
By: **Delegates Rawlings, Rosenberg, and W. Baker**

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CHAPTER _____

1 AN ACT concerning

2 **Welfare and Child Support Innovation Act of 1999**

3 FOR the purpose of authorizing directors of local departments of social services to
4 request the Secretary of the Department of Human Resources to establish job
5 skills enhancement pilot programs; ~~providing grant funds from the Maryland~~
6 ~~Training Program to fund job skills enhancement pilot programs to provide~~
7 ~~upgrade training for certain Family in Need of Assistance (FIP) recipients;~~
8 altering the reimbursement of private contractors for child support enforcement
9 services under the Child Support Enforcement Privatization Program; requiring
10 a private contractor to offer employment upon certain terms to certain former
11 State employees working for an existing contractor and to retain certain
12 employees for a certain duration and at a certain salary; ~~repealing a certain~~
13 ~~provision pertaining to a certain consultant for the Pilot Program;~~ altering the
14 responsibility of the Secretary of Human Resources to provide certain job
15 assistance to certain employees; authorizing the Secretary, in consultation with
16 certain directors of certain local departments of social services, to expand child
17 support enforcement demonstration sites to additional jurisdictions; extending
18 the termination date for the Child Support Enforcement Privatization Program;
19 stating the intent of the General Assembly with regard to certain demonstration
20 sites and with regard to continuation of Medicaid benefits under certain
21 circumstances; requiring the Department of Human Resources to submit a
22 certain report; requiring that the Secretary of Budget and Management
23 establish a hiring program for welfare recipients; requiring certain reports on
24 the hiring of welfare recipients; and generally relating to the Child Support
25 Enforcement Privatization Program and job enhancement skills programs for
26 certain welfare recipients.

1 BY repealing and reenacting, with amendments,
2 Article 88A - Department of Human Resources
3 Section 53A
4 Annotated Code of Maryland
5 (1998 Replacement Volume)

6 BY repealing and reenacting, with amendments,
7 Article - Family Law
8 Section 10-119.1 and 10-119.2(a) through (f)
9 Annotated Code of Maryland
10 (1999 Replacement Volume)

11 BY repealing and reenacting, with amendments,
12 Chapter 491 of the Acts of the General Assembly of 1995
13 Section 14

14 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15 MARYLAND, That the Laws of Maryland read as follows:

16 **Article 88A - Department of Human Resources**

17 53A.

18 (a) The Secretary, in cooperation with, OR AT THE REQUEST OF, the directors
19 of local departments of social services, shall establish a job skills enhancement pilot
20 program in at least three counties, one of which shall be located in Western Maryland,
21 Southern Maryland, or the Eastern Shore, to provide newly employed current and
22 former FIP recipients with training in order for them to:

- 23 (1) Enhance their existing job-related skills;
24 (2) Gain additional or alternative job skills; or
25 (3) Learn interpersonal, communication, and other related skills.

26 (b) The job skills enhancement program shall target unskilled and semiskilled
27 former and current FIP recipients who are newly employed in entry-level positions
28 that have limited potential for advancement beyond entry level.

29 (c) (1) Participation in the job skills enhancement program shall be
30 voluntary.

31 (2) Individuals participating in the job skills enhancement program shall
32 sign a training agreement with the local department.

33 (d) To be eligible to participate in the job skills enhancement program, an
34 individual shall:

1 (1) Have been a FIP recipient within the previous 18 months of the date
2 the individual proposes to begin participation in the job skills enhancement program;

3 (2) Have been employed in entry-level employment for at least 6 months
4 from the date the individual proposes to begin participation in the job skills
5 enhancement program;

6 (3) Provide employer validation or other documentation of employment
7 status;

8 (4) Possess limited job skills; and

9 (5) Have limited opportunity for advancement in current employment.

10 (e) The local department shall contract for training services that are to be
11 provided under the job skills enhancement program, as provided in § 47(a) of this
12 subtitle.

13 (f) (1) At the discretion of the Secretary, in consultation with the local
14 department director, the job skills enhancement program shall be administered by the
15 local department or through the State service delivery area system under the Job
16 Training Partnership Act (JTPA).

