DHR should also comment on how it intends to implement the vacant position reductions required by Section 18 of the budget without adversely affecting direct services provided in local Family Investment and Child Welfare offices.

4. Federal Fund Increase for Energy Assistance Helps Meet Rising Demand

House Resolution 2638, the Consolidated Security, Disaster Assistance, and Continuing Appropriations Act of 2009, was signed by President Bush on September 30, 2008. It provides federal fiscal 2009 LIHEAP funding of \$5.1 billion, the highest in the program's history and nearly double federal fiscal 2008 funding of \$2.6 billion. Maryland's fiscal 2009 LIHEAP allocation of \$109.2 million is also its highest allocation to date. Prior to fiscal 2009, Maryland's LIHEAP allocations varied from a low of \$14.1 million in 1996 to a high of \$58.5 million in fiscal 2006 with an average allocation from fiscal 2000 to 2007 of \$30.3 million.

Change in Use of Federal Funds

Prior to fiscal 2009, Maryland limited use of LIHEAP funding to MEAP, which provides assistance for home heating. The EUSP program, which provides assistance for electricity costs, was funded entirely from State funds – both special and general. The substantial increase in LIHEAP funding combined with the requirement that States spend at least 90% of annual LIHEAP allocation by the end of the federal fiscal year, has led DHR to begin using LIHEAP funds for EUSP as well in fiscal 2009. The federal authorizing legislation indicates that LIHEAP may be used for home energy costs so use in EUSP is permissible.

The budget as introduced assumes that the \$21.7 million general fund appropriation for EUSP for fiscal 2009 will be reverted at the end of the fiscal year. DHR has submitted a budget amendment to add authorization to spend an additional \$69.8 million of LIHEAP funds in fiscal 2009. **Exhibit 14** compares the fiscal 2009 legislative appropriation for Energy Assistance with the current funding plan.

Exhibit 14
Office of Home Energy Programs Funding
Fiscal 2009 Legislative Appropriation v. Revised Funding Plan

	<u>General</u>	<u>Special</u>	<u>Federal</u>	<u>Total</u>
FY 2009 Legislative Appropriation	\$21,700,000	\$39,639,247	\$40,416,138	\$101,755,385
Revised Funding Plan	0	39,639,247	110,169,888	149,809,135
Change	-\$21,700,000	\$0	\$69,753,750	\$48,053,750

Note: The \$3,571,254 special fund deficiency is included in both special fund lines.

Source: Governor’s Budget Books, Fiscal 2010; Department of Human Resources

This increased level of LIHEAP funding is not expected to be repeated and the fiscal 2010 allowance assumes only \$42.1 million from this source. Total funding for OHEP in the fiscal 2010 allowance is \$132.7 million which is \$17.1 million less than the revised spending plan for fiscal 2009.

Applications and Benefits Paid Increase Over Prior Year

With high energy prices and the poor economic conditions, demand for energy assistance has increased in the past year. **Exhibit 15** shows the number the applications received, approved, and the amount of funding distributed during the first half of fiscal 2009 compared with the same period a year earlier. Except for the number of households receiving MEAP benefits, there are significant increases in all areas in fiscal 2009 compared with a year earlier.

Should this increase in demand for energy assistance continue into fiscal 2010, it is doubtful that the reduced level of funding included in the allowance will be sufficient to meet the demand. **DHR should brief the committees on the options for addressing any funding shortfalls in the fiscal 2010 budget for energy assistance.**

**Exhibit 15
OHEP Applications and Benefits Paid
July through December Data**

	<u>2007</u>	<u>2008</u>	<u>Change</u>	<u>% Change</u>
Applications				
MEAP	87,276	95,211	7,935	9.1%
EUSP Bill Payment	82,722	91,094	8,372	10.1%
EUSP Arrearage	6,820	14,129	7,309	107.2%
Receiving Benefits				
MEAP	59,487	54,847	-4,640	-7.8%
EUSP Bill Payment	52,505	58,589	6,084	11.6%
EUSP Arrearage	3,510	10,077	6,567	187.1%
Average Benefit				
MEAP	\$444	\$578	\$134	30.2%
EUSP Bill Payment	\$576	\$657	\$81	14.1%
EUSP Arrearage	\$763	\$904	\$141	18.5%
Benefits Paid (\$ in Millions)				
MEAP	\$24.4	\$34.4	\$10.0	41.2%
EUSP Bill Payment	\$30.2	\$38.5	\$8.3	27.4%
EUSP Arrearage	\$2.7	\$9.1	\$6.4	240.0%
Total	\$57.2	\$82.0	\$24.7	43.2%

EUSP: Electric Universal Services Program
 MEAP: Maryland Energy Assistance Program
 OHEP: Office of Home Energy Programs

Source: Department of Human Resources

Increased Share of Regional Greenhouse Gas Initiative Auction Proceeds

Language attached to the fiscal 2010 general fund appropriation for OHEP eliminates the entire \$35.6 appropriation contingent on legislation increasing the share of the RGGI auction funds going to DHR for energy assistance from 17 to 50%. The Budget Reconciliation and Financing Act of 2009, if enacted, would alter the statute to increase the share of the RGGI auction proceeds for energy assistance to 50% for two years, after which the share for energy assistance would revert back to 17%.

