

Article - Human Services

§1-101.

- (a) In this article the following words have the meanings indicated.
- (b) “County” means a county of the State or Baltimore City.
- (c) “Person” means an individual, receiver, trustee, guardian, personal representative, fiduciary, representative of any kind, partnership, firm, association, corporation, or other entity.
- (d) “State” means:
 - (1) a state, possession, territory, or commonwealth of the United States; or
 - (2) the District of Columbia.

§1-201.

- (a) Except as provided in subsection (b) of this section, a person may not disclose any information concerning an applicant for or recipient of social services, child welfare services, adult protective services, cash assistance, food stamps, or medical assistance that is directly or indirectly derived from the records, investigations, or communications of the State, a county, or a municipal corporation or a unit of the State, a county, or a municipal corporation or that is acquired in the course of the performance of official duties.
- (b) This section does not prohibit the disclosure of information:
 - (1) in accordance with a court order;
 - (2) to an officer or employee of any state or local government or the United States, if the officer or employee is entitled to the information in an official capacity and the disclosure is necessary to administer:
 - (i) public assistance, medical assistance, social services, adult protective services, or child welfare services programs; or
 - (ii) voter registration in accordance with § 3-203 of the Election Law Article;

(3) to a fiduciary institution that reported suspected financial abuse or financial exploitation, if the fiduciary institution is authorized to request the information under § 1–306(h) of the Financial Institutions Article; or

(4) relating to adult protective services, to an officer or employee of any state or local government or the United States if the officer or employee is responsible for conducting an investigation in an official capacity and the disclosure is relevant to the investigation.

(c) A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 90 days or a fine not exceeding \$500 or both.

§1–202.

(a) Except as otherwise provided in Title 5, Subtitles 7 and 12 of the Family Law Article, § 1–203 of this subtitle, and this section, a person may not disclose a report or record concerning child abuse or neglect.

(b) A report or record concerning child abuse or neglect shall be disclosed:

(1) under a court order;

(2) under an order of an administrative law judge, if:

(i) the request for disclosure concerns a case pending before the Office of Administrative Hearings; and

(ii) provisions are made to comply with other State or federal confidentiality laws and to protect the identity of the reporter or other person whose life or safety is likely to be endangered by the disclosure; or

(3) to the Division of Parole and Probation in the Department of Public Safety and Correctional Services if, as a result of a report or investigation of suspected child abuse or neglect, the local department of social services has reason to believe that an individual who lives in or has a regular presence in a child's home is registered under Title 11, Subtitle 7 of the Criminal Procedure Article based on the commission of an offense against a child.

(c) A report or record concerning child abuse or neglect:

(1) may be disclosed on request to:

(i) personnel of the Social Services Administration or a local department of social services, law enforcement personnel, and members of multidisciplinary case consultation teams, including an addiction specialist as defined in Title 5, Subtitle 12 of the Family Law Article or § 5–314 of this article, who are investigating a report of known or suspected child abuse or neglect or providing services to or assessing a child or family that is the subject of the report;

(ii) local or State officials responsible for the administration of child protective services, juvenile services, or child care, foster care, or adoption licensing, approval, or regulations, as necessary to carry out their official functions;

(iii) the State Council on Child Abuse and Neglect or its designee, the State Citizens Review Board for Children or its designee, or a child fatality review team, as necessary to carry out their official functions;

(iv) a person who is the alleged abuser or neglector, if that person is responsible for the child's welfare and provisions are made for the protection of the identity of the reporter or any other person whose life or safety is likely to be endangered by disclosing the information;

(v) a licensed practitioner who, or an agency, institution, or program that, is providing treatment or care to a child who is the subject of a report of child abuse or neglect for a purpose relevant to the treatment or care;

(vi) a parent or other person who has permanent or temporary care and custody of the child, if provisions are made for the protection of the identity of the reporter or any other person whose life or safety is likely to be endangered by disclosing the information;

(vii) 1. the appropriate public school superintendent or the principal or equivalent employee of a nonpublic school that holds a certificate of approval from the State or is registered with the State Department of Education to carry out appropriate personnel or administrative actions following a report of suspected child abuse involving a student committed by:

A. a public school employee in that school system;

B. an employee of that nonpublic school;

C. an independent contractor who supervises or works directly with students in that school system or that nonpublic school; or

D. an employee of an independent contractor, including a bus driver or bus assistant, who supervises or works directly with students in that school system or that nonpublic school; and

2. if the report concerns suspected child abuse involving a student committed by an employee, independent contractor, or employee of an independent contractor described in item 1 of this item and employed by a nonpublic school under the jurisdiction of the superintendent of schools for the Archdiocese of Baltimore, the Archdiocese of Washington, or the Catholic Diocese of Wilmington, the appropriate superintendent of schools;

(viii) the director of a licensed child care facility or licensed child placement agency to carry out appropriate personnel actions following a report of suspected child abuse or neglect alleged to have been committed by an employee of the facility or agency and involving a child who is currently or was previously under the care of that facility or agency;

(ix) the Juvenile Justice Monitoring Unit of the Office of the Attorney General established under Title 6, Subtitle 4 of the State Government Article;

(x) subject to subsection (d) of this section, a licensed practitioner of a hospital or birthing center to make discharge decisions concerning a child, when the practitioner suspects that the child may be in danger after discharge based on the practitioner's observation of the behavior of the child's parents or immediate family members; or

(xi) the president of a Maryland public institution of higher education, as defined in § 10–101 of the Education Article, or the Chancellor of the University System of Maryland, to carry out appropriate personnel or administrative actions following a report of child abuse committed:

1. by an employee of the institution who has on–campus contact with children; or

2. by a contractor, an employee of a contractor, or a volunteer of the institution who has on–campus contact with children; and

(2) may be disclosed by the Department of Human Services to the operator of a child care center that is required to be licensed or to hold a letter of compliance under Title 9.5, Subtitle 4 of the Education Article or to a family child care provider who is required to be registered under Title 9.5, Subtitle 3 of the Education Article, to determine the suitability of an individual for employment in the child care center or family child care home.

(d) Only the following information concerning child abuse and neglect may be disclosed to a practitioner of a hospital or birthing center under subsection (c)(1)(x) of this section:

(1) whether there is a prior finding of indicated child abuse or neglect by either parent; and

(2) whether there is an open investigation of child abuse or neglect pending against either parent.

(e) A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 90 days or a fine not exceeding \$500 or both.

§1-203.

(a) (1) In this section the following words have the meanings indicated.

(2) “Local department” means the department of social services that has jurisdiction in the county:

(i) where the allegedly abused or neglected child lives; or

(ii) if different, where the abuse or neglect is alleged to have taken place.

(3) “Local director” means the director of the local department.

(4) “Medical report” means a psychological, psychiatric, therapeutic, clinical, or medical report or evaluation related to the allegedly abused or neglected child, a sibling of the child, or another child in the household, family, or care of the alleged abuser or neglecter.

(5) “Secretary” means the Secretary of Human Services.

(b) (1) Notwithstanding any other provision of law and subject to paragraphs (2) and (3) of this subsection, the local director or the Secretary shall, within 30 days after receiving a request, disclose information concerning child abuse or neglect if the child:

(i) was in the custody of a local or State department or agency, or in the care of a foster parent;

(ii) is the subject of an investigation, a report, a referral, or a complaint received by a local or State department or agency; and

(iii) suffered a fatality or near fatality.

(2) Information disclosed in accordance with paragraph (1) of this subsection shall be limited to actions or omissions of the local department, the Department of Human Services, or an agent of the Department of Human Services.

(3) (i) On receiving a request to disclose information in accordance with paragraph (1) of this subsection, the Secretary promptly shall notify the State's Attorney's office of the request.

(ii) The State's Attorney's office shall be allowed 30 days after receipt of the notice required under subparagraph (i) of this paragraph to redact from the record any portion of the record that, if made public, would seriously hinder the ability of the State's Attorney's office to prosecute a criminal case arising from the incident.

(4) (i) If the State's Attorney's office redacts information in accordance with paragraph (3)(ii) of this subsection, the State's Attorney shall notify the local director or the Secretary within 10 days after the conclusion of the related investigation or prosecution.

(ii) Within 30 days after notification from the State's Attorney under subparagraph (i) of this paragraph, the local director or the Secretary shall disclose information in accordance with this section.

(c) Subject to subsection (d) of this section, the local director or the Secretary shall disclose:

(1) the name of the allegedly abused or neglected child who has suffered a fatality;

(2) the date of the report of the alleged child abuse or neglect and of any prior or subsequent reports;

(3) the findings made by the local department at the conclusion of its investigation and the disposition made by the local department based on its findings;

(4) any services provided to the alleged abuser or neglecter, the allegedly abused or neglected child, and the household or family members;

(5) the number of referrals for professional services for the alleged abuser or neglecter, the allegedly abused or neglected child, and the household or family members;

(6) any prior adjudication as a child in need of assistance of the allegedly abused or neglected child, a sibling of the child, or another child in the household, family, or care of the alleged abuser or neglecter;

(7) the status of any case involving the child that was open at the time of the fatality or near fatality;

(8) a summary of the facts of the fatality or near fatality, including the date of the fatality or near fatality and, in the case of a fatality, the cause of death reported by the medical examiner; and

(9) any information concerning the circumstances of the alleged child abuse or neglect and the investigation of the circumstances, if the local director or the Secretary determines that the disclosure is consistent with the public interest.

(d) (1) The local director or the Secretary may not:

(i) disclose the identity of or provide an identifying description of the person who made the report;

(ii) disclose the name of a child who has suffered a near fatality, a sibling of the allegedly abused or neglected child, a parent of the allegedly abused or neglected child, an individual legally responsible for the child, the alleged abuser or neglecter, or another household or family member;

(iii) except as provided in paragraph (2) of this subsection, disclose a medical report; or

(iv) except for the information described in subsection (c) of this section, disclose the file relating to the allegedly abused or neglected child.

(2) Notwithstanding Title 4, Subtitle 3 of the Health – General Article, the local director or the Secretary may disclose a medical report related to the cause of the child’s injury or death as a result of the alleged abuse or neglect.

(e) In consultation with the local directors, the Secretary shall develop a form for disclosure of the information described in subsection (c) of this section.

(f) This section does not grant a right to any person to receive the information described in subsection (c) of this section.

§1–204.

This part does not prohibit:

(1) the publication, for administrative or research purposes, of statistics or other data that is classified in a manner that prevents the identification of particular persons or cases;

(2) the Department of Human Services from obtaining an individual's financial records from a fiduciary institution in the course of verifying the individual's eligibility for public assistance; or

(3) disclosures authorized under § 1–303 of the Financial Institutions Article.

§1–205.

The Department of Human Services shall adopt regulations governing access to and use of confidential information that the Department or a local department of social services possesses.

§1–208.

(a) In this part the following words have the meanings indicated.

(b) “Person in interest” means:

(1) a minor, if the information requested concerns treatment to which the minor has the right to consent and has consented under Title 20, Subtitle 1 of the Health - General Article;

(2) a parent, if the parental rights of the parent have not been terminated;

(3) a guardian, custodian, or representative of a minor, designated by a court, if authorized to act on behalf of or instead of a parent; or

(4) an individual authorized to act as a surrogate for a parent or guardian in accordance with the federal Individuals with Disabilities Education Act.

(c) “Public agency” means a State or local government unit or a quasi-governmental entity.

§1-209.

(a) It is the intent of the General Assembly that public agencies that serve children, youth, and families in the State exchange information with the written consent of the person in interest or another individual authorized to give consent under this subtitle.

(b) The exchange of information under subsection (a) of this section is for the purpose of:

(1) carrying out the policy established under § 8-102 of this article for children, youth, and family services;

(2) facilitating the development of a seamless system of family-focused services; and

(3) achieving a comprehensive and coordinated interagency approach to providing a continuum of care that is family- and child-oriented.

§1-210.

Notwithstanding any other State law and except as provided in § 1-211 of this subtitle, on written request, a public agency shall disclose information and records on children, youth, and families served by that agency to:

(1) another public agency that serves the same children, youth, and families;

(2) another public agency that has children or youth in a program, home, or residential facility funded or licensed by that agency; or

(3) the Governor's Office for Children.

§1-211.