17 (2) As part of their administrative responsibilities under paragraph (1)
18 of this subsection, a local department or persons at a service delivery area location
19 shall:

20 (i) Manage each participant's training plan;

21 (ii) Maintain a database of appropriate training vendors; and

22 (iii) Compile necessary fiscal reports on the job skills enhancement
23 program.

24 **Article - Family Law**

25 10-119.1.

26 (a) (1) Notwithstanding § 13-405 of the State Personnel and Pensions
27 Article, there is a Child Support Enforcement Privatization Pilot Program within the
28 Department.

29 (2) The Pilot Program shall operate in Baltimore City and Queen Anne's
30 County.

31 (b) The purpose of the Pilot Program is to authorize the Secretary of the
32 Department to enter into contracts with private companies to privatize all aspects of
33 child support enforcement functions of the Department, including:

34 (1) locating absent parents;

- 1 (2) establishing paternities;
- 2 (3) establishing support orders;
- 3 (4) collecting and disbursing support payments;
- 4 (5) reviewing and modifying child support orders; and
- 5 (6) except for legal representation in accordance with § 10-115 of the
- 6 Family Law Article and as otherwise provided by law, enforcing support obligations.

7 (c) Subject to subsection (g) of this section, the Secretary shall:

8 (1) adopt regulations that:

9 (i) require the transfer of all aspects of child support enforcement

10 to one or more private contractors by November 1, 1996;

11 (ii) provide for the reimbursement of any private contractor AS

12 REQUIRED BY FEDERAL GUIDELINES [for all aspects of child support enforcement to

13 be a percentage of the total amount of child support collected by the private

14 contractor];

15 (iii) prohibit the cost of transferring child support enforcement to

16 private contractors as defined in item (ii) of this paragraph from exceeding the fiscal

17 year 1995 administrative cost per child support dollar collected by the Child Support

18 Enforcement Administration in the Pilot Program areas;

19 (iv) require any private contractor to offer employment upon terms

20 deemed by the Secretary to be fair and equitable to any FORMER STATE employees

21 WORKING FOR AN EXISTING CONTRACTOR who are affected by the transfer of child

22 support enforcement responsibilities under this section and to retain any employees

23 who accept the offer:

24 1. for the duration of the Pilot Program unless there is cause

25 for dismissal; and

26 2. at a salary and benefit level comparable to the salary and

27 benefits to which they were entitled at the time of the transfer;

28 (v) require any private contractor to adopt a grievance procedure

29 for employees who are retained by the private contractor under [Subitem] ITEM (iv)

30 of this item; and

31 (vi) prohibit the reimbursement of any private contractor from child

32 support collections; and

33 (2) assist an employee who declines an offer of employment with a

34 private contractor to identify a comparable position in the State Personnel

35 Management System to which the employee may transfer].

1 (d) A request for proposal to transfer child support collection activities issued
2 under this section shall:

3 (1) comply with the provisions of Division II of the State Finance and
4 Procurement Article;

5 (2) set forth the goals of the privatization; and

6 (3) specify the incentives which will be available to the contractor.

7 (e) (1) On or before October 1, 1996, and annually thereafter, the Secretary
8 shall report to the Governor and, subject to § 2-1246 of the State Government Article,
9 the General Assembly on the operation and performance of the Pilot Program.

10 (2) The report shall assess the Pilot Program for its effectiveness and
11 success in enhancing child support collection through the privatization of child
12 support enforcement in Baltimore City and Queen Anne's County in the State.

13 (3) The Secretary shall include in the report the plans for improving the
14 effectiveness and success of the Pilot Program in achieving the objective.

15 (f) The Secretary shall adopt any other regulations necessary to carry out the
16 provisions of this section.

17 ~~(g) Before implementing the Pilot Program, the Secretary shall hire a
18 consultant to help design the Pilot Program and to help develop a request for proposal
19 to transfer all aspects of child support enforcement.~~

20 [(h) An employee who declines an offer of employment with a private contractor
21 under this section shall be considered laid off and shall be entitled to all rights
22 specified under Title 11, Subtitle 2 of the State Personnel and Pensions Article.]

23 10-119.2.