Recommended Actions

1. Add the following language to the general fund appropriation:

Further provided that these funds may not be expended until all special and federal funds available for the Office of Home Energy Programs have been exhausted. Funds not expended for the Office of Home Energy Programs may not be transferred by budget amendment or otherwise to any other purpose, and shall revert to the general fund.

Explanation: This language requires that all special and federal funds available for the Office of Home Energy Programs be expended prior to expenditure of any general funds.

Updates

1. DHR on Track to Meet Federal Work Participation Rate for Fiscal 2009

Under TANF, 50% of the eligible caseload must be engaged at least 30 hours per week in federally approved work activities or states face a reduction in the annual TANF grant and an increased maintenance of effort requirement. For Maryland, the penalties and increased maintenance of effort requirement would total approximately \$34 million per year.

For federal fiscal 2009, Maryland's target work participation rate is 33.8%, based on a 16.2% caseload reduction credit. DHR reports that 817 more cases were meeting the work participation requirements as of November 2008 than were needed to meet the target rate of 33.8%. Provisions of the federal stimulus package related to TANF will provide states with a two-year hold harmless to the caseload reduction credit to assist them in meeting the work participation requirement.

Current and Prior Year Budgets

Current and Prior Year Budgets
Family Investment
(\$ in Thousands)

Fiscal 2008	<u>General Fund</u>	<u>Special Fund</u>	<u>Federal Fund</u>	<u>Reimb. Fund</u>	<u>Total</u>
Legislative Appropriation	\$106,445	\$68,084	\$632,959	\$0	\$807,488
Deficiency Appropriation	8,542	4,108	5,975	0	18,626
Budget Amendments	2,617	3,052	76,910	0	82,579
Cost Containment	-8,777	-22	-892	0	-9,690
Reversions and Cancellations	0	-473	-25,067	0	-25,540
Actual Expenditures	\$108,827	\$74,750	\$689,886	\$0	\$873,463
Fiscal 2009					
Legislative Appropriation	\$118,776	\$51,661	\$667,336	\$0	\$837,773
Cost Containment	-7,629	-21	-2,896	0	-10,546
Budget Amendments	710	43	0	0	752
Working Appropriation	\$111,856	\$51,683	\$664,440	\$0	\$827,979

Note: Numbers may not sum to total due to rounding.

Fiscal 2008

The fiscal 2008 budget for Family Investment closed out \$66.0 million higher than the legislative appropriation. This increase was the result of increases by deficiency appropriations (\$18.6 million) and budget amendments (\$82.6 million) partially offset by cost containment reductions (\$9.7 million) and year-end special and federal fund cancellations (\$25.5 million.)

Of the \$18.6 million deficiency appropriations, federal funds of \$1.1 million were included to improve the Food Stamp Program Access Index that measures the ratio of food stamp participants to the number of people below 125% of poverty based on census data. The remaining deficiency funding supplemented funding for the home energy programs.

An increase of \$2.6 million in general funds by budget amendment comprised an increase of \$702,540 for the general salary increase and a reallocation of general funds at the close-out to add funds for higher demand in the Electric Universal Service Program (\$3.5 million) and salaries in local family investment (\$1.0 million). These additions were partially offset by reductions in Assistance Payments to reflect lower than anticipated TCA grants and lower than expected caseloads in Public Assistance to Adults (\$1.8 million), and unspent Food Stamp Reinvestment Error funding (\$723,000).

Special funds increased by \$3.1 million by budget amendment comprising an increase of \$45,861 for the general salary increase, increased local government participation toward local department operations and Assistance Payments (\$2.6 million), and funds transferred to complete the departmental reorganization which put the Office of Home Energy Programs in Family Investment (\$435,000).

Federal funds increase by \$76.9 million by budget amendment comprising increased funding for the food stamp program due to increased caseload (\$73.5 million) and funds transferred to complete the departmental reorganization which put the Maryland Office for New Americans in Family Investment (\$3.4 million).

Special and federal fund cancellations totaled \$25.5 million. The special fund cancellation of \$473,000 and \$5.7 million of the federal fund cancellation result from the departmental reorganization as budget amendments added authority to spend funds in Family Investment but did not make corresponding reductions to the budget codes for the former Community Services Administration. TANF authorizations totaling \$14.7 million were cancelled due to lower than anticipated eligible activities in local Family Investment (\$6.0 million) and lower than budgeted spending in the Work Opportunities Program (\$8.7 million). Lower than budgeted expenditures for computer system enhancements, food stamp education and outreach, and analytical and technical support through the University of Baltimore contract resulted in federal fund cancellations totaling \$3.7 million. Finally, an over-estimate of the LIHEAP allocation resulted in a federal fund cancellation of \$1.1 million.

