

**Department of Legislative Services**  
 Maryland General Assembly  
 2005 Session

**FISCAL AND POLICY NOTE**

House Bill 1509 (Delegate Cluster)  
 Judiciary

**Department of Juvenile Services - Judgments of Restitution - Increased  
 Collection Program**

This bill requires the Secretary of Juvenile Services to implement a program to increase the amount of payments collected by and property returned to the Department of Juvenile Services (DJS) to satisfy judgments of restitution. For fiscal 2006, the bill sets a goal to increase collections by 20% over fiscal 2005 collections. For fiscal 2007 through 2010, the bill sets a goal to increase total collections annually, so that collections are 10% higher than fiscal 2006 collections by fiscal 2010. The Secretary must submit an annual performance report to the Judicial Proceedings Committee and the Judiciary Committee by December 1 of each year.

**Fiscal Summary**

**State Effect:** General fund expenditures would increase by \$320,800 in FY 2006. Future years reflect annual salary growth, increases in fringe benefits, and ongoing operating expenses. Revenues would not be affected.

(in dollars)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	320,800	269,700	286,900	305,400	325,500
Net Effect	(\$320,800)	(\$269,700)	(\$286,900)	(\$305,400)	(\$325,500)

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

**Local Effect:** None.

**Small Business Effect:** None.

## Analysis

**Current Law:** A court may enter a judgment of restitution that orders a child respondent to make restitution in addition to any other penalty for the commission of a delinquent act.

The child must make restitution to DJS under the terms and conditions of the judgment of restitution.

The Department of Juvenile Services:

- must keep records of payments or return of property in satisfaction of the judgment of restitution;
- must forward property or payments in accordance with the judgment of restitution to:
  - the victim;
  - the Department of Health and Mental Hygiene or other governmental unit; or
  - the third-party payor; and
- may require the child to pay additional fees not exceeding 2% of the amount of the judgment of restitution to pay for the administrative costs of collecting payments or property.

**Background:** DJS estimates that there is more than \$8 million owed in outstanding restitution. This estimate is based on 16,520 outstanding restitution cases, some of which were adjudicated in the late 1980s. DJS collected \$875,111 in restitution in fiscal 2004 and has collected \$642,318 to date in fiscal 2005.

**State Expenditures:** General fund expenditures could increase by an estimated \$320,750 in fiscal 2006, which accounts for the bill's October 1, 2005 effective date. This estimate reflects the cost of hiring five fiscal accountants (one in each of the five service areas), one accountant supervisor, and two contractual computer programmers. The additional computer programmers will only be needed for fiscal 2006. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$305,142
Operating Expenses	<u>15,608</u>
<b>Total FY 2006 State Expenditures</b>	<b>\$320,750</b>

Future year expenditures reflect: (1) full salaries with 4.6% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

**Additional Comments:** DJS' current system does not remove cases that have been closed when the youth age out of DJS jurisdiction. DJS advises that it had scheduled an update of its restitution system for fiscal 2007 and anticipated removing the older cases and those in which the youth have aged out of DJS jurisdiction from the system. It is unclear pursuant to this bill, whether those cases will have to remain in its system for collection and whether there will be a cut-off age for collection purposes.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Juvenile Services, Judiciary (Administrative Office of the Courts), Department of Legislative Services

**Fiscal Note History:** First Reader - March 22, 2005  
mam/jr

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