

Department of Legislative Services  
Maryland General Assembly  
2007 Session

**FISCAL AND POLICY NOTE**

Senate Bill 479 (Senator Zirkin)  
Judicial Proceedings

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

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This bill prohibits the Department of Human Resources (DHR), after January 1, 2008, 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 younger than 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 an estimated 2,700 children in group homes/residential care in Maryland and another 98 children in group homes out of state. DHR contracts with 15 DJS-licensed group home providers with a total of 32 beds. DHR estimates that 34 children are placed in DJS-licensed facilities. Additionally, DHR and DJS share placements in 11 out-of-state programs. As a result, at least another 50 children committed to DHR are commingled with DJS-committed children in out-of-state placements. Fourteen of the children in out-of-state placements are co-committed to DHR and DJS and are, by definition, commingled.

DJS advises that it licenses 16 group homes with a total capacity of 459 beds and 4 shelters with a total capacity of 37 beds. In fiscal 2006, DJS placed 593 youth in DJS-licensed group homes and 381 youth in group homes licensed by other State agencies. In fiscal 2006, DJS placed a total of 850 youth in out-of-home placements.

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 2008. 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 could not 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. DJS advises that both DHR and DJS also would be required to develop specialized programs – such as substance abuse, sex offender, mother and baby, and developmental disability programs with a capacity of 651 beds – as a result of this bill.

An estimated 381 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 estimated 34 children currently placed at DJS-licensed group homes to other group homes as well as an estimated 50 children who are commingled with DJS-committed youth in out-of-state placements.

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### **Additional Information**

**Prior Introductions:** A similar bill, HB 1344 of 2005, had a hearing in the House Judiciary Committee and was withdrawn. Its cross file, SB 853, had a hearing in the Senate Judicial Proceedings Committee, but no further action was taken.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - February 11, 2007  
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Analysis by: Lisa A. Daigle

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