

Department of Legislative Services
 Maryland General Assembly
 2005 Session

FISCAL AND POLICY NOTE

House Bill 982 (Delegates Zirkin and Morhaim)
 Judiciary

Department of Juvenile Services - Charles H. Hickey, Jr. School

This bill requires that, by January 1, 2010, the Charles H. Hickey, Jr. School (Hickey) be comprised of four facilities, one for children pending disposition or pending placement after disposition and three committed facilities. The facility for children pending disposition and placement must be geographically, physically, and operationally separate from and may not share common areas with the three committed facilities. None of the facilities may contain more than 48 beds.

It is the intent of the General Assembly that, commencing in fiscal 2007, the Governor include sufficient funds in the State budget to implement this bill on or before January 1, 2010.

Fiscal Summary

State Effect: General fund expenditures would increase an estimated \$7.2 million in FY 2010 for staffing and operational costs. Bond expenditures would increase by \$4.7 million in FY 2007. Future years reflect phased-in bond funding. Revenues would not be affected.

(\$ in millions)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	0	0	0	7.2
Bond Exp.	0	4.7	13.4	96.6	3.8
Net Effect	\$0	(\$4.7)	(\$13.4)	(\$96.6)	(\$11.0)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Department of Juvenile Services (DJS) may establish and operate facilities necessary to diagnose, care for, train, educate, and properly rehabilitate children who need these services. DJS may also place children in group homes and institutions that are operated by private providers and reimburse the providers for the services. DJS may not, however, place a child in a facility that is not operating in compliance with State licensing laws.

Background: Hickey currently houses three distinct programs for youth in DJS custody:

- a detention center, serving the Metropolitan Baltimore Area and some of Baltimore City, housing boys who have been determined to require secure detention, but have not been adjudicated delinquent (detained youth) or not yet referred to a permanent committed placement (pending placement);
- an enhanced program for boys who have been adjudicated delinquent and committed to the custody of DJS (committed youth), and who require a higher level of security and a longer length of stay; and
- an “impact” program for committed youth who require a shorter length of stay, or who are referred to Hickey as a consequence of unsatisfactory behavior in another residential or community program.

The treatment of youths in and the conditions of DJS facilities have been in the news frequently over the last several years. In particular, reports of abuses at the Charles H. Hickey, Jr. School and Cheltenham Youth Facility have repeatedly caught the attention of the Office of the Independent Juvenile Justice Monitor (OIJJM) within the Office for Children, Youth, and Families. OIJJM has cited numerous problems – including child abuse, violence, overcrowding, a lack of appropriate services, and understaffing – at the institutions.

In April 2004, the Justice Department sent a detailed report to the Governor outlining many of the “unconstitutional” conditions at Hickey, including several documented incidents of physical abuse of youth by staff, unsafe restraint practices, youth violence as a result of inadequate staff training, failure of staff to report youth violence, and inadequate supervision of youth.

State Expenditures: Bond expenditures for capital costs would increase by \$4,720,000 in fiscal 2007. General fund operating expenditures would increase by an estimated \$7,184,867 in fiscal 2010.

This estimate is based on a similar 48-bed unit that is included in the proposed fiscal 2006 capital budget bill for Cheltenham. The capital budget request for that facility is \$29.63 million. Four of these facilities on the Hickey campus would have capital implications of approximately four times that amount or \$118.52 million. Bond expenditures will be phased-in over four years, \$4.7 million in fiscal 2007, \$13.4 million in fiscal 2008, \$96.6 million in fiscal 2009, and \$3.8 million in fiscal 2010.

The position count for the Cheltenham facility is 89 permanent and 12 contractual. Using Cheltenham as a model, Hickey would need a total of 356 permanent and 48 contractual positions. These positions include administrative positions, program managers, resident advisors, social workers, and food service workers. The Governor's proposed fiscal 2006 budget includes appropriations for 233 permanent employees and 19 contractual employees. Less those positions and the 44 education positions, leaves 79 permanent positions and 29 contractual employees still needed. It is assumed that these costs would not start until the beginning of fiscal 2010, six months before the units are fully operational. Employee salaries and fringe benefits for the 79 permanent employees and 29 contractual employees total \$5,145,775 in fiscal 2010. Total additional operating costs for the new facilities are an estimated \$7.2 million, as shown below.

Salaries and Fringe Benefits	\$5,145,775
Supplies and Replacement Equipment	1,490,658
Other Operating Costs	<u>548,434</u>
2010 Operating Expenditures	\$7,184,867

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Juvenile Services, Department of Legislative Services

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ncs/jr

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