Fiscal 2009

The fiscal 2009 working appropriation is \$9.8 million lower than the legislative appropriation. Increases for the general salary increase (\$635,359 general, 42,953 special) and hiring bonuses for income maintenance specialist positions (\$74,144) are offset by cost containment reductions (\$7.6 million general, \$21,302 special, \$2.9 million federal). Cost containment reductions comprise:

- savings from the hiring freeze and using nonbudgeted funds for health insurance subsidies (\$1,154,140 general, \$21,302 special, \$1,255,785 federal);
- a reduction to Assistance Payments due to lower than expected caseload and grant payments (\$1,300,000 general);
- elimination of funding for food stamp error reduction due to completion of the Program Improvement Plan to improve accuracy (\$867,000 general, \$867,000 federal);
- reduction to the Disability Entitlement Advocacy Program contract to reflect decreased contractor responsibilities/workload following changes in federal regulations prohibiting non-State personnel from accessing certain federal databases and information systems (\$500,000 general, \$773,561 federal); and
- savings resulting from the elimination of positions (106 departmentwide), removal of OPEB prefunding, and removal of funds for health insurance subsidies for which nonbudgeted statewide employee health insurance balances were substituted (\$3,807,707 general).

**Object/Fund Difference Report
DHR – Family Investment**

<u>Object/Fund</u>	<u>FY08 Actual</u>	<u>FY09 Working Appropriation</u>	<u>FY10 Allowance</u>	<u>FY09 - FY10 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	21,13.95	20,58.95	2,044.95	-14.00	-0.7%
02 Contractual	40.38	122.00	68.00	-54.00	-44.3%
Total Positions	21,54.33	21,80.95	2,112.95	-68.00	-3.1%
Objects					
01 Salaries and Wages	\$ 117,889,129	\$ 117,494,612	\$ 119,651,737	\$ 2,157,125	1.8%
02 Technical and Spec. Fees	1,677,982	4,273,077	2,071,354	-2,201,723	-51.5%
03 Communication	1,855,719	2,164,497	1,843,063	-321,434	-14.9%
04 Travel	384,822	244,297	255,385	11,088	4.5%
06 Fuel and Utilities	1,137,373	1,197,413	1,370,420	173,007	14.4%
07 Motor Vehicles	34,508	41,099	22,562	-18,537	-45.1%
08 Contractual Services	170,081,846	154,600,951	187,311,136	32,710,185	21.2%
09 Supplies and Materials	1,128,633	839,836	732,106	-107,730	-12.8%
10 Equipment – Replacement	169,140	0	0	0	0.0%
11 Equipment – Additional	153,791	2,925	2,059	-866	-29.6%
12 Grants, Subsidies, and Contributions	563,340,305	533,615,830	620,090,995	86,475,165	16.2%
13 Fixed Charges	15,609,548	13,504,905	13,937,440	432,535	3.2%
Total Objects	\$ 873,462,796	\$ 827,979,442	\$ 947,288,257	\$ 119,308,815	14.4%
Funds					
01 General Fund	\$ 108,826,971	\$ 111,856,365	\$ 130,592,439	\$ 18,736,074	16.8%
03 Special Fund	74,750,197	51,683,145	70,654,201	18,971,056	36.7%
05 Federal Fund	689,885,628	664,439,932	746,041,617	81,601,685	12.3%
Total Funds	\$ 873,462,796	\$ 827,979,442	\$ 947,288,257	\$ 119,308,815	14.4%

Note: The fiscal 2009 appropriation does not include deficiencies. The fiscal 2010 allowance does not include contingent reductions.

**Fiscal Summary
DHR – Family Investment**

<u>Program/Unit</u>	<u>FY08 Actual</u>	<u>FY09 Wrk Approp</u>	<u>FY10 Allowance</u>	<u>Change</u>	<u>FY09 - FY10 % Change</u>
02 Local Family Investment Program	\$ 133,314,585	\$ 142,333,913	\$ 145,857,531	\$ 3,523,618	2.5%
08 Assistance Payments	558,421,377	509,688,300	603,007,609	93,319,309	18.3%
10 Work Opportunities	37,969,282	47,410,619	37,517,846	-9,892,773	-20.9%
04 Director's Office	24,988,889	23,126,513	20,055,959	-3,070,554	-13.3%
05 Maryland Office for New Americans	6,727,585	7,235,957	8,187,325	951,368	13.1%
06 Office of Home Energy Programs	112,041,078	98,184,140	132,661,987	34,477,847	35.1%
Total Expenditures	\$ 873,462,796	\$ 827,979,442	\$ 947,288,257	\$ 119,308,815	14.4%
General Fund	\$ 108,826,971	\$ 111,856,365	\$ 130,592,439	\$ 18,736,074	16.8%
Special Fund	74,750,197	51,683,145	70,654,201	18,971,056	36.7%
Federal Fund	689,885,628	664,439,932	746,041,617	81,601,685	12.3%
Total Appropriations	\$ 873,462,796	\$ 827,979,442	\$ 947,288,257	\$ 119,308,815	14.4%

Note: The fiscal 2009 appropriation does not include deficiencies. The fiscal 2010 allowance does not include contingent reductions.