

Department of Legislative Services
 Maryland General Assembly
 2005 Session

FISCAL AND POLICY NOTE

Senate Bill 109 (Senator Klausmeier, *et al.*)
 Finance

Charles H. Hickey, Jr. School - Staff - Nontemporary Employees

This emergency bill requires the Department of Juvenile Services (DJS) to use only nontemporary State employees to staff the Charles H. Hickey, Jr. School (Hickey).

Fiscal Summary

State Effect: General fund expenditures increase by \$232,300 in FY 2006 due to the conversion of contractual employees to permanent employees. Out-years reflect annual health insurance increases, salary growth, and a constant retirement contribution.

(in dollars)	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
Revenues	\$0	\$0	\$0	\$0	\$0
Expenditure	232,300	257,400	285,400	316,500	351,200
Net Effect	(\$232,300)	(\$257,400)	(\$285,400)	(\$316,500)	(\$351,200)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: All DJS facilities operate under the control and general management of DJS. There are no prohibitions against hiring temporary employees to staff DJS facilities.

Background: Hickey currently houses three distinct programs for youth in DJS custody:

- a detention center, serving the Metropolitan Baltimore Area and some of Baltimore City, housing boys who have been determined to require secure detention, but have not been adjudicated delinquent (detained youth) or not yet referred to a permanent committed placement (pending placement);
- an enhanced program for boys who have been adjudicated delinquent, committed to the custody of DJS (committed youth) and who require a higher level of security and a longer length of stay; and
- an “impact” program for committed youth who require a shorter length of stay, or who are referred to Hickey as a consequence of unsatisfactory behavior in another residential or community program.

The average daily population (ADP) for fiscal 2005 is 337 and the projected ADP for fiscal 2006 is 178. In fiscal 2005, Hickey is budgeted for 24 permanent employees and 204 contractual employees. The Governor’s proposed fiscal 2006 budget allows for the conversion of all but 19 of the contractual positions.

The treatment of youths in and the conditions of DJS facilities have been in the news frequently over the last several years. In particular, reports of abuses at the Charles H. Hickey, Jr. School and Cheltenham Youth Facility have repeatedly caught the attention of the Office of the Independent Juvenile Justice Monitor (OIJJM) within the Office for Children, Youth, and Families. OIJJM has cited numerous problems – including child abuse, violence, overcrowding, a lack of appropriate services, and understaffing – at the institutions.

In April 2004, the Justice Department sent a detailed report to the Governor outlining many of the “unconstitutional” conditions at Hickey, including several documented incidents of physical abuse of youth by staff, unsafe restraint practices, youth violence as a result of inadequate staff training, failure of staff to report youth violence, and inadequate supervision of youth.

State Expenditures: This bill could increase general fund expenditures by \$232,273 in fiscal 2006. The Governor’s proposed fiscal 2006 budget for Hickey provides for a total of 252 positions (233 permanent and 19 contractual). The salaries and wages (without fringe benefits) for the 19 contractual positions total \$503,010. Converting the 19 contractual positions to permanent positions would require the State to provide health insurance, at \$10,700 per employee, and make the employer contribution for pension system membership at 5.76%, for a total expenditure of \$232,273 (**Exhibit 1**).

Exhibit 1
Fiscal 2005 Expenditures

Health Insurance	\$203,300
Retirement Contribution	<u>28,973</u>
Total Expenditures	\$232,273

Future year expenditures reflect 4.6% annual salary growth, 11.7% annual increases in health insurance costs, and a constant (5.76%) annual retirement contribution.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Juvenile Services, Department of Budget and Management, Department of Legislative Services

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ncs/jr

Analysis by: Kineta A. Rotan

Direct Inquiries to:
(410) 946-5510
(301) 970-5510