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By: **Delegates Branch, W. Baker, McIntosh, Rawlings, V. Jones, Flanagan, C. Davis, Harrison, R. Baker, Cadden, Cole, Conway, DeCarlo, Dewberry, Donoghue, Edwards, Franchot, Fulton, Hubers, James, A. Jones, Krysiak, Leopold, Oaks, Paige, Phillips, Ports, Redmer, and Stocksdale**

Introduced and read first time: January 30, 2002  
Assigned to: Appropriations

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A BILL ENTITLED

1 AN ACT concerning

2 **Department of Human Resources - Welfare Reform and Child Support**  
3 **Enforcement - Extension of Sunset**

4 FOR the purpose of extending for 3 years the termination date of certain provisions of  
5 law relating to the Child Support Enforcement Privatization Pilot Program; and  
6 generally relating to the Child Support Enforcement Privatization Pilot  
7 Program.

8 BY repealing and reenacting, without amendments,  
9 Article - Family Law  
10 Section 10-119.1 and 10-119.2  
11 Annotated Code of Maryland  
12 (1999 Replacement Volume and 2001 Supplement)

13 BY repealing and reenacting, with amendments,  
14 Chapter 491 of the Acts of the General Assembly of 1995, as amended by  
15 Chapter 486 of the Acts of the General Assembly of 1999  
16 Section 14

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

19 **Article - Family Law**

20 10-119.1.

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

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

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

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

9 (1) locating absent parents;

10 (2) establishing paternities;

11 (3) establishing support orders;

12 (4) collecting and disbursing support payments;

13 (5) reviewing and modifying child support orders; and

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

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

17 (1) adopt regulations that:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

8 10-119.2.

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

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

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

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

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

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

28 (1) location of parents;

29 (2) establishing paternities;

30 (3) establishing child support orders;

31 (4) collecting and disbursing support payments;

32 (5) reviewing and modifying child support orders;

33 (6) enforcing support obligations;

34 (7) providing legal representation to the Administration; and

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

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

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

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

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

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

20 (i) (1) If a complaint is filed to modify or enforce a duty of support in the  
21 circuit court of a jurisdiction in which a demonstration site is located, the court may  
22 issue a writ of summons to order the parties to appear and to produce documents at a  
23 conciliation conference.

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

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

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

33 **Chapter 491 of the Acts of 1995, as amended by Chapter 486 of the Acts of**  
34 **1999**

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

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2 July 1, 2002.