

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE  
Revised

House Bill 214 (Delegate Turner. *et al.*)  
Judiciary

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**Adoption Search, Contact, and Reunion Services and Access to Birth  
and Adoption Records**

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This bill authorizes an adopted individual over 21 years of age and a birth parent to apply to the Social Services Administration (SSA) to receive assistance in contacting birth relatives through search, contact, and reunion services (search services). The SSA must maintain a list of confidential intermediaries who would initiate contact with the birth relative and is authorized to charge a reasonable administrative fee for search services. The bill provides that SSA establish training requirements for an individual or child placement agency to qualify as a confidential intermediary. It authorizes SSA to establish a reasonable fee for an application to become a confidential intermediary. A written agreement between the adopted individual or birth parent and the confidential intermediary concerning search services must be filed by the intermediary with SSA. The confidential intermediary is authorized to charge a fee for search services and must file a report with SSA within 90 days of the agreement on the status of the search service. A confidential intermediary may apply to the Department of Health and Mental Hygiene (DHMH) to receive a copy of the birth records, which DHMH must supply. Any fees collected by SSA or a confidential intermediary may not exceed the cost of providing the services for which the fee is charged.

For adoptions finalized on or after January 1, 2000, DHMH is required to give copies of birth records to an adopted individual over 21 years of age or a birth parent, unless one of these files a disclosure veto with DHMH. The adopted individual or birth parent must pay a fee for a copy of the requested records.

The bill takes effect October 1, 1999.

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## Fiscal Summary

**State Effect:** General fund expenditures could increase by up to \$463,100 in FY 2000, of which up to \$363,000 could be offset by general fund revenues. Future year expenditures decrease with one-time expenditures and increase with inflation. Future year revenues grow with inflation.

(in dollars)	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
GF Revenues	\$363,000	\$370,300	\$377,700	\$385,300	\$393,500
GF Expenditures	463,100	386,300	395,000	404,000	413,200
Net Effect	(\$100,100)	(\$16,000)	(\$17,300)	(\$18,700)	(\$19,700)

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

**Local Effect:** None.

**Small Business Effect:** Indeterminate.

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## Fiscal Analysis

**State Effect:** It is difficult at this time to reliably estimate the number of positions needed to carry out the bill's requirements. For this reason, contractual positions should be used (with the exception of program administrators) for the first few years of the program's operation, until experience allows a re-assessment of the actual number of permanent positions required.

At that time, the number of positions can be adjusted upward or downward to reflect demand for the program. In the meanwhile, operating the program with contractual employees should give the State flexibility to respond to circumstances as needed. The staffing levels discussed below reflect the bill's delayed effective date and assume that the year's delay will allow the program's existence to become widely known and generate program participants in large numbers.

### *Department of Human Resources*

General fund expenditures could increase by up to \$338,987 in fiscal 2000 (which reflects the bill's October 1, 1999 effective date) for search service applications, maintaining a list of confidential intermediaries, investigating records, qualifying confidential intermediaries, and record keeping. The estimate reflects the cost of hiring one Administrator and 12 contractual employees, and associated operating expenses. The 12 contractual employees include one Clerk Typist, one Office Secretary, five Social Workers and five Investigators.

The information and assumptions used in calculating the estimate are stated below:

- there were 2,200 annual public and private adoptions in Maryland 25-30 years ago. Currently, there are 3,300 annual adoptions;
- individuals between 21 and 50 years old are most likely to seek location assistance;
- an estimated pool of 63,800 adopted individuals and 127,600 birth parents could potentially seek location assistance; and
- 6,000 persons a year will seek location assistance.

Salaries and Fringe Benefits	\$45,978
Contractual employees (12)	268,476
Other Operating Expenses	<u>24,533</u>
<b>DHR FY 2000 Expenditures</b>	<b>\$338,987</b>

Future year expenditures reflect (1) 3.5% annual salary increases and 3% employee turnover; (2) 2% annual contractual salary increases; and (3) 1% annual increases in ongoing operating expenses. The bill's provision for open adoption records should eventually result in a decreased need for search services. Therefore, SSA future year expenditures would decrease by an indeterminate amount in the long-term.

These expenditures could be offset by an equal amount of revenues because SSA may charge (1) an individual who applies for search services a reasonable fee; and (2) the confidential intermediary a reasonable fee for an application to become an intermediary. Any fees collected by SSA may not exceed the cost of providing the services for which the fee is charged. Therefore, the amount of additional revenues will depend on fee levels established by SSA and the number of applicants.

*Department of Health and Mental Hygiene*

The bill is likely to generate a substantial number of new requests for birth records, resulting in additional expenditures. The DHMH advises that general fund expenditures could increase by an estimated \$111,677 in fiscal 2000, which accounts for the bill's October 1, 1999 effective date. This estimate reflects the cost of two new positions (an Administrative Specialist and a Programming Analyst) to handle the increased number of applications for birth records and handling of disclosure records. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

The Department of Legislative Services (DLS) advises, however, that expenditures would

increase by an estimated \$124,150 in fiscal 2000. This estimate reflects the cost of hiring one permanent Administrative Specialist and a one-year contractual Programming Analyst. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses. Although the DLS estimate is higher in the first year than the DHMH estimate because DHMH assumes no start-up delay, future year costs are lower due to the one-time expenditure for the contractual position.

Salaries and Fringe Benefits	\$33,601
Contractual employee	35,200
Computer Programming Services	40,000
Other Operating Expenses	<u>15,349</u>
<b>DHMH FY 2000 Expenditures</b>	<b>\$124,150</b>

Future year expenditures reflect (1) 3.5% annual salary increases and 3% employee turnover; (2) 2% annual contractual salary increases; and (3) 1% annual increases in ongoing operating expenses. The bill's provision for open adoption records would result in additional demand for birth records. Therefore, DHMH future year expenditures would increase by an indeterminate amount in the long-term.

The adopted individual or birth parent applying for birth records must pay a fee for a copy of the birth record. Current vital records law requires a \$4 fee for each copy of a birth certificate. Birth certificate fee revenues could increase by \$24,000, assuming that 6,000 individuals seek the release of birth records each year.

**Small Business Effect:** Small businesses wishing to provide confidential intermediary services could be favorably affected. The bill requires SSA to adopt regulations specifying the qualifications necessary to become a confidential intermediary. Search services are now offered for a minimal fee by non-profit adoption support organizations. Small business child placement agencies could be adversely affected due to the bill's provisions requiring an agency representative to meet training requirements established by SSA.