(a) (1) A public agency may not disclose information or records under § 1-210 of this subtitle if:

(i) disclosure is prohibited by federal law; or

(ii) the public agency has not obtained written consent if required by § 1-212 of this subtitle.

(2) A public agency may disclose only the information and records that are identified specifically in the written request.

(b) (1) A public agency may not disclose child protective services records collected before October 1, 1993, unless the person in interest gives consent after being given an opportunity to review the records and the information to be disclosed.

(2) On request, the person in interest may review the entire child protective services record regarding the minor.

(3) A public agency may not disclose to the person in interest or a requesting public agency the identity of:

(i) a reporter of abuse or neglect; or

(ii) another person whose life or safety is likely to be endangered by the disclosure.

(c) Information and records disclosed to a public agency under this part shall remain confidential and, except as provided in § 1-212(c) of this subtitle, may not be further disclosed.

(d) Information collected by the Children's Cabinet under § 1-212 of this subtitle may not be redisclosed in any form that reveals the identity of a recipient of services.

§1-212.

(a) Except where the consent of the person in interest is not required by law, a public agency may disclose information or records under § 1-210 of this subtitle only after obtaining written consent from:

(1) the person in interest; or

(2) another individual authorized to give consent under subsection (b) of this section.

(b) (1) For the purposes of this subsection, a person in interest is considered not reasonably available if:

(i) after reasonable oral or written inquiry, the requesting public agency is unaware of the existence of a person in interest;

(ii) after reasonable inquiry, the requesting public agency cannot determine the location of a person in interest; or

(iii) after reasonable efforts by the requesting public agency to contact the person in interest, the person in interest has not responded in a timely manner, taking into account the needs of the minor for whom services are to be provided.

(2) If the person in interest is not reasonably available to give written consent, the following persons, not listed in order of priority, may consent in writing to the release of information or records regarding a minor:

(i) an adult who is acting as the parent of a minor, not including a teacher or a baby-sitter;

(ii) a court that has jurisdiction over an action affecting the parent-child relationship of which the minor is the subject; or

(iii) the Maryland Department of Health, the Department of Juvenile Services, or a local department of social services, that has the care and custody of a minor.

(3) A person authorized to consent to the release of information or records under paragraph (2) of this subsection shall confirm in writing that the person in interest is not reasonably available.

(4) The public agency releasing the information shall include the written confirmation in the record from which the information is released.

(c) (1) This subsection applies:

(i) notwithstanding any other State law; and

(ii) if disclosure is not prohibited by federal law.

(2) Without the consent of the person in interest, a public agency may disclose to the Children's Cabinet:

(i) the name, address, date of birth, race, and sex of children receiving services; and

(ii) the types, dates, and duration of services provided to children by State and local agencies.

(3) The Children's Cabinet may use information disclosed under paragraph (2) of this subsection only for planning, budgeting, evaluation, and analysis.

§2-101.

- (a) In this title the following words have the meanings indicated.
- (b) "Department" means the Department of Human Services.
- (c) "Secretary" means the Secretary of Human Services.

§2-201.

There is a Department of Human Services established as a principal department of the State government.

§2-202.

(a) (1) With the advice and consent of the Senate, the Governor shall appoint the Secretary of Human Services.

(2) The Secretary is the head of the Department.

(b) Before taking office, the appointee shall take the oath required by Article I, § 9 of the Maryland Constitution.

(c) (1) The Secretary serves at the pleasure of the Governor and is responsible directly to the Governor.

(2) The Secretary shall advise the Governor on all matters assigned to the Department and is responsible for carrying out the Governor's policies on those matters.

(d) The Secretary is entitled to the compensation provided in the State budget.

(e) The Secretary shall have a seal.

§2-203.

(a) The Secretary is responsible for the operation of the Department and shall establish guidelines and procedures to promote the orderly and efficient administration of the Department.

(b) The Secretary may establish, reorganize, or abolish areas of responsibility in the office of the Secretary as necessary to fulfill effectively the duties assigned to the Secretary.

§2–204.

(a) With the approval of the Governor, the Secretary shall appoint three deputy secretaries.

(b) The deputy secretaries:

(1) serve at the pleasure of the Secretary; and

(2) are entitled to the compensation provided in the State budget.

(c) The deputy secretaries have the duties delegated by the Secretary.

(d) The Secretary shall designate a deputy secretary to be the acting secretary when the Secretary is absent from the State or otherwise unavailable.

§2–205.

(a) In accordance with the State budget, the Secretary may employ a staff attached to the office of the Secretary.

(b) The Secretary may designate a staff assistant to be in charge of a particular area of responsibility.

(c) (1) (i) The Secretary shall appoint each staff assistant in the office of the Secretary in charge of a particular area of responsibility and each professional consultant.

(ii) An employee specified in subparagraph (i) of this paragraph:

1. is in the executive service or management service of, or is a special appointment under, the State Personnel Management System; and

2. serves at the pleasure of the Secretary.

(2) Unless otherwise provided by law, the Secretary shall appoint and remove all other employees in the office of the Secretary in accordance with the provisions of the State Personnel and Pensions Article.

§2-206.

If the Secretary is required by law to make an appointment with the approval of the Governor to a particular office in the Department and the appointee is required to serve at the pleasure of the Secretary, the Secretary may not remove the appointee without first obtaining the Governor's approval.

§2-207.

(a) The appointment or removal of personnel by a unit in the Department is subject to the approval of the Secretary.

(b) The Secretary may delegate the power of approval established under subsection (a) of this section to the head or governing body of the unit.

§2-208.

(a) This section does not apply to a unit in the Department to the extent that the unit is authorized by law to employ its own legal adviser or counsel.

(b) The Attorney General is the legal adviser to the Department.

(c) The Attorney General shall assign to the Department the number of assistant Attorneys General that are authorized by law for the Department and its units.

(d) (1) The Attorney General shall designate one of the assistant Attorneys General assigned to the Department as counsel to the Department and may not reassign that individual without consulting with the Secretary.

(2) The counsel may have no duty other than to give the legal aid, advice, and counsel required by the Secretary or any other official of the Department, to supervise the other assistant Attorneys General assigned to the Department, and to perform for the Department the duties that the Attorney General assigns.

(3) The counsel shall perform the duties specified in paragraph (2) of this subsection subject to the control and discretion of the Attorney General.

§2-209.

(a) The Secretary shall adopt regulations for the office of the Secretary.

(b) (1) The Secretary shall review regulations proposed by a unit in the Department.

(2) The Secretary may approve, disapprove, or revise regulations proposed by a unit in the Department.

§2–210.

The Secretary is responsible for the budget of the office of the Secretary and for the budget of each unit in the Department.

§2–211.

(a) The Secretary is responsible for planning activities of the Department.

(b) The Secretary may review and approve, disapprove, or revise the plans, proposals, and projects of units in the Department.

§2–212.

The Secretary may exercise or perform any power, duty, responsibility, or function of any unit in the Department.

§2–213.

In addition to any advisory boards established by law, the Secretary, with the approval of the Governor, may create advisory boards or use as an advisory board any existing commission established by executive order.

§2–301.

The following units are in the Department:

- (1) the Child Support Administration;
- (2) the Family Investment Administration;
- (3) the Social Services Administration;
- (4) the Maryland Commission for Women;
- (5) the Two Generation Family Economic Security Commission; and

(6) any other unit that by law is declared to be part of the Department.

§2–302.

The Department shall maintain a website on which to post notices of petitions under §§ 5-316(f)(3)(ii), 5-3A-15(d)(3)(ii), and 5-3B-15(f)(3)(ii) of the Family Law Article.

§2–303.

(a) (1) In this section the following words have the meanings indicated.

(2) “Career” means an occupation that provides opportunities for upward mobility and professional progress.

(3) “Eligible county” means:

- (i) Baltimore City;
- (ii) Baltimore County; or
- (iii) Prince George’s County.

(4) “Eligible local school system” means:

- (i) the Baltimore City public school system;
- (ii) the Baltimore County public school system; or
- (iii) the Prince George’s County public school system.

(5) “Pilot Program” means the Pilot Program for Human Services Careers established under this section.

(6) (i) “Service obligation” means to work in a targeted position for a minimum period of time, as provided in subparagraph (ii) of this paragraph, during the 8–year period immediately following the awarding of a scholarship under the Pilot Program for Human Services Careers Scholarship established under § 18–3902 of the Education Article.

(ii) The service obligation period shall be 15 months for each academic year that the scholarship is awarded, regardless of the credit hours or semesters completed by the recipient during the academic year.

(7) “Targeted positions” means the following positions in the Department in an eligible county:

- (i) Child Support Specialist Series;
- (ii) Family Investment Specialist Series;
- (iii) Family Support Worker Series;
- (iv) Family SVS Caseworker Series; and
- (v) Social Worker Series.

(b) (1) There is a Pilot Program for Human Services Careers.

(2) The purpose of the Pilot Program is to:

(i) encourage collaboration between the Department and eligible local school systems to assist students in establishing careers in targeted positions in the Department; and

(ii) assist current employees of the Department and employees in targeted positions in the Department to establish careers in targeted positions in the Department.

(3) The Department shall work with eligible local school systems to meet the requirements under § 7–132 of the Education Article regarding the Pilot Program.

(c) (1) In hiring for targeted positions, the Department shall prioritize applicants who:

(i) graduated from a high school in an eligible local school system; and

(ii) participated in the Pilot Program through the local school system or as an employee of the Department.

(2) If an applicant who meets the criteria described in paragraph (1) of this subsection is hired to fill a targeted position in the Department, the Department shall award a one-time stipend of \$500 to the employee.

(d) (1) If the Department hires an applicant who graduated from a high school in an eligible local school system to fill a targeted position, the Department shall assign to the new employee a mentor who works in the Department.

(2) The Department shall:

(i) solicit applications from employees to serve as mentors to new employees hired in accordance with this section;

(ii) select qualified employees to serve as mentors based on criteria determined by the Department; and

(iii) negotiate mentor compensation with each exclusive representative.

(3) A mentor assigned to a new employee shall:

(i) serve as an expert resource on the Department for the employee; and

(ii) be compensated by the Department for serving as a mentor.

(4) The Department shall create a support system network for the employees who want to participate in the Pilot Program.

(e) (1) The Department shall provide to employees and other interested individuals outside the Department information regarding the career opportunities that are available in targeted positions in the Department.

(2) The information shall include:

(i) the qualifications necessary for each targeted position;

(ii) the salary range for each targeted position;

(iii) contact information for individuals who can help employees obtain the qualifications necessary for a targeted position; and

(iv) a description of and contact information for the Pilot Program for Human Services Careers Scholarship established under § 18–3902 of the Education Article.

(f) The Department, in collaboration with a scholarship recipient, shall develop a work schedule that enables the scholarship recipient to maintain a course load consistent with the intent of the Pilot Program.

(g) If an employee obtains a necessary credential or degree to work in a targeted position in the Department, the Department shall award a one-time stipend of \$500 to the employee.

(h) Nothing in this section shall be construed to alter the minimum qualifications for any of the targeted positions included in this section.

(i) On or before December 1, 2024, and each December 1 thereafter, the Department shall collaborate with the eligible local school systems to submit a report to the General Assembly, in accordance with § 2-1257 of the State Government Article, on the Pilot Program, including:

(1) activities conducted by each eligible local school system to assist students in establishing careers in targeted positions in the Department;

(2) the number of individuals participating in the Pilot Program from each eligible local school system and in the Department; and

(3) the number of individuals awarded a Scholarship from the Pilot Program for Human Services Careers Scholarship established under § 18-3902 of the Education Article.

(j) On or before December 1, 2028, the Department shall submit a report to the General Assembly, in accordance with § 2-1257 of the State Government Article, on the effectiveness of the Pilot Program in accomplishing the goals of the Pilot Program in increasing employment in targeted positions in the Department.

§2-401.

In this subtitle, “Commission” means the Maryland Commission for Women.

§2-402.

(a) There is a Maryland Commission for Women in the Department.

(b) The Commission shall report to the Governor and the General Assembly through the Secretary.

§2-403.

(a) The Commission consists of 25 members appointed by the Governor with the advice and consent of the Senate.

(b) Of the 25 members of the Commission:

(1) 12 shall be appointed from among applicants who have been nominated and recommended for appointment by organizations located in the State whose interests relate to the status of women; and

(2) 13 shall be appointed from among applicants applying on their own behalf.

