
By: **Delegates Branch, Rawlings, Bates, Bromwell, Cadden, Conway,
Donoghue, Edwards, Franchot, Fulton, Harrison, James, Krysiak,
Paige, Proctor, Redmer, Shank, and Stocksdale**

Introduced and read first time: February 6, 2003

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **Department of Human Resources - Child Support Enforcement**
3 **Privatization Pilot Program and Demonstration Sites - Established**

4 FOR the purpose of establishing the Child Support Enforcement Privatization Pilot
5 Program; requiring the Secretary of Human Resources to provide a certain
6 report to the Governor and the General Assembly by a certain date; establishing
7 certain rights for certain employees; authorizing the Pilot Program to conduct a
8 conciliation conference; requiring the Secretary to establish certain
9 demonstration sites according to a certain schedule; requiring the Secretary to
10 appoint a director of child support services in a demonstration site; authorizing
11 the Secretary to sever certain contracts under certain circumstances; classifying
12 certain employment positions in a demonstration site; requiring the Secretary to
13 establish a certain performance incentive program; authorizing a demonstration
14 site to conduct a conciliation conference; requiring the Secretary to adopt certain
15 regulations; providing for the term of a certain privatization contract between
16 the Department of Human Resources and a private contractor; defining certain
17 terms; and generally relating to child support enforcement.

18 BY adding to
19 Article - Family Law
20 Section 10-119.1 and 10-119.2
21 Annotated Code of Maryland
22 (1999 Replacement Volume and 2002 Supplement)

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

25 **Article - Family Law**

26 10-119.1.

27 (A) IN THIS SECTION, "CONCILIATION CONFERENCE" MEANS A CONFERENCE
28 CONDUCTED AT A SITE DESIGNATED BY THE PILOT PROGRAM ESTABLISHED UNDER

1 SUBSECTION (B) OF THIS SECTION TO PROVIDE AN OPPORTUNITY FOR THE PARTIES
2 TO RESOLVE ISSUES ASSOCIATED WITH AN ACTION TO MODIFY OR ENFORCE A DUTY
3 OF SUPPORT PRIOR TO GOING TO A COURT PROCEEDING.

4 (B) (1) NOTWITHSTANDING § 13-405 OF THE STATE PERSONNEL AND
5 PENSIONS ARTICLE, THERE IS A CHILD SUPPORT ENFORCEMENT PRIVATIZATION
6 PILOT PROGRAM WITHIN THE DEPARTMENT.

7 (2) THE PILOT PROGRAM SHALL OPERATE IN BALTIMORE CITY AND
8 QUEEN ANNE'S COUNTY.

9 (C) THE PURPOSE OF THE PILOT PROGRAM IS TO AUTHORIZE THE SECRETARY
10 OF THE DEPARTMENT TO ENTER INTO CONTRACTS WITH PRIVATE COMPANIES TO
11 PRIVATIZE ALL ASPECTS OF CHILD SUPPORT ENFORCEMENT FUNCTIONS OF THE
12 DEPARTMENT, INCLUDING:

13 (1) LOCATING ABSENT PARENTS;

14 (2) ESTABLISHING PATERNITIES;

15 (3) ESTABLISHING SUPPORT ORDERS;

16 (4) COLLECTING AND DISBURSING SUPPORT PAYMENTS;

17 (5) REVIEWING AND MODIFYING CHILD SUPPORT ORDERS; AND

18 (6) EXCEPT FOR LEGAL REPRESENTATION IN ACCORDANCE WITH §
19 10-115 OF THIS SUBTITLE AND AS OTHERWISE PROVIDED BY LAW, ENFORCING
20 SUPPORT OBLIGATIONS.

21 (D) SUBJECT TO SUBSECTION (H) OF THIS SECTION, THE SECRETARY SHALL:

22 (1) ADOPT REGULATIONS THAT:

23 (I) REQUIRE THE TRANSFER OF ALL ASPECTS OF CHILD SUPPORT
24 ENFORCEMENT TO ONE OR MORE PRIVATE CONTRACTORS BY JULY 1, 2003;

25 (II) PROVIDE FOR THE REIMBURSEMENT OF ANY PRIVATE
26 CONTRACTOR;

27 (III) PROHIBIT THE COST OF TRANSFERRING CHILD SUPPORT
28 ENFORCEMENT TO PRIVATE CONTRACTORS AS DEFINED IN ITEM (II) OF THIS
29 PARAGRAPH FROM EXCEEDING THE FISCAL YEAR 1995 ADMINISTRATIVE COST PER
30 CHILD SUPPORT DOLLAR COLLECTED BY THE CHILD SUPPORT ENFORCEMENT
31 ADMINISTRATION IN THE PILOT PROGRAM AREAS;

