

Department of Legislative Services  
Maryland General Assembly  
2005 Session

FISCAL AND POLICY NOTE

House Bill 1344  
Judiciary

(Delegate Zirkin, *et al.*)

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Department of Human Resources - Commingling Children Committed to  
Department of Juvenile Services - Prohibition

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This bill prohibits the Department of Human Resources (DHR), after January 1, 2007, from placing a child committed to the department in a group home or residential facility that also accepts children committed to the custody or guardianship of the Department of Juvenile Services (DJS).

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Fiscal Summary

**State Effect:** Potential significant increase in general fund expenditures for DHR and DJS. No effect on revenues.

**Local Effect:** None.

**Small Business Effect:** Meaningful to the extent that DHR and DJS are required to increase payments to group homes that are considered small businesses to establish exclusive relationships.

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Analysis

**Current Law:**

*Department of Human Resources*

DHR's Social Services Administration (SSA) must establish a program for out-of-home placement (foster care) for minor children: (1) who are placed in a local department of social services' custody for not more than six months by a parent or legal guardian under

a voluntary written agreement with the local department; and (2) who are abused, abandoned, neglected, or dependent, if a juvenile court has determined that continued residence in the child's home is contrary to his or her welfare and has committed the child to the local department's custody or guardianship.

DHR must provide for the care, diagnosis, training, education, and rehabilitation of children by placing them in group homes and institutions operated by for-profit or nonprofit charitable corporations. A person must be licensed by SSA before he or she may place minor children in homes or with individuals. With specified exceptions, any group home or facility must be licensed by SSA as a child care home or child care institution. A licensed operator who has legal custody of a child who is at least 5 years old and under age 16 and receives State funding must enroll the child in the local school system and initiate and monitor the transfer of the child's academic records to the transferred school.

#### *Department of Juvenile Services*

DJS must provide for the care, diagnosis, training, education, and rehabilitation of children by placing them in group homes and institutions operated by any nonprofit or for-profit entity. With specified exceptions, DJS must license a person as a child care home or child care institution before the person may exercise care, custody, or control over a child who is alleged or adjudicated as delinquent or in need of supervision.

**Background:** DHR advises that it currently has 2,384 children in group homes in Maryland and another 47 children in group homes out of state. DHR estimates that 30 of the children in group homes in Maryland are in DJS-licensed facilities. DJS advises that it licenses 22 group homes with a capacity of less than 400 youth. DJS's average daily population of group home placements was 850 youth in fiscal 2004. As a result, approximately 450 children are placed in non-DJS-licensed group homes.

For a number of years, the Maryland Partnership for Children, Youth, and Families discussed the development of an interagency management information system to be used by frontline personnel. The system was envisioned as a means to share client data for case planning and case collaboration; identify resources for clients; and produce accurate interagency client data for planning, analysis, budgeting, and evaluation. A number of barriers, however, have impeded progress on the system.

Further evidence of the need for a statewide system to track children in out-of-home placements was uncovered by the Task Force to Study the Licensing and Monitoring of Community-Based Homes for Children. The task force met from February to September 2001 and submitted a final report in October 2001. The report noted that there is no centralized database of all licensed community-based homes and that there is no link

between funding and the quality of services provided by programs. The task force recommended that a database of licensed providers be developed and maintained.

**State Fiscal Effect:** General fund expenditures could increase significantly for DJS and DHR beginning in fiscal 2006. This bill would require group homes to choose whether to establish an exclusive relationship with DHR or DJS to care for children in out-of-home placements. As a result, if DHR and DJS cannot fill all of the slots available at the group homes exclusively serving their department, the departments would still be required to pay for the unused space.

Approximately 450 children placed in non-DJS-licensed group homes could be required to move to other group homes if any DHR children are placed there as well. This bill would require DHR to move the approximately 30 children currently placed at DJS-licensed group homes to other group homes.

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### Additional Information

**Prior Introductions:** None. However, a provision in HB 1147 and its cross file SB 781, both of 2004, would have prohibited children committed to DJS from being placed in group homes with children committed to any other State agency. The bills had hearings in the Ways and Means Committee and the Judicial Proceedings Committee, respectively, but no further action was taken.

**Cross File:** SB 853 (Senator Giannetti) – Judicial Proceedings.

**Information Source(s):** Department of Human Resources, Department of Juvenile Services, Department of Legislative Services

**Fiscal Note History:** First Reader - March 2, 2005  
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