

BY: Finance Committee

AMENDMENTS TO SENATE BILL NO. 178

(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in the sponsor line, strike “Exum, and Roesser” and substitute “Baker, Blount, Currie, Exum, Hogan, Lawlah, Mitchell, Roesser, and Sfikas”.

AMENDMENT NO. 2

On page 1, in line 2, after “Welfare” insert “and Child Support Enforcement”.

AMENDMENT NO. 3

On page 1, in line 10, after the semicolon insert “repealing a certain limitation on temporary cash assistance payments;”; in line 11, after the semicolon insert “altering certain requirements for the Commission on Responsible Fatherhood; extending for 3 years the termination date of certain provisions of law relating to the Child Support Enforcement Privatization Pilot Program;”; strike beginning with “repealing” in line 12 down through the semicolon in line 13; strike beginning with “the” in line 13 down through “Program” in line 14 and substitute “welfare and child support enforcement”; after line 20, insert:

“BY repealing

Article 88A - Department of Human Resources

Section 50(e)

Annotated Code of Maryland

(1998 Replacement Volume and 2001 Supplement)”;

and after line 25, insert:

“BY repealing and reenacting, with amendments,

Article 41 - Governor - Executive and Administrative Departments

Section 18-402

(Over)

Annotated Code of Maryland
(1997 Replacement Volume and 2001 Supplement)

BY repealing and reenacting, without amendments,

Article - Family Law
Section 10-119.1 and 10-119.2
Annotated Code of Maryland
(1999 Replacement Volume and 2001 Supplement)

BY repealing and reenacting, with amendments,

Chapter 491 of the Acts of the General Assembly of 1995, as amended by Chapter 486 of the
Acts of the General Assembly of 1999
Section 14

BY renumbering

Article 88A - Department of Human Resources
Section 50(f), (g), and (h), respectively
to be Section 50(e), (f), and (g), respectively
Annotated Code of Maryland
(1998 Replacement Volume and 2001 Supplement)".

AMENDMENT NO. 4

On page 2, in line 32, strike "ALL OF".

On page 3, in line 35, strike "EACH YEAR" and substitute "ON OR BEFORE DECEMBER
1"; and in line 36, strike "A" and substitute "AN ANNUAL".

AMENDMENT NO. 5

On page 4, after line 6, insert:

"50.

[(e) (1) This subsection does not apply to a birth resulting from rape or incest.

(2) Except as provided in paragraph (3) of this subsection, temporary cash
assistance may not include the increment in cash benefits under the program for which a recipient
would otherwise be eligible as a result of the birth of a child 10 or more months after the recipient's

initial application for temporary cash assistance benefits.

(3) Cash payments for a child may not be made to a family other than the child's family unless the Social Services Administration has placed the child with the other family.

(4) The Department shall provide for a recipient ineligible for an increment in cash benefits under this subsection a child-specific benefit not to exceed the value of the increment eliminated by this subsection for the purchase of goods specified by the Department as suitable for the care of a minor.

(5) A local department may pay an administrative fee to a third party payee to cover the administrative costs of the third party payee for managing the child-specific benefit.

(6) The Secretary shall adopt regulations specifying the selection criteria for third party payees under this subsection.]”.

AMENDMENT NO. 6

On page 5, in line 17, strike the bracket; in line 20, strike the bracket; in line 22, strike the brackets; and in the same line, strike “(7)”.

On page 6, after line 19, insert:

“Article 41 - Governor - Executive and Administrative Departments

18-402.

(a) There is a Commission on Responsible Fatherhood.

(b) The Commission shall be independent and located in the Department of Human Resources [Child Support Enforcement Administration] for budgetary and administrative purposes only.

Article - Family Law

(Over)

10-119.1.

(a) In this section, "conciliation conference" means a conference conducted at a site designated by the Pilot Program established under subsection (b) of this section to provide an opportunity for the parties to resolve issues associated with an action to modify or enforce a duty of support prior to going to a court proceeding.

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

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

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

(1) locating absent parents;

(2) establishing paternities;

(3) establishing support orders;

(4) collecting and disbursing support payments;

(5) reviewing and modifying child support orders; and

(6) except for legal representation in accordance with § 10-115 of the Family Law Article and as otherwise provided by law, enforcing support obligations.