(c) To the extent practicable, in making appointments under this section, the Governor shall ensure geographic diversity among the membership of the Commission.

(d) (1) The term of a commissioner is 4 years.

(2) The terms of members are staggered as required by the terms provided for members of the Commission on October 1, 2007.

(3) A commissioner may not serve more than two consecutive terms.

(4) At the end of a term, a commissioner continues to serve until a successor is appointed and qualifies.

(5) A commissioner who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(e) A commissioner who fails to attend at least 50% of the regularly scheduled meetings of the Commission during any 12-month period shall be considered to have resigned.

(f) Commissioners are not entitled to receive compensation for their services.

§2-404.

(a) The Commission shall elect a chair and a vice chair from among its members.

(b) The Commission may appoint any officers that it considers necessary.

§2-405.

- (a) The Secretary shall appoint an executive director of the Commission.
- (b) The executive director shall be a merit employee of the Department.
- (c) The executive director is entitled to the compensation provided in the State budget.

§2-406.

- (a) (1) The Commission shall:
 - (i) stimulate and encourage study and review of the status of women in the State;
 - (ii) strengthen home life by directing attention to critical problems confronting women as wives, mothers, homemakers, and workers;
 - (iii) recommend methods of overcoming discrimination against women in public and private employment;
 - (iv) encourage women to become candidates for public office;
 - (v) promote more effective methods for enabling women to develop skills, continue education, and be retrained;
 - (vi) secure appropriate recognition of women's accomplishments and contributions to the State;
 - (vii) work to develop healthy attitudes within the framework of the Commission's responsibilities; and
 - (viii) inform the executive and legislative branches of government on issues concerning women, including offering testimony on these issues before legislative and administrative bodies.
- (2) The Commission may:
 - (i) act as a clearinghouse for activities to avoid duplication of effort; and
 - (ii) make surveys and appoint advisory committees in fields including education, social services, labor laws and employment policies, law

enforcement, health and safety, new and expanded services, legal rights, family relations, human relations, and volunteer services.

(b) Through the Secretary, the Commission shall submit an annual report including recommendations based on the Commission's studies to the Governor and, subject to § 2-1257 of the State Government Article, to the General Assembly.

(c) The Commission may not adopt regulations.

§2-407.

Each executive unit of the State shall cooperate fully with the Commission in the performance of the Commission's duties.

§2-408.

(a) (1) Subject to the approval of the Secretary, the Commission may accept for the purposes of this subtitle:

(i) federal funds granted by Congress or executive order; and

(ii) private donations from individuals, organizations, or foundations.

(2) The acceptance and use of federal funds does not commit State funds or obligate the General Assembly to continue the purposes for which the federal funds are granted.

(b) The Department shall include the Commission in its annual budget.

§2-501.

In this subtitle, "Commission" means the Two Generation Family Economic Security Commission.

§2-502.

(a) There is a Two Generation Family Economic Security Commission in the Department.

(b) The Commission shall report to the Governor and the General Assembly through the Secretary.

§2-503.

- (a) The Commission consists of the following members:
 - (1) the Secretary, who shall serve as the ex officio chair of the Commission;
 - (2) two members of the Senate, appointed as follows:
 - (i) one member of the Senate Budget and Taxation Committee, appointed by the President of the Senate; and
 - (ii) one member appointed by the Minority Leader of the Senate;
 - (3) two members of the House of Delegates, appointed as follows:
 - (i) one member of the House Appropriations Committee, appointed by the Speaker of the House; and
 - (ii) one member appointed by the Minority Leader of the House of Delegates;
 - (4) the Secretary of Housing and Community Development, or the Secretary's designee;
 - (5) the Secretary of Disabilities, or the Secretary's designee;
 - (6) the Secretary of Health, or the Secretary's designee;
 - (7) the Secretary of Labor, or the Secretary's designee;
 - (8) the Secretary of Juvenile Services, or the Secretary's designee;
 - (9) the Superintendent of the Maryland State Department of Education, or the Superintendent's designee;
 - (10) one director of a local department of social services, appointed by the Secretary of Human Services in consultation with the Maryland Association of Social Services Directors;
 - (11) one county health officer, appointed by the Secretary of Health in consultation with the Maryland Association of County Health Officers;

(12) one member appointed by the Maryland Association of Community Colleges;

(13) two public members appointed by the Governor, including at least one parent with experience in child welfare advocacy or community action partnerships; and

(14) one member appointed by the Secretary of Human Services who lived in and experienced poverty in Maryland and who was, within the past 3 years before appointment to the Commission, a recipient of public assistance based on the individual's poverty.

(b) To the extent practicable, appointments under this section shall ensure geographic diversity among the membership of the Commission.

(c) (1) This subsection applies to commissioners appointed under subsection (a)(10) through (13) of this section.

(2) The term of a commissioner is 4 years.

(3) The terms of the members are staggered as required by the terms provided for members of the Commission on October 1, 2020.

(4) At the end of a term, a commissioner continues to serve until a successor is appointed.

(5) A commissioner who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed.

(d) The Department shall provide staff for the Commission.

(e) A member of the Commission:

(1) may not receive compensation as a member of the Commission;
but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

§2-504.

(a) (1) The Commission shall:

(i) investigate policy challenges, opportunities, and recommendations regarding the mitigation of multigenerational poverty;

(ii) identify services and policies within State programs that can be coordinated to support a multigenerational approach to addressing poverty;

(iii) identify program and service gaps and inconsistencies among federal, State, and local policies;

(iv) identify, test, and recommend best practices implemented at the federal, State, and local levels;

(v) solicit information and guidance from external sources with direct knowledge and experience in addressing multigenerational poverty;

(vi) identify tools to measure and predict the impact of the benefit cliff on an individual family basis;

(vii) measure the impact of multigenerational programs;

(viii) identify opportunities to coordinate multigenerational services across multiple State agencies; and

(ix) collect data to be used in evaluating the effectiveness of programs.

(2) The Commission may:

(i) utilize federal and State funding to establish and implement programs to address multigenerational poverty; and

(ii) partner with local jurisdictions and community action agencies, local departments of social services, and local workforce development areas in implementing programs to address intergenerational poverty.

(b) Through the Secretary, the Commission shall submit an annual report including recommendations based on the Commission's studies to the Governor and, subject to § 2-1257 of the State Government Article, the General Assembly.

§2-505.

Each executive unit of the State shall cooperate fully with the Commission in the performance of the Commission's duties.

§2–506.

The Governor shall include the Commission in the Department’s annual budget.

§3–101.

(a) In this title the following words have the meanings indicated.

(b) “Department” means the Department of Human Services.

(c) (1) “Local board” means the board of social services in a county.

(2) “Local board” includes the commission of social services in Baltimore City.

(d) “Local department” means:

(1) a local department of social services created or continued in a county under § 3–201 of this title; or

(2) in Montgomery County, the Montgomery County government.

(e) “Local director” means the director of a local department.

(f) “Local governing authority” means:

(1) in references to executive authority:

(i) the board of county commissioners of a county that does not have a charter form of government;

(ii) the highest executive authority of a county that has a charter form of government; or

(iii) the Mayor of Baltimore City;

(2) in references to purely legislative authority:

(i) the board of county commissioners of a county that does not have a charter form of government;

(ii) the county council of a county that has a charter form of government; or

(iii) the City Council of Baltimore City; or

(3) in references to combined executive and legislative authority:

(i) the board of county commissioners of a county that does not have a charter form of government;

(ii) the county council and the highest executive authority of a county that has a charter form of government; or

(iii) the Mayor and City Council of Baltimore City.

(g) “Secretary” means the Secretary of Human Services.

§3–201.

(a) (1) This subsection does not apply in Montgomery County.

(2) The Department shall create or continue a local department in each county.

(3) A local department shall be referred to as the department of social services preceded by the name of the county.

(b) Except as provided in subsection (c) of this section, a local department shall have a local board and a local director appointed in accordance with this title.

(c) In Baltimore City, the local department shall have a commission of social services.

§3–202.

(a) Administrative costs that a local department incurs in carrying out this subtitle and Subtitle 3 of this title shall be paid with State or federal funds as the Department prescribes.

(b) This section does not prohibit a county from appropriating additional funds for administrative costs of a local department.

§3–301.

(a) In this section, “local executive authority” means:

(1) except as provided in item (2) of this subsection, the county executive of a county that has a charter form of government;

(2) the County Council of Talbot County;

(3) the county commissioners of a county that does not have a charter form of government; or

(4) the Mayor of Baltimore City.

(b) (1) In each county, the local director shall be appointed with the concurrence of the Secretary and the appropriate local executive authority or its designee.

(2) The local executive authority or its designee shall meet and consult with the local board before the appointment of the local director.

(c) A local director shall have:

(1) a master's degree in social work or a related field;

(2) at least 5 years of professional employment in social services administration or supervision; and

(3) any other qualifications and training that the Secretary requires by regulation.

(d) (1) The Secretary, the local executive authority or its designee, and the local board shall:

(i) at least annually, evaluate the local director in writing; and

(ii) jointly review their respective evaluations with the local director.

(2) In consultation with the local board, the local governing authority of each county shall establish by ordinance or resolution the process for evaluating the local director.

(3) The Secretary shall:

(i) establish by regulation the process by which the Secretary will evaluate the local directors; and

(ii) notify the local board of any significant deficiencies in the administration of the local department.

(e) (1) A local director may be removed from office with the concurrence of the Secretary and the appropriate local executive authority or its designee.

(2) The appropriate local executive authority or its designee shall meet and consult with the local board before the removal of a local director.

(f) (1) A local director shall be in the executive service or management service of the State Personnel Management System.

(2) Each deputy director and assistant director of the Baltimore City Department of Social Services shall be in the management service of the State Personnel Management System.

(3) Except as provided in § 3-403.1 of this title, the Director of the Department of Social Services in Montgomery County is a member of the Employees' Pension System.

§3-302.

(a) (1) This section does not apply in Montgomery County.

(2) Except for child support enforcement, a local director shall administer the social service and public assistance activities in the county in accordance with Title 4, Subtitle 2 and Title 5, Subtitle 2 of this article.

(b) A local director has a general administrative responsibility to the Social Services Administration and the Family Investment Administration.

(c) The responsibilities of a local director include:

(1) long-range and short-range planning for the functions and objectives of the local department;

(2) administering the operations of the local department;

(3) except as provided in § 3-301(f)(2) of this subtitle or as otherwise provided by law, appointing personnel of the local department in accordance with the State Personnel and Pensions Article;

(4) improving administrative and social work practices and procedures;

(5) submitting periodic reports and evaluations that the Social Services Administration and the Family Investment Administration require;

(6) submitting an annual report to the local board; and

(7) undertaking any other responsibilities required by the Social Services Administration, the Family Investment Administration, or applicable laws.

§3-303.

In Montgomery County, the local director shall act as the agent of the Secretary to ensure that Montgomery County complies with responsibilities under grant agreements entered into in accordance with § 3-403 of this title.

§3-401.

It is the intent of the General Assembly that:

(1) the purpose of this subtitle is to provide better integrated, more efficient, and accountable human services delivery in Montgomery County by the State and county; and

(2) implementation of this subtitle shall be cost neutral to both the State and Montgomery County.

§3-402.

(a) In Montgomery County, the Montgomery County government shall administer State social service and public assistance programs that in other counties are administered by a local department.

(b) The administration of State programs by Montgomery County is governed by State and federal regulations.

(c) (1) Montgomery County shall administer State child welfare programs in the same manner as the programs are administered in other counties.

(2) The unit of the Montgomery County government that administers the programs under paragraph (1) of this subsection is exempt from licensing requirements in the same manner as local departments in other counties.

§3-403.

(a) Subject to § 3-403.1 of this subtitle, the Secretary shall enter into a grant agreement with the Montgomery County government for the administration in Montgomery County of programs administered in other counties by local departments.

(b) The grant agreement shall:

(1) provide for payment to Montgomery County for the costs of administering State programs at State funding rates as provided in § 3-202 of this title:

(i) including salaries, overhead, general liability coverage, workers' compensation, and employee benefits; but

(ii) excluding amounts attributable to county salaries or benefits that exceed comparable State salaries or benefits;

(2) require the State to pay for State accrued leave; and

(3) utilize the same budget categories as appropriations in the State budget for local departments in other counties.