32 (IV) REQUIRE ANY PRIVATE CONTRACTOR TO OFFER EMPLOYMENT
33 UPON TERMS DEEMED BY THE SECRETARY TO BE FAIR AND EQUITABLE TO ANY
34 FORMER STATE EMPLOYEES WORKING FOR AN EXISTING CONTRACTOR WHO ARE
35 AFFECTED BY THE TRANSFER OF CHILD SUPPORT ENFORCEMENT RESPONSIBILITIES
36 UNDER THIS SECTION AND TO RETAIN ANY EMPLOYEES WHO ACCEPT THE OFFER:

1 1. FOR THE DURATION OF THE PILOT PROGRAM UNLESS
2 THERE IS CAUSE FOR DISMISSAL; AND

3 2. AT A SALARY AND BENEFIT LEVEL COMPARABLE TO THE
4 SALARY AND BENEFITS TO WHICH THEY WERE ENTITLED AT THE TIME OF THE
5 TRANSFER;

6 (V) REQUIRE ANY PRIVATE CONTRACTOR TO ADOPT A GRIEVANCE
7 PROCEDURE FOR EMPLOYEES WHO ARE RETAINED BY THE PRIVATE CONTRACTOR
8 UNDER ITEM (IV) OF THIS ITEM; AND

9 (VI) PROHIBIT THE REIMBURSEMENT OF ANY PRIVATE
10 CONTRACTOR FROM CHILD SUPPORT COLLECTIONS; AND

11 (2) ASSIST AN EMPLOYEE WHO DECLINES AN OFFER OF EMPLOYMENT
12 WITH A PRIVATE CONTRACTOR TO IDENTIFY A COMPARABLE POSITION IN THE STATE
13 PERSONNEL MANAGEMENT SYSTEM TO WHICH THE EMPLOYEE MAY TRANSFER.

14 (E) A REQUEST FOR PROPOSAL TO TRANSFER CHILD SUPPORT COLLECTION
15 ACTIVITIES ISSUED UNDER THIS SECTION SHALL:

16 (1) COMPLY WITH THE PROVISIONS OF DIVISION II OF THE STATE
17 FINANCE AND PROCUREMENT ARTICLE;

18 (2) SET FORTH THE GOALS OF THE PRIVATIZATION; AND

19 (3) SPECIFY THE INCENTIVES WHICH WILL BE AVAILABLE TO THE
20 CONTRACTOR.

21 (F) (1) ON OR BEFORE OCTOBER 1, 2003, AND ANNUALLY THEREAFTER, THE
22 SECRETARY SHALL REPORT TO THE GOVERNOR AND, SUBJECT TO § 2-1246 OF THE
23 STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON THE OPERATION AND
24 PERFORMANCE OF THE PILOT PROGRAM.

25 (2) THE REPORT SHALL ASSESS THE PILOT PROGRAM FOR ITS
26 EFFECTIVENESS AND SUCCESS IN ENHANCING CHILD SUPPORT COLLECTION
27 THROUGH THE PRIVATIZATION OF CHILD SUPPORT ENFORCEMENT IN BALTIMORE
28 CITY AND QUEEN ANNE'S COUNTY IN THE STATE.

29 (3) THE SECRETARY SHALL INCLUDE IN THE REPORT THE PLANS FOR
30 IMPROVING THE EFFECTIVENESS AND SUCCESS OF THE PILOT PROGRAM IN
31 ACHIEVING THE OBJECTIVE.

32 (G) THE SECRETARY SHALL ADOPT ANY OTHER REGULATIONS NECESSARY TO
33 CARRY OUT THE PROVISIONS OF THIS SECTION.

34 (H) A FORMER STATE EMPLOYEE WHO DECLINES AN OFFER OF EMPLOYMENT
35 WITH A PRIVATE CONTRACTOR UNDER THIS SECTION SHALL BE CONSIDERED LAID
36 OFF AND SHALL BE ENTITLED TO ALL RIGHTS SPECIFIED UNDER TITLE 11, SUBTITLE
37 2 OF THE STATE PERSONNEL AND PENSIONS ARTICLE.

1 (I) IN ACCORDANCE WITH SUBSECTION (J) OF THIS SECTION, THE PILOT
2 PROGRAM MAY CONDUCT A CONCILIATION CONFERENCE.

3 (J) (1) IF A COMPLAINT IS FILED TO MODIFY OR ENFORCE A DUTY OF
4 SUPPORT IN THE CIRCUIT COURT OF A JURISDICTION IN WHICH THE PILOT
5 PROGRAM IS LOCATED, THE COURT MAY ISSUE A WRIT OF SUMMONS TO ORDER THE
6 PARTIES TO APPEAR AND TO PRODUCE DOCUMENTS AT A CONCILIATION
7 CONFERENCE.

