

Department of Legislative Services
Maryland General Assembly
2005 Session

FISCAL AND POLICY NOTE
Revised

House Bill 615
Appropriations

(Delegate F. Turner, *et al.*)

Budget and Taxation

Adoption - Placement Services for Children in Public Foster Care - State
Contracts with Private Licensed Child Placement Agencies

This bill requires the Department of Human Resources (DHR) to develop, implement, and monitor an adoption placement program. Under the program, a qualified licensed child placement agency may enter into a contract with the State to provide adoption placement services for Maryland children in public foster care who have no identified permanency resource. A contract entered into with the State must be awarded according to competitive bidding procedures for State procurement contracts.

The bill takes effect July 1, 2005.

Fiscal Summary

State Effect: The bill primarily alters the purposes for which budgeted funds may be used. To the extent it requires administrative changes, the department could handle them with existing resources. To the extent the bill results in more children in foster care being adopted, DHR expenditures could decrease.

Local Effect: None.

Small Business Effect: Meaningful for licensed child placement agencies that contract with the State as a result of this bill.

Analysis

Current Law: Statute does not require DHR to contract with agencies to provide adoption placement services.

Background: As of November 2004, DHR reports that 1,577 Maryland children in foster care may be adopted. Of those children, approximately 200 have no families identified as being able to adopt them.

DHR previously contracted with private adoption agencies to find permanent homes for children in foster care who do not have families identified as being able to adopt them. One such contract was with Adoptions Together, Inc. Over a three-year contract period ending in 2002, DHR paid this entity approximately \$400,000 to match children in foster care with available adoptive families. Of the 53 children matched with available adoptive families, 47 children were placed with families and 35 adoptions were finalized. The average cost per child to provide these services was \$9,415.

DHR currently is writing a request for proposals to contract with a child placement agency to find adoptive homes for children in foster care without identified adoptive families.

Funds for the contracts with child placement agencies would most likely come from the \$306.3 million fiscal 2006 budget allowance for foster care maintenance payments.

Additional Information

Prior Introductions: None.

Cross File: SB 778 (Senator Kasemeyer) – Budget and Taxation.

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

Fiscal Note History: First Reader - February 18, 2005
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