(c) (1) Notwithstanding any other law, the proportion of State and federal funds paid in fiscal year 1997 to the Montgomery County government under this section relative to the funds provided by the Secretary to all local departments may not be less than the proportion of funds disbursed in fiscal year 1996 to the Montgomery County Department of Social Services.

(2) After fiscal year 1997, the amount of the grant to the Montgomery County government shall be proportionally adjusted each year to:

(i) reflect changes in case loads, the number of children in poverty, and any other relevant cost factors the parties agree to; and

(ii) ensure that the grant is equitable in relation to the funds provided to all local departments.

§3-403.1.

(a) This section applies only to the Director of the Department of Social Services in Montgomery County who was a participant in the Montgomery County Retirement System.

(b) The Director of the Department of Social Services in Montgomery County who is transferred into the State Personnel Management System as an employee of the Social Services Administration of the Maryland Department of Human Services, may elect to:

(1) remain as a participant in the Montgomery County Retirement System; or

(2) become an enrollee in the Employees' Pension System of the State of Maryland.

(c) (1) If the Director of the Department of Social Services in Montgomery County elects to remain as a participant in the Montgomery County Retirement System, the election remains in effect only as long as the employee remains employed by the Social Services Administration of the Maryland Department of Human Services.

(2) If the Director of the Department of Social Services in Montgomery County transfers to another position in State service, the employee shall become an enrollee of the Employees' Pension System of the State of Maryland.

(3) (i) While the Director of the Department of Social Services in Montgomery County remains a participant in the Montgomery County Retirement System, the State central payroll bureau shall deduct from the Director's biweekly salary an employee contribution that equals the Director's salary multiplied by the required employee contribution rate as set forth in the Montgomery County Code.

(ii) The State shall pick up within the meaning of § 414(h)(2) of the Internal Revenue Code, the employee contributions deducted under subparagraph (i) of this paragraph.

(d) (1) Until the date that the Director of the Department of Social Services in Montgomery County leaves service in the Social Services Administration of the Maryland Department of Human Services, the Department of Human Services shall pay on a quarterly basis to the Montgomery County Retirement System:

(i) the amount deducted by the State central payroll bureau from the Director's biweekly salary for that quarter as provided under subsection (c)(3) of this section; and

(ii) an employer contribution for that quarter equal to the total of the Director's salary subject to a deduction under subsection (c)(3) of this section multiplied by the employer contribution rate determined by the Department of Human Services under paragraph (3) of this subsection.

(2) On or before May 15 of each year, the Chief Administrative Officer of Montgomery County shall certify to the Department of Human Services the employer and employee contribution rates for pension benefits determined for the Montgomery County Retirement System for the next fiscal year.

(3) If the employer contribution rate certified under paragraph (2) of this subsection is greater than the employer contribution rate paid by the State for State employees under the State Personnel Management System, the Department of Human Services may limit the employer contribution rate to the employer contribution rate paid by the State for State employees under the State Personnel Management System.

(e) (1) (i) The Director of the Department of Social Services in Montgomery County covered under this section who elects to remain in the Montgomery County Retirement System may receive employee health benefits equal to those received by employees under the Montgomery County Retirement System.

(ii) If the Director elects to receive health benefits under subparagraph (i) of this paragraph, the State shall reimburse Montgomery County each month an amount equal to the State's contribution for those health benefits.

(2) (i) A retiree covered under this section who elects to remain in the Montgomery County Retirement System may receive retiree health benefits equal to those received by retirees under the Montgomery County Retirement System.

(ii) If a retiree elects to receive health benefits under subparagraph (i) of this paragraph, the State shall reimburse Montgomery County each month an amount equal to the State's contribution for those health benefits.

§3-404.

(a) The Montgomery County Department of Health and Human Services is considered to be one agency for purposes of confidentiality provisions of State law.

(b) The use and release of information concerning recipients of State social service and public assistance programs by the Montgomery County Department of Health and Human Services is governed by the confidentiality provisions of State law, including Title 1, Subtitle 2 of this article.

§3-405.

The Secretary and the County Executive of Montgomery County shall consult with each other at least every other year to ensure that the objectives of the social service and public assistance programs administered by the Montgomery County government are consistent with the objectives of the State social service and public assistance programs.

§3–406.

(a) This section is not a waiver of immunity under the Eleventh Amendment of the Constitution of the United States.

(b) (1) Except as provided in paragraph (2) of this subsection, the State shall pay any judgment awarded against Montgomery County or an employee of Montgomery County that arises out of an action commenced or prosecuted in a court of the United States relating to the administration and implementation of State programs described in this subtitle.

(2) The State may not pay a judgment awarded against an employee of Montgomery County under this section for an act or omission committed:

- (i) outside the scope of employment; or
- (ii) with malice.

§3–501.

(a) This section does not apply in Baltimore City.

(b) Each local department shall have a local board.

(c) A local board consists of at least 9 but no more than 13 members as provided by local law enacted by the local governing authority.

(d) (1) On July 1 of each year, each local governing authority shall designate one member of the local governing authority to serve as an ex officio member of the local board.

(2) (i) The other members of the local board shall be appointed by the local governing authority.

(ii) The local governing authority shall seek out and appoint individuals who:

1. have a high degree of interest, capacity, and objectivity; and

2. in the aggregate, give a countywide representative character to the local board.

(e) On July 1 of each year, each local board shall select a chairman.

(f) A member of a local board:

(1) may not receive compensation; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(g) (1) (i) 1. Except as provided in subsubparagraph 2 of this subparagraph, the term of an appointed member is 3 years.

2. In Charles County, the term of an appointed member is 4 years.

(ii) A term expires on June 30 of the year of expiration.

(iii) At the end of a term, a member continues to serve until a successor is appointed.

(iv) Once an appointed member of a local board serves two consecutive full terms, the member is ineligible for reappointment for a period of 1 year.

(2) If a vacancy occurs during the term of a member, the local governing authority shall appoint or designate a successor to serve for the remainder of the term.

(h) If a member of a local board fails to attend at least 50% of the local board's meetings during a period of twelve consecutive months:

(1) the member may be considered to have resigned; and

(2) the chairman may declare that a vacancy exists.

(i) (1) This subsection does not apply to an ex officio member of a local board.

(2) If a member of a local board is elected or appointed to political or public office:

(i) the local governing authority may consider the member to have resigned; and

(ii) the chairman shall declare that a vacancy exists.

§3-502.

The Baltimore City Social Services Commission shall be appointed in accordance with Article VII, § 58 of the Charter of Baltimore City, 1996 Edition.

§3-503.

The duties and functions of a local board include:

(1) to advise the local director as to the local application of State policies or procedures;

(2) to be well informed on local departmental activities;

(3) to communicate to the residents of the county, broad and comprehensive information as to the objectives, policies, programs, and problems of local social services and public assistance administration;

(4) to review the periodic evaluation of the local department prepared by the Department and consult with the local director as to the proper implementation of the recommendations and any recommendations made by the local board as a result of its evaluation of the local department;

(5) to review and transmit to the Secretary and the local governing authority:

(i) the annual report of the local director on the activities of the local department; and

(ii) any changes in policies or procedures the local board recommends;

(6) to review and make recommendations regarding the annual estimate of funds needed for social services and public assistance purposes in the county;

(7) (i) to consult with the local director regarding any new service that might be instituted by the local director or the local board to meet an unmet need in the county;

(ii) to approve or disapprove the local director's evaluation of the readiness of the local department to take on the new service and the propriety of the new service within the State plan; and

(iii) to present to the Department:

1. suggested new services that the local board approves, regardless of whether the recommendation originated from the local director or the local board; and

2. the recommendations of both the local director and the local board;

(8) to take active steps to secure the appropriation of local funds by the local governing authority to meet needs that are:

(i) not financed by or available through any other federal, State, or local plan, project, or program; and

(ii) not in conflict with the State plan;

(9) to meet with the Secretary periodically at the request of the Secretary or the local board;

(10) to establish and maintain effective liaison with the local governing authority;

(11) in conjunction with the Department, to serve as an advocate for social services and public assistance programs on the local, State, and federal levels;

(12) to work to identify private, State, and federal grant sources for social services and public assistance programs;

(13) in conjunction with the Department, to develop and implement an educational and public relations program for public and elected officials on the local, State, and federal level; and

(14) in conjunction with the Department and the local executive authority or its designee, to evaluate the local director and make recommendations based on the evaluation to the Secretary.

§3-601.

(a) (1) Except as provided in paragraph (2) of this subsection, the attorney to, or an attorney designated by, the local governing authority in each county or an attorney employed by the State shall institute and defend each civil action in which the local department is a party.

(2) In Cecil County, the local department may secure the services of attorneys to represent it in all legal matters affecting the local department.

(b) Actions in which the local department is a party shall be instituted in the name of the local department.

(c) (1) The court may award attorney's fees to an attorney representing a local department in an action to recover:

(i) from the estate of a recipient of any type of public assistance, the amount paid to the recipient during the recipient's lifetime; or

(ii) from a recipient of any type of public assistance, the amount paid to the recipient before the recipient receives any property or income in excess of the amount stated in the recipient's application for assistance and in excess of the recipient's need.

(2) The amount of fees awarded by the court shall be deducted from the gross amount of the recovery in the action.

(3) The net amount of the recovery shall be turned over to the local department to be divided among the State, the county, and the federal government in proportion to the amount paid by each.

(d) (1) Except as otherwise provided, an attorney who provides any other legal services on behalf of a local department shall be paid the fees the Department sets.

(2) Attorney's fees under this subsection shall be paid out of regular administrative funds.

§3-602.

(a) The Office of the Inspector General in the Department shall conduct or contract for a financial and compliance audit of each local department at an interval

of 4 years unless the Office of the Inspector General determines, on a case-by-case basis, that an audit occur at an interval of 3 years.

(b) In determining the audit interval for a local department, the Office of the Inspector General shall take into consideration:

(1) the materiality and risk profile of the local department's programs and fiscal activities;

(2) the nature and extent of prior audit findings of the local department; and

(3) any other factor related to risk.

(c) The audit shall comply with the auditing standards issued by the Institute of Internal Auditors.

(d) A written report of the audit findings shall be prepared and distributed to:

(1) the local board; and

(2) the local governing authority.

§4-101.

(a) In this title the following words have the meanings indicated.

(b) "Administration" means the Social Services Administration.

(c) "Department" means the Department of Human Services.

(d) "Executive Director" means the Executive Director of Social Services.

(e) "Local department" means:

(1) a local department of social services created or continued in a county under § 3-201 of this article; or

(2) in Montgomery County, the Montgomery County government.

(f) "Secretary" means the Secretary of Human Services.

§4-201.

There is a Social Services Administration in the Department.

§4-202.

The Administration and the Executive Director exercise their authority, duties, and functions under any State law subject to the authority of the Secretary under any State law.

§4-203.

(a) With the approval of the Governor, the Secretary shall appoint the Executive Director.

(b) The Executive Director shall be a competent person with adequate training and practical experience in social welfare work.

(c) The Executive Director serves at the pleasure of the Secretary.

(d) The Executive Director is entitled to the compensation provided in the State budget.

§4-204.

(a) (1) The Executive Director is the administrative head of the Administration.

(2) The Executive Director shall devote the Executive Director's whole time to the duties of the office.

(b) Subject to State and federal laws governing the administration of social services, the Executive Director shall:

(1) administer and organize the Administration;

(2) supervise the social service activities of the local departments;
and

(3) supervise other agencies and institutions under the supervision of the Administration.

(c) (1) The Executive Director may prescribe the number and minimum qualifications of the personnel engaged in the administration of the activities of the

Administration and of the local departments that are financed wholly or partly by the Administration.

(2) (i) As provided in the State budget, the Executive Director may appoint the personnel required to properly perform the duties of the Administration.

(ii) Except as otherwise provided, appointment and removal of all paid personnel under this title are subject to the provisions of the State Personnel and Pensions Article.

(d) The Executive Director shall submit budget estimates for the Administration to the Secretary.

§4-205.

(a) (1) The Administration shall be the central coordinating and directing agency of all social service activities in the State, including:

(i) child welfare services; and

(ii) any other social service activities financed wholly or partly by the Administration.

(2) For the purposes of these duties, child welfare services provided to a minor may continue after the minor's eighteenth birthday but not beyond the minor's twenty-first birthday.