8 (2) IF A PARTY FAILS TO APPEAR OR FAILS TO PRODUCE THE
9 DOCUMENTS REQUIRED UNDER THIS SUBSECTION, A REPRESENTATIVE OF THE
10 PILOT PROGRAM MAY APPLY, UPON AFFIDAVIT, TO THE COURT FOR A BODY
11 ATTACHMENT.

12 (3) IF A PARTY FAILS OR REFUSES TO OBEY A COURT ORDER TO APPEAR
13 OR PRODUCE THE DOCUMENTS REQUIRED UNDER THIS SUBSECTION AT A
14 CONCILIATION CONFERENCE, THE COURT MAY ISSUE A BODY ATTACHMENT OR
15 COMPEL COMPLIANCE IN ANY OTHER MANNER AVAILABLE TO THE COURT TO
16 ENFORCE ITS ORDER.

17 10-119.2.

18 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
19 INDICATED.

20 (2) "CONCILIATION CONFERENCE" MEANS A CONFERENCE CONDUCTED
21 AT A DEMONSTRATION SITE TO PROVIDE AN OPPORTUNITY FOR THE PARTIES TO
22 RESOLVE ISSUES ASSOCIATED WITH AN ACTION TO MODIFY OR ENFORCE A DUTY OF
23 SUPPORT PRIOR TO GOING TO A COURT PROCEEDING.

24 (3) "DEMONSTRATION SITE" MEANS ANY JURISDICTION THAT
25 COMPETES AGAINST PRIVATIZED JURISDICTIONS IN PROVIDING CHILD SUPPORT
26 ENFORCEMENT SERVICES.

27 (B) (1) SUBJECT TO THE PROVISIONS OF THIS SUBSECTION, THE
28 SECRETARY OF HUMAN RESOURCES SHALL ESTABLISH CHILD SUPPORT
29 DEMONSTRATION SITES IN ALL JURISDICTIONS THAT ARE NOT PRIVATIZED
30 JURISDICTIONS, FOR THE PURPOSE OF COMPETING AGAINST A PRIVATIZED
31 JURISDICTION AS ESTABLISHED IN § 10-119.1 OF THIS SUBTITLE.

32 (2) THE SECRETARY SHALL ESTABLISH AT LEAST:

33 (I) FOUR DEMONSTRATION SITES BY JULY 1, 2003, AS FOLLOWS:

- 34 1. ONE IN CALVERT COUNTY;
- 35 2. ONE IN HOWARD COUNTY;
- 36 3. ONE IN MONTGOMERY COUNTY; AND

- 1 4. ONE IN WASHINGTON COUNTY;
- 2 (II) SEVEN DEMONSTRATION SITES BY JULY 1, 2005;
- 3 (III) ELEVEN DEMONSTRATION SITES BY JULY 1, 2006;
- 4 (IV) SIXTEEN DEMONSTRATION SITES BY JULY 1, 2007; AND
- 5 (V) TWENTY-TWO DEMONSTRATION SITES BY JULY 1, 2008.

6 (3) THE SECRETARY MAY ESTABLISH DEMONSTRATION SITES AT A RATE
7 FASTER THAN REQUIRED BY PARAGRAPH (2) OF THIS SUBSECTION IF SUFFICIENT
8 FUNDS ARE AVAILABLE IN THE BUDGET.

9 (4) WHEN ESTABLISHING DEMONSTRATION SITES UNDER PARAGRAPH
10 (2)(II) THROUGH (IV) OF THIS SUBSECTION, THE SECRETARY SHALL CHOOSE
11 JURISDICTIONS THAT ARE GEOGRAPHICALLY DIVERSE.

12 (C) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE SECRETARY
13 SHALL APPOINT A DIRECTOR OF CHILD SUPPORT SERVICES IN A DEMONSTRATION
14 SITE WHO SHALL REPORT DIRECTLY TO THE EXECUTIVE DIRECTOR OF THE CHILD
15 SUPPORT ENFORCEMENT ADMINISTRATION OF THE DEPARTMENT.