(d) Subject to subsection (h) of this section, the Secretary shall:

(1) adopt regulations that:

(i) require the transfer of all aspects of child support enforcement to one or more private contractors by November 1, 1996;

(ii) provide for the reimbursement of any private contractor;

(iii) prohibit the cost of transferring child support enforcement to private contractors as defined in item (ii) of this paragraph from exceeding the fiscal year 1995 administrative cost per child support dollar collected by the Child Support Enforcement Administration in the Pilot Program areas;

(iv) require any private contractor to offer employment upon terms deemed by the Secretary to be fair and equitable to any former State employees working for an existing contractor who are affected by the transfer of child support enforcement responsibilities under this section and to retain any employees who accept the offer:

1. for the duration of the Pilot Program unless there is cause for dismissal; and

2. at a salary and benefit level comparable to the salary and benefits to which they were entitled at the time of the transfer;

(v) require any private contractor to adopt a grievance procedure for employees who are retained by the private contractor under item (iv) of this item; and

(vi) prohibit the reimbursement of any private contractor from child support collections; and

(2) assist an employee who declines an offer of employment with a private contractor to identify a comparable position in the State Personnel Management System to which the employee may transfer.

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

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

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

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

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

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

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

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

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

(i) In accordance with subsection (j) of this section, the Pilot Program may conduct a conciliation conference.

(j) (1) If a complaint is filed to modify or enforce a duty of support in the circuit court of a jurisdiction in which the Pilot Program is located, the court may issue a writ of summons to order the parties to appear and to produce documents at a conciliation conference.

(2) If a party fails to appear or fails to produce the documents required under this subsection, a representative of the Pilot Program may apply, upon affidavit, to the court for a body

attachment.

(3) If a party fails or refuses to obey a court order to appear or produce the documents required under this subsection at a conciliation conference, the court may issue a body attachment or compel compliance in any other manner available to the court to enforce its order.

10-119.2.

(a) (1) In this section the following words have the meanings indicated.

(2) “Conciliation conference” means a conference conducted at a demonstration site to provide an opportunity for the parties to resolve issues associated with an action to modify or enforce a duty of support prior to going to a court proceeding.

(3) “Demonstration site” means any jurisdiction selected by the Secretary of Human Resources, in consultation with the director of the local department of social services in the jurisdiction, to compete against privatized jurisdictions in providing child support enforcement services.

(b) The Secretary shall establish a child support enforcement demonstration site in at least one but not more than six jurisdictions for the purpose of competing against a privatized jurisdiction as established in § 10-119.1 of this subtitle.

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

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

(1) location of parents;

(2) establishing paternities;

(Over)

- (3) establishing child support orders;
- (4) collecting and disbursing support payments;
- (5) reviewing and modifying child support orders;
- (6) enforcing support obligations;
- (7) providing legal representation to the Administration; and
- (8) establishing contractual agreements with private or public entities to provide child support services.

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

(f) (1) Notwithstanding any other provision of law, all employees hired in a demonstration site after its designation as a demonstration site shall be in the management service or special appointments in the State Personnel Management System.

(2) If a position in a demonstration site is held by a classified service employee prior to its designation as a demonstration site, the position remains a classified service position or its equivalent in the State Personnel Management System until the position becomes vacant, at which time the position shall become a management service or special appointment position.

(g) The Secretary shall establish a performance incentive program to provide pay incentives for employees in a demonstration site.

(h) In accordance with subsection (i) of this section, a demonstration site may conduct a conciliation conference.

(i) (1) If a complaint is filed to modify or enforce a duty of support in the circuit court of a jurisdiction in which a demonstration site is located, the court may issue a writ of

summons to order the parties to appear and to produce documents at a conciliation conference.

(2) If a party fails to appear or fails to produce the documents required under this subsection, a representative of the demonstration site may apply, upon affidavit, to the court for a body attachment.

(3) If a party fails or refuses to obey a court order to appear or produce the documents required under this subsection at a conciliation conference, the court may issue a body attachment or compel compliance in any other manner available to the court to enforce its order.

(j) The powers of the Secretary to carry out the provisions of this section shall be construed liberally.

Chapter 491 of the Acts of 1995, as amended by Chapter 486 of the Acts of 1999

SECTION 14. AND BE IT FURTHER ENACTED, That Section 3 of this Act shall remain effective for the period of [7] 10 years and 4 months and, at the end of October 31, [2002] 2005, and with no further action required by the General Assembly, Section 3 of this Act shall be abrogated and of no further force and effect.”.

AMENDMENT NO. 7

On page 6, before line 20, insert:

“SECTION 2. AND BE IT FURTHER ENACTED, That Section(s) 50(f), (g), and (h), respectively, of Article 88A - Department of Human Resources of the Annotated Code of Maryland be renumbered to be Section(s) 50(e), (f), and (g), respectively.”;

in lines 20 and 33, strike “2.” and “3.”, respectively, and substitute “3.” and “4.”, respectively; and in line 32, strike “child”.