(b) The Administration shall supervise, direct, and control the activities of the local departments that it finances wholly or partly.

(c) The Administration shall supervise all public and private institutions that have care, custody, or control of abused, abandoned, dependent, or neglected children, except:

(1) institutions under the authority of the Department of Juvenile Services; and

(2) agencies, persons, or institutions designated by the Department of Juvenile Services under § 9-217 of this article.

(d) (1) The Administration may visit any State-aided institution, organization, or agency engaged in social service or welfare activities and inspect thoroughly its management, buildings, and equipment.

(2) Visits and inspections under paragraph (1) of this subsection shall be made:

(i) at reasonably convenient hours; and

(ii) with reasonable regard to the established discipline, regulations, and customs of the institution, organization, or agency.

(e) As desirable or necessary for the purpose of this title, the Administration may designate existing agencies or organizations in the State as the Administration's agents.

(f) Before the start of each regular session of the General Assembly, the Administration shall submit a report of its activities to the Governor.

§4-206.

The Department may develop and implement an automated statewide system and related administrative procedures to achieve effectively and efficiently the purposes of this title.

§4-207.

(a) Subject to § 2-209(b) of this article, the Executive Director may adopt regulations necessary to carry out the duties imposed on the Executive Director by law.

(b) (1) The Executive Director shall adopt regulations covering the custody, use, and preservation of the records of the Administration and the local departments concerning applicants for and recipients of social services.

(2) The use of the records of the Administration and the local departments by any other governmental unit shall be limited to the purposes for which the records are furnished.

(c) (1) All regulations or directives implemented by the Executive Director that are based on federal law, rules, regulations, or guidelines shall have the federal material:

(i) referenced in the text of the State material; or

(ii) attached permanently to the State material.

(2) The Department shall furnish to each of the local departments at least one up-to-date copy of all current federal regulations applicable to the operations of the local department.

§4-301.

(a) The Secretary shall implement a comprehensive plan to recruit, train, and retain child welfare caseworkers and casework supervisors who meet the requirements of this section.

(b) (1) The Secretary shall hire as caseworkers only human services professionals, such as:

(i) social workers licensed in accordance with Title 19 of the Health Occupations Article;

(ii) psychologists licensed in accordance with Title 18 of the Health Occupations Article;

(iii) professional counselors certified in accordance with Title 17 of the Health Occupations Article;

(iv) nurses licensed in accordance with Title 8 of the Health Occupations Article;

(v) school psychologists certified in accordance with regulations adopted under Title 6, Subtitle 7 of the Education Article; and

(vi) human service workers who:

1. have a degree in an appropriate behavioral science;
2. have completed the mandatory preservice training and competency test; and
3. are supervised by licensed social workers.

(2) The Secretary may retain permanent employees employed on or before December 31, 1998 who do not have the qualifications specified in paragraph (1) of this subsection if the Secretary finds that the employees are performing their duties satisfactorily.

(c) The Secretary shall:

(1) implement a preservice training program and competency test for newly employed caseworkers;

(2) require that all new casework staff:

(i) be hired provisionally;

(ii) except for staff described in item (4) of this subsection, complete a 40-hour preservice training program; and

(iii) pass a competency test before being granted permanent employment status;

(3) implement mandatory standards for continuing education for all caseworkers and casework supervisors that require that employees who fail to obtain the required continuing education credits be subject to disciplinary action, including demotion, suspension, and dismissal;

(4) develop and implement mandatory standards that exempt newly hired individuals who have documented and verified casework experience or hold appropriate State licensure from the 40-hour preservice training program specified in item (2)(ii) of this subsection; and

(5) require caseworkers who are exempt from the preservice training program specified in item (2)(ii) of this subsection and fail the competency test to participate in the preservice training program and to take and pass the competency test before being granted permanent employment status.

(d) (1) The Secretary may not employ human services professionals on a contractual basis as caseworkers or casework supervisors, except as required to meet an unanticipated need resulting from:

(i) a significant and unexpected increase in reports of child abuse or neglect, or both; or

(ii) a significant and unexpected increase in the foster care or kinship care caseload, or both.

(2) A caseworker or casework supervisor contractual position may not exist longer than 1 year.

(e) Whenever the Secretary contracts with an outside entity for casework services, the Secretary shall require the contractor to comply with the employment

qualifications, training curriculum, preservice and in-service training, and competency testing required under this section.

§4-302.

The Administration may:

- (1) accept any federal funds or commodities;
- (2) manage and dispose of any federal funds or commodities as required by federal law; and
- (3) apply the federal Social Security Act or any other federal law relating to social services to the benefit of the State.

§4-303.

(a) The Administration shall make every effort to recoup overpayments made to recipients that the State is authorized to recoup under federal law.

(b) The Administration shall establish an administrative procedure, in accordance with federal law, to be followed when the Administration has reason to believe that an overpayment has been made.

§4-304.

- (a) (1) In this section the following words have the meanings indicated.
 - (2) “Foster youth” means an individual who:
 - (i) is in out-of-home care under the responsibility of the State; or
 - (ii)
 1. is an adult under the age of 26 years; and
 2. was in out-of-home care under the responsibility of the State on the individual’s 18th birthday.
 - (3) “Program” means the Foster Youth Summer Internship Program established under this section.
- (b) The Secretary shall:

(1) develop and implement a Foster Youth Summer Internship Program with the assistance of the Department of Budget and Management and in consultation with the local directors of local departments of social services; and

(2) coordinate with State agencies to establish internships in State agencies that are open to participants in the Program.

(c) The purpose of the Program is to provide foster youth with training and experience through internships in agencies within the Executive Branch of State government.

(d) The Program shall be established in multiple regions of the State.

(e) Internships under the Program may be paid or unpaid.

(f) A State agency participating in the Program may:

(1) specify requirements for internship applicants; and

(2) select its interns from among the available applicants.

(g) To be eligible to participate in an internship under the Program, an individual must be a foster youth at least 15 years old.

(h) On or before October 1, 2019, the Secretary, in consultation with the Department of Human Services, shall report to the Senate Budget and Taxation Committee, the Senate Finance Committee, and the House Appropriations Committee of the General Assembly, in accordance with § 2-1257 of the State Government Article, on:

(1) the number of foster youth participating in the Program;

(2) the location and type of internships in the Program;

(3) efforts to recruit eligible individuals to participate in the Program; and

(4) factors that affect Program participation.

§4-305.

(a) (1) In this section the following words have the meanings indicated.

(2) “Credential” means a recognized:

- (i) educational diploma;
- (ii) certificate or degree;
- (iii) occupational license;
- (iv) apprenticeship certificate;
- (v) industry–recognized certification; or

(vi) award for skills attainment and completion, issued by an approved training provider in the State or third–party credential provider.

(3) “Foster care recipient” has the meaning stated in § 15–106.1 of the Education Article.

(4) (i) “Job readiness training” means training for the purpose of assisting and supporting jobseekers in overcoming individual barriers to employment and developing the skills necessary to maintain employment and to qualify for skills training opportunities.

(ii) “Job readiness training” includes:

- 1. occupational skills development;
- 2. GED preparation;
- 3. literacy advancement;
- 4. financial stability services, including financial coaching;
- 5. credit counseling; and
- 6. assistance in meeting training–related transportation and child care needs.

(5) “Program” means the Fostering Employment Program established under this section.

(6) “Registered apprenticeship program” means a formal training program approved and registered by the Maryland Department of Labor, or by the United States Department of Labor’s Office of Apprenticeship.

(7) “Training provider” means an entity that:

(i) provides training and employment services to individuals described in § 11–504(b) of the Labor and Employment Article; or

(ii) is awarded a strategic industry partnership grant under § 11–703 of the Labor and Employment Article.

(8) “Unaccompanied homeless youth” means a child or youth who:

(i) has had a consistent presence in the State for at least 1 year before enrollment in a job readiness training program or registered apprenticeship program that is documented by school, employment, or other records;

(ii) is not in the physical custody of a parent or guardian;

(iii) is a homeless child or youth, as defined by the McKinney–Vento Homeless Assistance Act; and

(iv) was determined to be a homeless child or youth by:

1. a Maryland local school system homeless liaison, as defined by the McKinney–Vento Homeless Assistance Act;

2. a director or a designee of the director of a Maryland–based program funded under the Runaway and Homeless Youth Act; or

3. a director or a designee of the director of a Maryland–based program funded under Title IV, Subtitle B of the McKinney–Vento Homeless Assistance Act.

(9) “Workforce development area” means a geographic area designated by the Governor in accordance with § 106 of the federal Workforce Innovation and Opportunity Act.

(b) There is a Fostering Employment Program.

(c) The Department and the Maryland Department of Labor shall jointly supervise the Program.

(d) The purpose of the Program is to provide employment opportunities for foster care recipients and unaccompanied homeless youth through training that leads to industry–recognized credentials.

(e) The Department, in coordination with the Maryland Department of Labor, shall:

(1) develop and implement the Program; and

(2) coordinate with:

(i) the local departments of social services; and

(ii) the local workforce development boards in the State workforce development areas.

(f) The Program shall provide foster care recipients and unaccompanied homeless youth with opportunities to obtain credentials through:

(1) a registered apprenticeship program; or

(2) job readiness training.

(g) A foster care recipient or an unaccompanied homeless youth who is not exempt from paying tuition under § 15–106.1 of the Education Article is eligible to receive funding under the Program if the individual is:

(1) at least 16 years of age; and

(2) enrolled in:

(i) a registered apprenticeship program; or

(ii) job readiness training through a training provider funded by the Maryland Department of Labor.

(h) The Department and the Maryland Department of Labor jointly may adopt regulations to carry out this section.

§5–101.

(a) In this title the following words have the meanings indicated.

(b) “Administration” means the Family Investment Administration.

(c) “Department” means the Department of Human Services.

(d) “Executive Director” means the Executive Director of Family Investment.

(e) “Local department” means:

(1) a local department of social services created or continued in a county under § 3–201 of this article; or

(2) in Montgomery County, the Montgomery County government.

(f) “Local director” means the director of a local department.

(g) “Secretary” means the Secretary of Human Services.

§5–201.

There is a Family Investment Administration in the Department.

§5–202.

The Administration and the Executive Director exercise their authority, duties, and functions under any State law subject to the authority of the Secretary under any State law.

§5–203.

(a) The Executive Director is the head of the Administration.

(b) With the approval of the Governor, the Secretary shall appoint the Executive Director.

(c) The Executive Director serves at the pleasure of the Secretary.

(d) The Executive Director is entitled to the compensation provided in the State budget.

§5–204.

(a) Subject to State and federal laws governing the administration of public assistance, the Executive Director shall:

(1) organize and administer the Administration;

(2) supervise the public assistance activities of the local departments; and

(3) supervise other agencies and institutions under the supervision of the Administration.

(b) (1) The Executive Director may prescribe the number and minimum qualifications of the personnel engaged in the administration of the activities of the Administration and of the local departments that are financed wholly or partly by the Administration.

(2) (i) As provided in the State budget, the Executive Director may appoint the personnel required to properly perform the duties of the Administration.

(ii) Except as otherwise provided, appointment and removal of all paid personnel under this title are subject to the provisions of the State Personnel and Pensions Article.

(c) The Executive Director shall submit budget estimates for the Administration to the Secretary.

(d) The Executive Director shall:

(1) develop a comprehensive process to:

(i) systematically analyze cash assistance payment errors;

(ii) formulate strategies, including improvements in the eligibility determination process, to reduce the errors; and

(iii) monitor implementation of the strategies;

(2) require each local department to submit annual plans that contain measurable objectives, including objectives for participation in work activities, to meet the goals of the Family Investment Program; and

(3) monitor the success of the local departments in achieving the objectives of the plans.

§5–205.

(a) The Administration shall be the central coordinating and directing agency of all public assistance programs in the State, including:

programs;

- (1) the Family Investment Program and related cash benefit

- (2) public assistance to adults;

- (3) emergency assistance;

- (4) food stamps;

- (5) medical assistance eligibility determinations;

- (6) the Energy Assistance Program;

- (7) the Temporary Disability Assistance Program;

- (8) the federal Commodity Supplemental Food Program with funds and resources received from the United States Department of Agriculture under 7 C.F.R. 247; and

- (9) any other public assistance activities financed wholly or partly by the Administration.