24 (a) In this section, "demonstration site" means the jurisdiction selected by the
25 Secretary of Human Resources, IN CONSULTATION WITH THE DIRECTOR OF THE
26 LOCAL DEPARTMENT OF SOCIAL SERVICES IN THE JURISDICTION, to compete against
27 privatized jurisdictions in providing child support enforcement services.

28 (b) The Secretary shall establish a child support enforcement demonstration
29 site in AT LEAST one BUT NOT MORE THAN SIX [jurisdiction] JURISDICTIONS for the
30 purpose of competing against a privatized jurisdiction as established in § 10-119.1 of
31 this subtitle.

32 (c) Notwithstanding any other provision of law, the Secretary shall appoint a
33 director of child support services in the demonstration site who shall report directly to
34 the Executive Director of the Child Support Enforcement Administration of the
35 Department.

1 (d) Notwithstanding any other provision of law, the Secretary shall have sole
 2 authority over the child support enforcement functions in the demonstration site,
 3 including but not limited to:

4 (1) location of parents;

5 (2) establishing paternities;

6 (3) establishing child support orders;

7 (4) collecting and disbursing support payments;

8 (5) reviewing and modifying child support orders;

9 (6) enforcing support obligations;

10 (7) providing legal representation to clients; and

11 (8) establishing contractual agreements with private or public entities to
 12 provide child support services.

13 (e) Notwithstanding any other provision of law and for the purpose of carrying
 14 out the provisions of this section, the Secretary shall have the authority to sever
 15 contractual agreements with a State's Attorney and hire private counsel to provide
 16 legal representation for the Child Support Enforcement Administration.

17 (f) (1) Notwithstanding any other provision of law, all employees hired in
 18 [the] A demonstration site [after October 1, 1995] shall be in the management
 19 service or special appointments in the State Personnel Management System.

20 (2) If a position in the demonstration site is held by a classified service
 21 employee [on September 30, 1995], the position remains a classified service position
 22 or its equivalent in the State Personnel Management System until the position
 23 becomes vacant, at which time the position shall become a management service or
 24 special appointment position.

25 Chapter 491 of the Acts of 1995

26 SECTION 14. AND BE IT FURTHER ENACTED, That Section 3 of this Act
 27 shall remain effective for the period of [4] 7 years[,] AND 4 MONTHS and, at the end
 28 of [June 30, 1999] OCTOBER 31, 2002, and with no further action required by the
 29 General Assembly, Section 3 of this Act shall be abrogated and of no further force and
 30 effect.

31 SECTION 2. AND BE IT FURTHER ENACTED, That ~~the Governor shall~~
 32 ~~provide grant funds from the Maryland Industrial Training Program to fund the~~
 33 ~~funding for~~ the pilot program established under Article 88A, § 53A of the Code. ~~The~~
 34 ~~amount of the funds~~ shall be sufficient to provide upgrade training, as required by the
 35 pilot program, to 400 newly employed current and former FIP recipients at a cost not
 36 to exceed \$2,500 per recipient. ~~If the Governor determines that using Maryland~~

1 ~~Industrial Training Program grant funds is not an appropriate economic development~~
2 ~~activity, the Governor shall notify the Joint Committee on Welfare Reform, in writing,~~
3 ~~as to the reasons.~~

4 SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the
5 General Assembly that the demonstration sites authorized by § 10-119.2 of the
6 Family Law Article represent a mix of urban, suburban, and rural areas of the State.

7 SECTION 4. AND BE IT FURTHER ENACTED, That the Secretary of Budget
8 and Management, with assistance provided by the Secretary of Human Resources,
9 develop and implement a plan for hiring welfare recipients by the principal
10 departments within the Executive Branch of State Government. Components of the
11 plan shall include, for each agency: the units that could most easily hire welfare
12 clients; the positions most suitable for the welfare population; a proposal for
13 recruiting welfare clients; job retention strategies; and a target number of clients to
14 be hired. The Secretary of Budget and Management shall report to the Senate
15 Finance Committee and the House Appropriations Committee, subject to § 2-1246 of
16 the State Government Article, no later than November 1, 1999, on the development of
17 the plan for hiring welfare recipients, and annually thereafter on the number of
18 welfare recipients hired and retained by the principal departments within the
19 Executive Branch of State Government.

20 ~~SECTION 3- 5.~~ SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take
21 effect July 1, 1999.