16 (D) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, THE SECRETARY
17 SHALL HAVE SOLE AUTHORITY OVER THE CHILD SUPPORT ENFORCEMENT
18 FUNCTIONS IN A DEMONSTRATION SITE, INCLUDING BUT NOT LIMITED TO:

- 19 (1) LOCATION OF PARENTS;
- 20 (2) ESTABLISHING PATERNITIES;
- 21 (3) ESTABLISHING CHILD SUPPORT ORDERS;
- 22 (4) COLLECTING AND DISBURSING SUPPORT PAYMENTS;
- 23 (5) REVIEWING AND MODIFYING CHILD SUPPORT ORDERS;
- 24 (6) ENFORCING SUPPORT OBLIGATIONS;
- 25 (7) PROVIDING LEGAL REPRESENTATION TO THE ADMINISTRATION;
- 26 AND
- 27 (8) ESTABLISHING CONTRACTUAL AGREEMENTS WITH PRIVATE OR
28 PUBLIC ENTITIES TO PROVIDE CHILD SUPPORT SERVICES.

29 (E) NOTWITHSTANDING ANY OTHER PROVISION OF LAW AND FOR THE
30 PURPOSE OF CARRYING OUT THE PROVISIONS OF THIS SECTION, THE SECRETARY
31 SHALL HAVE THE AUTHORITY TO SEVER CONTRACTUAL AGREEMENTS WITH A
32 STATE'S ATTORNEY AND HIRE PRIVATE COUNSEL TO PROVIDE LEGAL
33 REPRESENTATION FOR THE CHILD SUPPORT ENFORCEMENT ADMINISTRATION.

1 (F) (1) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, ALL
2 EMPLOYEES HIRED IN A DEMONSTRATION SITE AFTER ITS DESIGNATION AS A
3 DEMONSTRATION SITE SHALL BE IN THE MANAGEMENT SERVICE OR SPECIAL
4 APPOINTMENTS IN THE STATE PERSONNEL MANAGEMENT SYSTEM.

5 (2) IF A POSITION IN A DEMONSTRATION SITE IS HELD BY A CLASSIFIED
6 SERVICE EMPLOYEE PRIOR TO ITS DESIGNATION AS A DEMONSTRATION SITE, THE
7 POSITION REMAINS A CLASSIFIED SERVICE POSITION OR ITS EQUIVALENT IN THE
8 STATE PERSONNEL MANAGEMENT SYSTEM UNTIL THE POSITION BECOMES VACANT,
9 AT WHICH TIME THE POSITION SHALL BECOME A MANAGEMENT SERVICE OR
10 SPECIAL APPOINTMENT POSITION.

11 (G) THE SECRETARY SHALL ESTABLISH A PERFORMANCE INCENTIVE
12 PROGRAM TO PROVIDE PAY INCENTIVES FOR EMPLOYEES IN A DEMONSTRATION
13 SITE.

14 (H) IN ACCORDANCE WITH SUBSECTION (I) OF THIS SECTION, A
15 DEMONSTRATION SITE MAY CONDUCT A CONCILIATION CONFERENCE.

16 (I) (1) IF A COMPLAINT IS FILED TO MODIFY OR ENFORCE A DUTY OF
17 SUPPORT IN THE CIRCUIT COURT OF A JURISDICTION IN WHICH A DEMONSTRATION
18 SITE IS LOCATED, THE COURT MAY ISSUE A WRIT OF SUMMONS TO ORDER THE
19 PARTIES TO APPEAR AND TO PRODUCE DOCUMENTS AT A CONCILIATION
20 CONFERENCE.

21 (2) IF A PARTY FAILS TO APPEAR OR FAILS TO PRODUCE THE
22 DOCUMENTS REQUIRED UNDER THIS SUBSECTION, A REPRESENTATIVE OF THE
23 DEMONSTRATION SITE MAY APPLY, UPON AFFIDAVIT, TO THE COURT FOR A BODY
24 ATTACHMENT.

25 (3) IF A PARTY FAILS OR REFUSES TO OBEY A COURT ORDER TO APPEAR
26 OR PRODUCE THE DOCUMENTS REQUIRED UNDER THIS SUBSECTION AT A
27 CONCILIATION CONFERENCE, THE COURT MAY ISSUE A BODY ATTACHMENT OR
28 COMPEL COMPLIANCE IN ANY OTHER MANNER AVAILABLE TO THE COURT TO
29 ENFORCE ITS ORDER.

30 (J) THE POWERS OF THE SECRETARY TO CARRY OUT THE PROVISIONS OF
31 THIS SECTION SHALL BE CONSTRUED LIBERALLY.

32 SECTION 2. AND BE IT FURTHER ENACTED, That the term of the first
33 privatization contract negotiated between the Department of Human Resources and a
34 private contractor after the effective date of this Act shall be 3 years, with the option
35 for up to two 1-year extensions.

36 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
37 June 1, 2003. It shall remain effective for a period of 5 years and 1 month and, at the
38 end of June 30, 2008, with no further action required by the General Assembly, this
39 Act shall be abrogated and of no further force and effect.