(b) The Administration shall supervise, direct, and control the activities of the local departments that it finances wholly or partly.

(c) (1) The Administration may visit any State-aided institution, organization, or agency engaged in public assistance activities and inspect thoroughly its management, buildings, and equipment.

(2) Visits and inspections under paragraph (1) of this subsection shall be made:

- (i) at reasonably convenient hours; and

- (ii) with reasonable regard for the established discipline, regulations, and customs of the institution, organization, or agency.

(d) As desirable or necessary for the purpose of this title, the Administration may designate existing agencies or organizations in the State as the Administration's agents.

(e) Before the start of each regular session of the General Assembly, the Administration shall submit a report of its activities to the Governor.

§5–206.

The Department may develop and implement an automated statewide system and related administrative procedures to achieve effectively and efficiently the purposes of this title.

§5–207.

(a) Subject to § 2-209(b) of this article, the Executive Director may adopt regulations necessary to carry out the duties imposed on the Executive Director by law.

(b) (1) The Executive Director shall adopt regulations covering the custody, use, and preservation of the records of the Administration and the local departments concerning applicants for and recipients of public assistance.

(2) The use of the records of the Administration and the local departments by any other governmental unit shall be limited to the purposes for which the records are furnished.

(c) (1) All regulations or directives implemented by the Executive Director that are based on federal law, rules, regulations, or guidelines shall have the federal material:

(i) referenced in the text of the State material; or

(ii) attached permanently to the State material.

(2) The Department shall furnish to each of the local departments at least one up-to-date copy of all current federal regulations applicable to the operations of the local department.

§5–301.

(a) In this subtitle the following words have the meanings indicated.

(b) “Community service” means a structured program with embedded activities in which individuals perform unpaid work:

(1) for the direct benefit of the community; and

(2) under the guidance and support of a public or nonprofit organization.

- (c) “FIP” means the Family Investment Program.
- (d) “Nonprofit organization” means a religious, charitable, or volunteer organization that is exempt from taxation under § 501(c) of the Internal Revenue Code.
- (e) “Recipient” means each individual in a FIP case.
- (f) “Temporary cash assistance” means the cash assistance component of the FIP that is funded wholly or partly through Title IV, Part A, of the Social Security Act.
- (g) “Third party payee” means:
 - (1) an individual that the Department approves;
 - (2) a nonprofit organization;
 - (3) a for-profit organization; or
 - (4) a governmental unit, including a local department.
- (h) “Transitional assistance” means assistance provided to a recipient whose temporary cash assistance has been terminated for noncompliance with FIP requirements.
- (i) “Work activity” means:
 - (1) job search activity;
 - (2) subsidized employment in either the public or private sector;
 - (3) work experience;
 - (4) on-the-job training;
 - (5) community service;
 - (6) training directly related to employment; or
 - (7) education directly related to employment.

(j) “Work experience” means unpaid work activity, performed in return for temporary cash assistance, that provides an individual with an opportunity to acquire the general skills, knowledge, and work habits necessary to obtain employment.

§5–302.

(a) There is a Family Investment Program in the Department.

(b) The primary purpose of this subtitle is to support family efforts to achieve and maintain self-sufficiency through services and financial aid geared to individual family needs.

§5–303.

The Secretary shall:

(1) implement a FIP that meets the requirements of this subtitle and federal law;

(2) supervise the administration by local departments of the FIP under this subtitle;

(3) cooperate with the federal government in matters of mutual concern pertaining to federal funding for the FIP; and

(4) adopt regulations to carry out this subtitle.

§5–304.

(a) (1) In this section the following words have the meanings indicated.

(2) “Children of current or former recipients” means minors who:

(i) are at least 14 years old; and

(ii) reside with current or former recipients of benefits.

(3) “Former recipient” means an individual who received benefits under FIP in the past 5 years.

(4) “Foster youth” means an individual who:

(i) is an adult in out-of-home care under the responsibility of the State; or

(ii) 1. is an adult under the age of 25 years; and

2. was in out-of-home care under the responsibility of the State on the individual's 18th birthday.

(5) "Obligor" has the meaning stated in § 10-101 of the Family Law Article.

(b) (1) The Secretary of Budget and Management, with the assistance of the Secretary, shall develop and implement a plan for hiring current and former recipients, children of current or former recipients, foster youth, and obligors by the principal departments within the Executive Branch of State government.

(2) For each principal department, the plan shall include:

(i) the units that most easily could hire current and former recipients, children of current or former recipients, foster youth, and obligors;

(ii) the positions most suitable for current and former recipients, children of current or former recipients, foster youth, and obligors;

(iii) a proposal for recruiting current and former recipients, children of current or former recipients, foster youth, and obligors;

(iv) job retention strategies; and

(v) a target number of current and former recipients, children of current or former recipients, foster youth, and obligors to be recruited.

(3) In consultation with the Secretary, the Secretary of Budget and Management shall report, subject to § 2-1257 of the State Government Article, to the Senate Finance Committee and the House Appropriations Committee of the General Assembly:

(i) on or before January 1, 2010, on the development of the hiring plan for current and former recipients, children of current or former recipients, foster youth, and obligors; and

(ii) on or before November 1 of each year, on the number of recipients, children of current or former recipients, foster youth, and obligors hired and retained by the principal departments within the Executive Branch of State government.

(c) (1) Working with appropriate local government officials, the Secretary and each local director shall develop and implement a local government hiring plan under which local governments may hire current and former recipients, children of current or former recipients, foster youth, and obligors.

(2) For each jurisdiction, the local government hiring plan shall include:

(i) a list of the units that most easily could hire current and former recipients, children of current or former recipients, foster youth, and obligors;

(ii) a list of the employment positions most suitable for current and former recipients, children of current or former recipients, foster youth, and obligors;

(iii) proposals to recruit current and former recipients, children of current or former recipients, foster youth, and obligors;

(iv) employment retention strategies; and

(v) a target number of current and former recipients, children of current or former recipients, foster youth, and obligors to be recruited.

(3) Each local director shall:

(i) develop and submit the local government hiring plan in accordance with a schedule and format that the Secretary determines;

(ii) implement in a timely manner the proposals and strategies in the local government hiring plan;

(iii) achieve the target numbers in the local government hiring plan; and

(iv) develop and submit reports to the Secretary in accordance with a schedule and format that the Secretary determines.

(4) On or before November 1 of each year and in consultation with the Maryland Association of Counties, the Secretary shall report, subject to § 2-1257 of the State Government Article, to the Senate Finance Committee and the House Appropriations Committee of the General Assembly, on:

(i) the development of the local government hiring plan; and

(ii) the number of current and former recipients, children of current or former recipients, foster youth, and obligors hired and retained by local governments.

§5–306.

(a) In providing assistance under this subtitle, the Department may contract with:

- (1) charitable organizations;
- (2) private organizations;
- (3) religious organizations; and
- (4) institutions of higher education.

(b) If the Department contracts with a State, local, or nongovernmental contractor, the contractor shall provide individuals with disabilities access and equal opportunity to participate in the benefits of the services, programs, and activities provided by the contractor in accordance with the federal Americans with Disabilities Act, including reasonable accommodations necessary to participate in FIP.

(c) For any contract with a nongovernmental entity in place as of October 1, 2024, the Department annually shall review each contract to measure:

(1) overall program impact, including the number of recipients enrolled in education or training programs that increase the recipient's skill level;

(2) interim progress toward employment for current recipients of temporary cash assistance, including the number of recipients earning an education credential or a skill-based certificate;

(3) employment outcomes for families who left temporary cash assistance due to earnings, including the number of employment outcomes with wages that:

- (i) equal the State minimum wage;
- (ii) meet or exceed 150% of the State minimum wage; and
- (iii) meet or exceed 200% of the State minimum wage; and

(4) the number of the recipients served experiencing homelessness or housing insecurity while participating in work activities.

(d) Within 45 days after completion of the Department's review under subsection (c) of this section, the Department shall:

(1) in accordance with § 2–1257 of the State Government Article, submit the review to the Senate Budget and Taxation Committee and the House Appropriations Committee; and

(2) publish the review on the Department's website.

§5–307.

(a) Except as provided in subsection (b) of this section, a religious organization may participate in the FIP on the same basis as any other nongovernmental entity.

(b) An individual may not be required to accept assistance from a religious organization if acceptance would violate the individual's bona fide religious beliefs and practices.

(c) An organization funded under the FIP may not discriminate on the basis of religion, religious belief, or refusal to participate in a religious practice with respect to any individual's receipt of service under the FIP.

(d) The Department shall provide all recipients with clear and timely notice of their rights under § 104(e) of the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

§5–308.

(a) (1) (i) In this subsection the following words have the meanings indicated.

(ii) “Target work rate” means the rate established for the State by the U.S. Department of Health and Human Services based on the State's caseload reduction credit under the federal Temporary Assistance for Needy Families program, 42 U.S.C. 22–601 et seq.

(iii) “Work participation rate” means the federal work participation rate established by the U.S. Department of Health and Human Services under the federal Temporary Assistance for Needy Families program, 42 U.S.C. 22–601 et seq.

(2) A family may be eligible for assistance under this subtitle only if the family includes:

(i) a minor child who resides with a custodial parent or other adult caretaker who is a relative of the child; or

(ii) a pregnant individual.

(3) Assistance shall be provided to an applicant or recipient under this subtitle only if the applicant or recipient:

(i) resides in the State at the time of application for assistance;

(ii) if applicable:

1. has applied for child support services with the appropriate local child support enforcement office at the time of application for assistance; and

2. complies with the requirements of the local child support enforcement office;

(iii) participates in work activity under this subtitle; and

(iv) meets all other FIP requirements that the Secretary establishes by regulation.

(4) Subject to paragraph (5) of this subsection, the Department shall allow an applicant or a recipient to meet the work activity requirement for a maximum of 24 months by engaging in:

(i) a minimum of 20 hours per week of vocational education that leads to an associate degree, a diploma, or a certificate; or

(ii) an average of at least 20 hours per week of education directly related to employment, which may include:

1. an adult basic education program;

2. an English as a second language program; or

3. a GED program.

(5) If the work participation rate does not exceed the target work rate by 10% in any month, the Department, after providing at least 30 days prior notice to the Senate Finance Committee and the House Appropriations Committee, may suspend the application of paragraph (4) of this subsection to new applicants until the work participation rate exceeds the target work rate by 10% for 3 consecutive months.

(6) The Department may require a work-eligible individual to participate in work activity for a maximum of:

(i) 30 hours per week for an individual with a child at least 6 years old;

(ii) 20 hours per week for a single parent or caretaker relative with a child under the age of 6 years;

(iii) a combined average of 35 hours per week for a family with two work-eligible parents who do not receive federally funded child care assistance; or

(iv) a combined average of 55 hours per week for a family with two work-eligible parents who receive federally funded child care assistance, provided that an adult in the family does not have a disability or is not caring for a child with a disability.

(7) (i) A work-eligible individual may choose to participate in work activity for more than the required weekly hours under paragraph (6) of this subsection, up to a maximum of 40 hours per week, provided that working the additional hours does not violate the federal Fair Labor Standards Act.

(ii) The Department may not reduce the temporary cash assistance of an individual, as provided in § 5-312(e)(1)(i) of this subtitle, if the individual is meeting the Department's minimum work activity participation requirement and participating in work activity for less than 40 hours per week.

(8) The Department shall accept verification of an individual's work activity participation through multiple methods, including electronic submission.

(b) (1) An individual may not be required to meet the work activity requirement under subsection (a)(3)(iii) of this section if the individual is exempt under criteria the Secretary establishes.

(2) The criteria shall include exemptions for:

(i) subject to paragraph (3) of this subsection, adults who are required to care for a child who is a recipient under the age of 1 year;

(ii) subject to paragraph (4) of this subsection, adults and children who are recipients and who are severely disabled; and

(iii) adults who have not received assistance for at least 6 months.

(3) An exemption based on an adult's requirement to care for a child who is a recipient under the age of 1 year may not be restricted to a maximum number of months in the adult's lifetime.

(4) An individual's exemption because of severe disability is limited to 12 months unless:

(i) the individual applies for Supplemental Security Income; and

(ii) the application is approved, pending, or on appeal.

