

Department of Legislative Services  
Maryland General Assembly  
2005 Session

FISCAL AND POLICY NOTE

Senate Bill 778

(Senator Kasemeyer)

Budget and Taxation

Appropriations

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**Adoption - Placement Services for Children in Public Foster Care - State  
Contracts with Private Licensed Child Placement Agencies**

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This bill requires the Department of Human Resources (DHR) to allocate at least \$500,000 from DHR's fiscal 2006 budget appropriations to develop, implement, and monitor an adoption placement program. Under the program, a qualified licensed child placement agency may enter into a contract with the State to provide adoption placement services for Maryland children in public foster care who have no identified permanency resource.

The bill takes effect July 1, 2005.

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**Fiscal Summary**

**State Effect:** The bill primarily alters the purposes for which budgeted funds may be used. To the extent it requires administrative changes, the department could handle them with existing resources. To the extent the bill results in more children in foster care being adopted, DHR expenditures could decrease.

**Local Effect:** None.

**Small Business Effect:** Meaningful for licensed child placement agencies that contract with the State as a result of this bill.

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**Analysis**

**Current Law:** Statute does not require DHR to contract with agencies to provide adoption placement services.

**Background:** As of November 2004, DHR reports that 1,577 Maryland children in foster care may be adopted. Of those children, approximately 200 have no families identified as being able to adopt them.

DHR previously contracted with private adoption agencies to find permanent homes for children in foster care who do not have families identified as being able to adopt them. One such contract was with Adoptions Together, Inc. Over a three-year contract period ending in 2002, DHR paid this entity approximately \$400,000 to match children in foster care with available adoptive families. Of the 53 children matched with available adoptive families, 47 children were placed with families and 35 adoptions were finalized. The average cost per child to provide these services was \$9,415.

DHR currently is writing a request for proposals to contract with a child placement agency to find adoptive homes for children in foster care without identified adoptive families.

Funds allocated for the contracts with child placement agencies would most likely come from the \$306.3 million fiscal 2006 budget allowance for foster care maintenance payments.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 615 (Delegate F. Turner, *et al.*) – Appropriations.

**Information Source(s):** Department of Human Resources, Department of Legislative Services

**Fiscal Note History:** First Reader - February 18, 2005  
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