

**Department of Legislative Services**  
 Maryland General Assembly  
 2003 Session

**FISCAL AND POLICY NOTE**

House Bill 955 (Delegate Zirkin)  
 Judiciary

**Department of Juvenile Justice - Chesapeake Bay Pilot Program**

This bill requires the Department of Juvenile Justice (DJJ) to establish, in conjunction with the Department of Natural Resources, at least one Chesapeake Bay Pilot Program located near the Chesapeake Bay. DJJ must operate the program. With the cooperation of the Maryland State Department of Education, the program must provide year-round on-site educational instruction by teachers who hold professional State certification. In addition, the program must provide medical, mental health, and substance abuse services as needed. Beginning in fiscal 2004, the Governor may include funding in the annual State budget for the program.

The program sunsets September 30, 2006.

**Fiscal Summary**

**State Effect:** General fund expenditures would increase by an estimated \$1.2 million in FY 2004 to establish a Chesapeake Bay Pilot Program. Significant capital expenses would also be incurred to build an appropriate facility for the program. Future year program expenditures 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	1.2	1.6	1.6	.4	0
Net Effect	(\$1.2)	(\$1.6)	(\$1.6)	(\$.4)	\$0

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

**Local Effect:** None.

**Small Business Effect:** None.

## Analysis

**Current Law:** DJJ must provide for the care, diagnosis, training, education, and rehabilitation of children who have been committed to DJJ by placing them in group homes and institutions.

**Background:** DJJ operates four youth centers in rural Western Maryland settings: Backbone Mountain, Green Ridge Mountain, Savage Mountain, and Meadow Mountain. The youth centers are long-term residential centers for males ages 14 to 18. Over the last several years, the average daily population at the centers has ranged from 150 to 160, or approximately 40 youths per center. The proposed fiscal 2004 State budget includes \$5.6 million for the youth centers, a decrease of \$1.0 million from the fiscal 2003 appropriation.

**State Expenditures:** General fund expenditures would increase by an estimated \$1.2 million in fiscal 2004 to implement a Chesapeake Bay Pilot Program with a capacity of 24 residents. This estimate accounts for the October 1, 2003 start date and is based on only the operating costs associated with the program. Future year operating expenditures for the program would reflect annualization, inflation, and the termination of the program on September 30, 2006. The information and assumptions used to calculate the operating cost estimates are stated below.

- Based on the costs of similar programs licensed or operated by DJJ, the annual cost to run a Chesapeake Bay Pilot Program with a capacity of 24 residents would be approximately \$66,200 per resident. The annualized cost for the program, therefore, would be nearly \$1.6 million.
- If a smaller capacity for the program is planned, per resident costs would increase somewhat due to economies of scale.
- The Department of Natural Resources and the Maryland State Department of Education could cooperate in the implementation of the program with existing resources.

In addition to the operating costs, significant capital expenses could be incurred to build an appropriate facility for the program along the Chesapeake Bay.

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## **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - March 4, 2003  
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