(5) Assistance for an individual who qualifies for an exemption under this subsection but who voluntarily participates in a work activity may not be reduced or terminated as a result of the participation in the work activity.

(c) (1) Assistance for an individual may not be reduced or terminated for noncompliance with the work activity requirement if the individual has good cause under the criteria established by the Secretary.

(2) The criteria shall provide that any of the following are sufficient to show good cause:

(i) temporary illness or incapacity;

(ii) court-required appearances or temporary incarceration;

(iii) domestic violence;

(iv) a family crisis that threatens normal family functioning, including:

1. experiencing homelessness whereby a family:

A. lacks a fixed, regular, and adequate nighttime residence, or shares the housing of other persons due to the loss of housing, economic hardship, or a similar reason;

B. lives in a motel, hotel, trailer park, or camping ground due to a lack of alternative accommodations;

C. lives in an emergency shelter or transitional housing;

D. resides in a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings; or

E. lives in a car park, public space, vacant or abandoned building, substandard housing, bus station, train station, or similar setting;

2. a housing crisis, including eviction, foreclosure, or other loss of housing; or

3. receiving a utility disconnection notice or having a utility disconnected;

(v) a breakdown in transportation arrangements;

(vi) a breakdown in child care arrangements or lack of child care for a child or children who are 12 years old or younger;

(vii) for a single parent caring for a child younger than 6 years old who is unable to obtain child care:

1. the unavailability of appropriate child care within a reasonable distance from the parent's home or work site;

2. the unavailability or unsuitability of informal child care by a relative or others; or

3. the unavailability or unsuitability of appropriate and affordable child care arrangements;

(viii) a lack of supportive services identified and agreed on by an individual and a local department; or

(ix) the failure of a local department to offer or provide a reasonable accommodation to an individual with a disability.

(d) Subject to the State budget, a legal immigrant is entitled to assistance under this subtitle if the immigrant:

(1) meets FIP eligibility requirements under this subtitle and any other requirements imposed by the State; and

(2) (i) arrived in the United States before August 22, 1996; or

(ii) arrived in the United States on or after August 22, 1996 and is not eligible for federally funded cash assistance.

§5–308.1.

(a) The purpose of work experience is to improve the employability of individuals who cannot find unsubsidized full-time employment.

(b) The Department may refer an individual to work experience for work activity if:

(1) private sector employment is not available;

(2) the maximum work experience placement for the individual does not exceed 90 days in a 3-year period;

(3) the Department offers the individual at least three work activity options that include:

(i) subject to subsection (c) of this section, only one work experience option; and

(ii) at least one option that is work activity or a program funded by the federal Workforce Innovation and Opportunity Act;

(4) the individual chooses the work experience for work activity;

(5) the Department informs the individual that the individual may subsequently change to different work activity; and

(6) the work experience provides skills that match the individual's personal, career, and family goals to support economic mobility.

(c) If the Department offers work experience as work activity, the Department may not offer community service as work activity.

(d) If at any time the requirements of subsection (b) of this section are not met, an individual placed in work experience may request a transfer to different work activity.

§5-308.2.

(a) The purpose of community service is to improve the employability of individuals who cannot find unsubsidized full-time employment.

(b) Community service shall:

(1) be limited to projects that service a useful community purpose in fields including health, social service, environmental protection, education, urban and rural development, welfare, recreation, public facilities, public safety, and child care; and

(2) be supervised on an ongoing basis at least once each day in which the individual is scheduled to participate in the community service.

(c) The Department may refer an individual to community service for work activity if:

(1) private sector employment is not available;

(2) the maximum community service placement for the individual does not exceed 90 days in a 3-year period;

(3) the Department offers to the individual at least three work activity options that shall include:

(i) subject to subsection (d) of this section, only one community service option; and

(ii) at least one work activity option or a program funded by the federal Workforce Innovation and Opportunity Act;

(4) the individual chooses the community service for work activity;

(5) the Department informs the individual that the individual may subsequently change to different work activity;

(6) the community service provides skills that match the individual's personal, career, and family goals to support economic mobility; and

(7) when making appropriate community service assignments, the Department has considered the individual's prior training, experience, and skills.

(d) If the Department offers community service as work activity, the Department may not offer work experience as work activity.

(e) If at any time the requirements of subsection (c) of this section are not met, an individual placed in community service may request a transfer to different work activity.

§5-309.

(a) Except for an applicant or recipient who is a single child, the FIP shall include:

(1) an assessment of each applicant or recipient that considers:

(i) the reasons for applying for or continuing to rely on assistance;

(ii) an evaluation of appropriate work activities based on educational level, literacy, health, mental or physical impairments, housing stability, child care needs, transportation needs, history of domestic or family violence, job skills and readiness, and interests;

(iii) personal and family resources available to facilitate independence; and

(iv) whether the applicant or recipient qualifies for an exemption or has good cause not to participate in a work activity; and

(2) welfare avoidance grants that:

(i) meet immediate needs so that an applicant or recipient can avoid temporary cash assistance;

(ii) may be granted as the Department considers appropriate;

(iii) may not cover the same type of immediate need met by a previous welfare avoidance grant unless the Department determines that the current immediate need is a new and verified emergency;

(iv) do not exceed an amount of 3 months of temporary cash assistance, unless the Department determines there is a compelling need for an amount not exceeding 12 months; and

(v) may not duplicate periods of temporary cash assistance.

(b) Except for a recipient who is a single child, the FIP for a recipient shall include:

(1) an agreement between the Department and the recipient that:

(i) requires the recipient to cooperate with the child support enforcement agency to obtain support from a noncustodial parent;

(ii) requires the recipient to comply with reasonable requests for cooperation by case management workers in seeking and using programs and community and family resources that may be available to the recipient;

(iii) specifies the work activities in which the recipient will participate;

(iv) specifies the supportive services that the local department will assist in providing and that are necessary for the recipient to meet the recipient's obligations under the FIP; and

(v) specifies the reasonable accommodations that a local department will provide to a recipient with a disability that are necessary for the recipient to meet the recipient's obligations under the FIP;

(2) supportive services activities, including child care, to the extent resources allow;

(3) referral, as appropriate, to family planning counseling and services that:

(i) are not offered or conducted in a manner that:

1. is coercive;

2. violates the recipient's confidentiality; or

3. violates the recipient's bona fide religious beliefs and practices; and

(ii) give preference to eligible teen parents; and

(4) temporary cash assistance, as a last resort.

(c) Except for an applicant who is a single child, the FIP for an applicant shall include a child care voucher:

(1) to the extent resources allow, if the applicant is required to participate in a work activity as a condition of eligibility; or

(2) if providing child care eliminates the applicant's need for cash assistance under the FIP.

(d) For an applicant or recipient who is a single child, the FIP shall include:

(1) referral to appropriate services; and

(2) temporary cash assistance for the recipient, as a last resort.

(e) To the extent resources allow, the FIP shall serve noncustodial parents who need employment services to pay child support obligations.

§5-310. ** CONTINGENCY – IN EFFECT – CHAPTER 229 OF 2002 **

(a) (1) For a recipient that is an assistance unit that includes adults and children or minor parents and children, the amount of assistance shall be designated as follows:

(i) 75% for the child or children in the assistance unit; and

(ii) 25% for the adult member or members, or minor parent or parents of the assistance unit.

(2) For a recipient that is an assistance unit that includes only adults or a recipient who is a pregnant individual, 100% of the amount of assistance shall be designated for the adult member or members or the pregnant individual.

(3) For applicants to the FIP, the amount of assistance shall be computed by counting no more than 4 weeks of earned income in any month and disregarding 20% of that earned income.

(4) (i) Through fiscal year 2027, the first \$100 of child support collected in a month for one child and the first \$200 of child support collected in a

month for two or more children shall pass through to the family and shall be disregarded in computing the amount of assistance.

(ii) For fiscal year 2028, the greater of \$100 of any child support collected in a month for one child and \$200 of child support collected in a month for two or more children or 25% of any child support collected in a month shall pass through to the family and shall be disregarded in computing the amount of assistance.

(iii) For fiscal year 2029, the greater of \$100 of any child support collected in a month for one child and \$200 of child support collected in a month for two or more children or 50% of any child support collected in a month shall pass through to the family and shall be disregarded in computing the amount of assistance.

(iv) For fiscal year 2030, the greater of \$100 of any child support collected in a month for one child and \$200 of child support collected in a month for two or more children or 75% of any child support collected in a month shall pass through to the family and shall be disregarded in computing the amount of assistance.

(v) For fiscal year 2031 and each fiscal year thereafter, any child support collected in a month shall pass through to the family and shall be disregarded in computing the amount of assistance.

(5) For eligible recipients who obtain unsubsidized employment, the amount of assistance shall be computed by counting no more than 4 weeks of earned income in any month and disregarding 40% of that earned income.

(b) A recipient who has established eligibility may not lose eligibility solely because one or more wage earners in the family unit works more than 100 hours per month.

(c) Two-parent families shall be exempt from any requirement that the principal wage earner must have worked for a specified time before applying to the FIP.

(d) (1) A child who is living with the child's parent and a stepparent in a household in which the household income exceeds the State eligibility standard for assistance may receive assistance if:

(i) the requirements of § 5–308 of this subtitle are met; and

(ii) the parent and the child would be eligible for assistance, based on the income of the parent and that parent's children.

(2) The amount of assistance to be paid under paragraph (1) of this subsection shall be computed with regard to the income of the stepparent if the total income of the stepparent equals or exceeds 50% of the official poverty level, adjusted for family size, established under the federal Community Services Block Grant Act.

(e) A dependent child over the age of 17 years is eligible for inclusion in the FIP grant if:

(1) the child is a full-time student in secondary school or the equivalent; and

(2) the education program is expected to be completed in the calendar year that the child attains the age of 19 years.

§5-310. ** CONTINGENCY – NOT IN EFFECT – CHAPTER 229 OF 2002 **

(a) (1) For a recipient that is an assistance unit that includes adults and children or minor parents and children, the amount of assistance shall be designated as follows:

(i) 75% for the child or children in the assistance unit; and

(ii) 25% for the adult member or members, or minor parent or parents of the assistance unit.

(2) For a recipient that is an assistance unit that includes only adults or a recipient who is a pregnant individual, 100% of the amount of assistance shall be designated for the adult member or members or the pregnant individual.

(3) For applicants to the FIP, the amount of assistance shall be computed by counting no more than 4 weeks of earned income in any month and disregarding 20% of that earned income.

(4) (i) Through fiscal year 2027, the first \$100 of child support collected in a month for one child and the first \$200 of child support collected in a month for two or more children shall pass through to the family and shall be disregarded in computing the amount of assistance.

(ii) For fiscal year 2028, the greater of \$100 of any child support collected in a month for one child and \$200 of child support collected in a month for two or more children or 25% of any child support collected in a month shall

pass through to the family and shall be disregarded in computing the amount of assistance.

(iii) For fiscal year 2029, the greater of \$100 of any child support collected in a month for one child and \$200 of child support collected in a month for two or more children or 50% of any child support collected in a month shall pass through to the family and shall be disregarded in computing the amount of assistance.

(iv) For fiscal year 2030, the greater of \$100 of any child support collected in a month for one child and \$200 of child support collected in a month for two or more children or 75% of any child support collected in a month shall pass through to the family and shall be disregarded in computing the amount of assistance.

(v) For fiscal year 2031 and each fiscal year thereafter, any child support collected in a month shall pass through to the family and shall be disregarded in computing the amount of assistance.

(5) For eligible recipients who obtain unsubsidized employment, the amount of assistance shall be computed by counting no more than 4 weeks of earned income in any month and disregarding 35% of that earned income.

(b) A recipient who has established eligibility may not lose eligibility solely because one or more wage earners in the family unit works more than 100 hours per month.

(c) Two-parent families shall be exempt from any requirement that the principal wage earner must have worked for a specified time before applying to the FIP.

(d) (1) A child who is living with the child's parent and a stepparent in a household in which the household income exceeds the State eligibility standard for assistance may receive assistance if:

(i) the requirements of § 5–308 of this subtitle are met; and

(ii) the parent and the child would be eligible for assistance, based on the income of the parent and that parent's children.

(2) The amount of assistance to be paid under paragraph (1) of this subsection shall be computed with regard to the income of the stepparent if the total income of the stepparent equals or exceeds 50% of the official poverty level, adjusted for family size, established under the federal Community Services Block Grant Act.

