

Department of Legislative Services
 Maryland General Assembly
 2003 Session

FISCAL AND POLICY NOTE

House Bill 1012 (Delegate Zirkin, *et al.*)
 Judiciary

Juvenile Justice - Day Treatment Center - Pilot Program

This bill requires the Secretary of Juvenile Justice to establish a pilot program of day treatment centers for children who are released from residential facilities and in the custody of the Department of Juvenile Justice (DJJ). The pilot program must be established in Baltimore City and Anne Arundel, Baltimore, Montgomery, and Prince George’s counties. Beginning in fiscal 2004, the Governor may include funding in the State budget for the program.

The program sunsets September 30, 2006.

Fiscal Summary

State Effect: General fund expenditures would increase by an estimated \$2.5 million in FY 2004 to open day treatment centers in five locations. Site acquisition and capital costs are not included in this estimate. Future year expenditure increases reflect annualization, inflation, and the September 30, 2006 termination date. Revenues would not be affected.

(\$ in millions)	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	2.5	3.4	3.4	.9	0
Net Effect	(\$2.5)	(\$3.4)	(\$3.4)	(\$.9)	\$0

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: Local school expenditures that would otherwise be devoted to serving students placed in the day treatment centers could be diverted to other initiatives.

Small Business Effect: Minimal.

Analysis

Bill Summary: The bill provides that a day treatment center must serve between 20 and 40 children (inclusive) who are in the custody of DJJ after being released from a residential facility. A center must provide year-round on-site educational instruction that is approved by the Maryland State Department of Education (MSDE). The educational services must be provided by a teacher who holds professional State certification. A center must also provide medical and mental health assessment and treatment, family therapy, alcohol and drug abuse education and counseling, and vocational and job skills development counseling. Centers must provide opportunities for supervised community service and education and counseling designed to foster victim awareness.

Before a child is placed in a day treatment center, the child's DJJ case manager, the child, the child's family, and staff from the center must develop an individualized service plan for the child. The child must remain in the day center until the goals of the plan have been achieved or until staff at the center certify that the child has received maximum benefit from the program. Before a child is released from a day treatment center, a community transition plan for the child must also be developed.

Current Law: The Secretary of Juvenile Justice is required to establish aftercare services for children in the custody of DJJ. The Secretary must provide sufficient staff to operate aftercare programs.

Background: In September 2002, DJJ released a report entitled *Aftercare Strategy* that noted several initiatives the department will employ in treating juveniles who are released from court-ordered commitments. The strategies include the development of treatment service plans for youths in aftercare; standardized youth assessments at regular intervals for educational, health, substance abuse, and family needs; and the formation of youth support teams involving family members, community agencies, service delivery agencies, and other neighborhood resources. In addition, the report suggested that teams of two aftercare caseworkers be assigned to high risk youths, and that the caseloads of these Intensive Aftercare teams be reduced to 20 youths per team.

State Expenditures: General fund expenditures would increase by an estimated \$2.5 million in fiscal 2004, which accounts for the bill's October 1, 2003 effective date. The estimate includes the costs associated with operating the treatment centers and the cost for MSDE to oversee the education programs in each of the centers. The estimate does not include any site acquisition or capital costs that could be incurred. These costs cannot be reliably estimated at this time. The information and assumptions used to calculate the operating cost estimates are described below.

- DJJ currently licenses several day treatment centers. On average, the annual cost per youth is \$22,000 for the centers. Assuming five treatment centers are opened and that the average number of youths served by a center is 30, the annualized cost to operate the centers is \$3.3 million. To the extent that the day treatment centers implemented under this bill represent an upgrade over existing programs, costs could be greater.
- MSDE currently provides certification approval and educational oversight for several similar programs licensed by DJJ and the Department of Health and Mental Hygiene. Based on experience with these programs, MSDE estimates that it would need to add one half-time specialist and one half-time administrative assistant to its staff to do the same for five new DJJ day treatment centers.

	<u>FY 2004</u>	<u>FY 2005</u>
Day Treatment Center Operations	\$2,475,000	\$3,333,000
MSDE Oversight of Education Programs	<u>40,798</u>	<u>41,320</u>
Total General Fund Expenditures	\$2,515,798	\$3,374,320

Future year expenditures reflect: (1) full salaries with 4.5% annual increases and 6.8% employee turnover; (2) 1% annual increases in day treatment center operating expenses and ongoing operating expenses at MSDE; and (3) the termination of the pilot program after September 2006.

Local Fiscal Effect: Youths in DJJ aftercare supervision typically attend local public schools. On average, local school systems are spending approximately \$8,800 per pupil in fiscal 2003, including an estimated \$4,715 that comes from local sources. If 150 students are removed from the local public school systems in Baltimore City and Anne Arundel, Baltimore, Montgomery, and Prince George’s counties, local school expenditures in these jurisdictions could decrease slightly or the resources that would have been used to serve day treatment center students could be diverted to other students or initiatives.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Juvenile Justice, Maryland State Department of Education, Department of Health and Mental Hygiene, Department of Legislative Services

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