(e) A dependent child over the age of 17 years is eligible for inclusion in the FIP grant if:

(1) the child is a full-time student in secondary school or the equivalent; and

(2) the education program is expected to be completed in the calendar year that the child attains the age of 19 years.

§5–311.

(a) All assistance granted under this subtitle is subject to periodic recertification.

(b) At any time, the Department may cancel, suspend, or revoke assistance if:

(1) the recipient's circumstances have altered sufficiently to warrant cancellation, suspension, or revocation; or

(2) the recipient has failed to comply with FIP requirements.

§5–312.

(a) This section is not intended to create an incentive for individuals to seek temporary cash assistance benefits instead of employment.

(b) A local department shall provide temporary cash assistance to an applicant or recipient only if:

(1) the applicant or recipient meets the requirements for participation in the FIP set forth in § 5–308 of this subtitle;

(2) the applicant or recipient assigns to the State all right, title, and interest in support, for the period that the family receives temporary cash assistance, from any other person that the applicant or recipient has on behalf of any intended or potential recipient for whom the applicant or recipient is applying for or receiving assistance; and

(3) in the case of an applicant or recipient who is a minor parent, the applicant or recipient lives:

(i) with a parent, legal guardian, custodian, or other adult relative who will be the payee of the minor parent;

(ii) in an adult-supervised group living arrangement that provides a protective payee and:

1. there is no available parent, legal guardian, custodian, or other adult relative with whom the minor parent can live;

2. the minor parent or child would be subject to physical or emotional harm, sexual abuse, or neglect in the home of any available adult relative; or

3. a social service worker finds that living with any available adult relative would not be in the best interest of the minor parent or child; or

(iii) independently, if a social service worker confirms that the physical safety or emotional health of the minor parent or child would otherwise be in jeopardy.

(c) A recipient who meets the requirements of the FIP is entitled to temporary cash assistance benefits.

(d) In determining the eligibility for and the amount of temporary cash assistance to be provided to an applicant or recipient who is a legal immigrant, the income and resources of the applicant or recipient shall include, for the period of time established by federal law, the income and resources of any sponsor who executed an affidavit of support in accordance with 8 U.S.C. § 1183a on behalf of the legal immigrant.

(e) (1) (i) The local department shall impose a 30% reduction of the portion of a recipient's grant amount designated for the adult member or members, minor parent or parents, or pregnant individual if an adult member, minor parent, or pregnant individual is found to be in noncompliance, without good cause, with FIP work activity requirements.

(ii) The portion of the grant amount designated for the child or children of the assistance unit may not be reduced or terminated based on noncompliance by an adult member's or minor parent's noncompliance with FIP work activity requirements.

(2) The local department shall impose a 25% reduction of the entire grant amount if an adult member or minor parent is found to be in noncompliance without adequate reason or good cause with child support requirements.

(3) (i) If a recipient is found to be in noncompliance with FIP requirements, the local department shall provide a 30-day conciliation period for each instance of noncompliance.

(ii) During the 30-day conciliation period, the case manager shall advise the recipient of the noncompliance, and help the recipient to comply by:

1. investigating the reasons for noncompliance, including by personally contacting the family of the recipient;

2. evaluating and preparing a written determination of whether the recipient qualifies for an exemption or good cause under § 5-308(b) or (c) of this subtitle;

3. sending the recipient a letter offering a conciliation conference; and

4. assisting the recipient in identifying and resolving any barriers to compliance.

(4) The Secretary may not reduce or terminate temporary cash assistance to a family until 30 days after the day on which the first written notice of noncompliance was sent to the recipient.

(5) For noncompliance with a FIP requirement, the full amount of temporary cash assistance shall resume on compliance with the FIP requirement.

(6) If temporary cash assistance is reduced or terminated under this subsection, a recipient shall retain eligibility for medical assistance and food stamps, as long as the recipient meets the medical assistance and food stamp program requirements.

(f) (1) After termination of temporary cash assistance under this section, a recipient may receive transitional assistance.

(2) If a caseworker determines that transitional assistance is appropriate, the FIP benefit that would have been paid to the recipient shall be paid instead to a third party payee on behalf of the recipient for a period of up to 3 months.

(3) The caseworker of a recipient, in conjunction with the recipient and subject to the approval of the Secretary, shall select a third party payee described in paragraph (2) of this subsection.

(4) The third party payee shall provide transitional assistance to the recipient in one or more of the following forms:

(i) counseling;

(ii) housing;

(iii) child care;

(iv) household supplies and equipment;

(v) direct assistance other than a cash payment; and

(vi) any other noncash assistance that may be necessary to assist the recipient to make the transition from welfare.

(5) A local department may pay an administrative fee to a third party payee to cover the administrative costs of the third party payee for providing the services described in paragraph (4) of this subsection.

(6) The funds provided through transitional assistance may not be used to further sectarian religious instruction.

(7) The Secretary shall adopt regulations specifying the selection criteria for third party payees under this subsection.

(8) A recipient who has received transitional assistance may reapply for the FIP benefit and the benefit shall be furnished with reasonable promptness to all eligible individuals.

§5-313.

(a) Except as provided in subsection (b) of this section and in regulations that the Secretary adopts, a local department may not pay temporary cash assistance to:

(1) a family that includes an adult who has received more than 60 cumulative months of temporary cash assistance funded wholly or partly by federal funds; or

(2) a family that includes an adult who:

(i) has received more than 24 cumulative months of temporary cash assistance funded wholly or partly by federal funds; and

(ii) is not participating in a work activity.

(b) The Secretary shall adopt regulations that establish:

(1) standards and procedures under which a local department may exempt a family from the limitation under subsection (a)(1) of this section because of hardship; and

(2) a separate State program that:

(i) is funded entirely from State general funds that may be counted toward any federal maintenance of effort requirement;

(ii) pays temporary cash assistance to a family that is exempted under item (1) of this subsection but cannot receive federal funds because of federal limitations; and

(iii) is subject to all FIP requirements under this subtitle.

(c) The provisions of this section are subject to federal law and regulation.

§5–314.

(a) In this section, “addictions specialist” means an addictions specialist who is located on-site at a local department.

(b) (1) An addictions specialist shall assess the need of any adult or minor parent applicant or recipient for substance abuse treatment:

(i) at the initial application for temporary cash assistance; or

(ii) when considered appropriate by the FIP case manager of the local department.

(2) The addictions specialist shall screen the applicant or recipient to expose potential barriers that the applicant or recipient may have in obtaining employment such as a substance abuse problem.

(3) The addictions specialist shall inform each adult or minor parent applicant or recipient of the requirements of FIP regarding substance abuse treatment.

(4) If the applicant or recipient does not complete the screening required under paragraph (2) of this subsection, the addictions specialist shall notify the FIP case manager.

(c) (1) If the screening performed by the addictions specialist reveals that an applicant or recipient has a substance abuse problem, the addictions specialist shall:

(i) conduct, or refer for, an assessment of the applicant's or recipient's substance abuse problem and, if appropriate, determine placement for treatment and related support services;

(ii) refer the applicant or recipient for appropriate substance abuse treatment and related support services;

(iii) obtain the signature of the applicant or recipient on a form consenting to the release of confidential substance abuse treatment information;

(iv) forward the consent form to the appropriate substance abuse treatment provider; and

(v) obtain any necessary treatment information from the substance abuse treatment provider.

(2) (i) The substance abuse treatment provider shall notify the addictions specialist of the ongoing treatment status of the applicant or recipient.

(ii) The addictions specialist shall notify the FIP case manager if an applicant or recipient:

1. fails to complete the assessment required under paragraph (1)(i) of this subsection;

2. fails to sign the consent form required under paragraph (1)(iii) of this subsection;

3. is referred for appropriate substance abuse treatment;

4. is awaiting the availability of appropriate treatment;

5. fails to enroll or maintain enrollment with an available substance treatment provider or to complete the treatment protocol;

6. is enrolled in a treatment program; or

7. successfully completes treatment.

(iii) The addictions specialist shall also notify the FIP case manager regarding the ongoing treatment status of the applicant or recipient.

(d) An adult or minor parent applicant or recipient who complies with the substance abuse treatment requirements of the FIP:

(1) shall receive a full temporary cash assistance benefit as long as the applicant or recipient meets the other temporary cash assistance eligibility requirements; and

(2) may be exempt from the work activity requirements for a period of time determined by the FIP case manager in consultation with the addictions specialist.

(e) An adult or minor parent applicant or recipient is not in compliance with FIP requirements if the FIP case manager receives notice from the addictions specialist that the applicant or recipient:

(1) fails to complete the screening or assessment required under subsections (b)(2) and (c)(1)(i) of this section;

(2) fails to sign the consent form required under subsection (c)(1)(iii) of this section; or

(3) is referred for appropriate and available substance abuse treatment by the addictions specialist but fails to enroll or to maintain active enrollment in the treatment program or complete the treatment protocol.

(f) After the FIP case manager receives a notice under subsection (e) of this section, the local department shall:

(1) send a denial notice to the adult or minor parent applicant that:

(i) states:

1. that the applicant has not met FIP requirements;

2. the specific reason why the applicant is not eligible for FIP; and

3. that if the applicant fails to fulfill the requirements on or before the 30th work day after the application for temporary cash assistance was filed, the application is denied; and

(ii) notifies the applicant of the applicant's right to appeal and the procedures for filing an appeal; and

(2) separately determine eligibility for medical assistance and food stamps.

(g) After the FIP case manager receives a notice under subsection (e) of this section, the local department shall send a notice to the adult or minor parent recipient that:

(1) identifies the recipient who is not in compliance with FIP requirements;

(2) states the specific reason why that recipient is not in compliance with FIP requirements; and

(3) states that 30 days after the date of the notice:

(i) the temporary cash assistance benefits will be reduced by that increment in cash benefits attributable to the noncompliant recipient; and

(ii) the remainder of the cash benefits for the child or children in the FIP case will be paid to a third party payee or a compliant adult recipient; and

(4) notifies the recipient of the recipient's right to appeal and the procedures for filing an appeal.

(h) (1) The local department shall reduce the temporary cash assistance benefits of an adult or minor parent recipient and pay the remainder of the cash benefits to a third party payee or a compliant adult recipient as described in subsection (g) of this section, if:

(i) the recipient fails to complete a substance use disorder screening or assessment by an addictions specialist, as required under subsections (b)(2) and (c)(1)(i) of this section; or

(ii) the required screening and assessment or the results of any follow-up diagnostic testing or treatment reveal that the recipient has a substance use disorder and the recipient refuses to enroll or maintain enrollment in available and appropriate substance use disorder treatment.

(2) The local department shall continue to make temporary cash assistance benefits payments to a third party payee or a compliant adult recipient until the local department receives notice from the addictions specialist that the recipient is actively enrolled, as defined by the Department, in the appropriate substance use disorder treatment indicated by the addictions specialist.

(i) The local department may not deny an adult or minor parent applicant's temporary cash assistance benefit or reduce an adult or minor parent recipient's temporary cash assistance benefit as described under subsections (f) and (g) of this section, if the applicant or recipient:

(1) receives the screening and assessment required under subsections (b)(2) and (c)(1)(i) of this section, and the screening and assessment or the results of any follow-up diagnostic testing or treatment reveal that the applicant or recipient is a substance abuser; and

(2) agrees to participate in appropriate substance abuse treatment, as determined by the addictions specialist, but the appropriate substance abuse treatment is not available.

(j) The denial or reduction of temporary cash assistance under this section does not affect an adult or minor parent applicant or recipient's eligibility for medical assistance and food stamps, as long as the applicant or recipient meets the medical assistance and food stamp program requirements.

§5-315.

(a) Subsections (b) and (c) of this section are not intended to create an incentive for individuals to seek temporary cash assistance benefits instead of employment.

(b) In determining a family's eligibility for the FIP, the local department shall exclude Supplemental Security Income (SSI) benefits provided to an adult or child family member.

(c) Except as limited by federal requirements, the level of temporary cash assistance, as determined by a local department, shall:

(1) be determined with due regard to the available resources, necessary expenditures, and specific conditions of a family; and

(2) be sufficient, when added to all other income and support available to the child, to provide a child with a reasonable subsistence compatible with decency and health.

(d) A recipient who obtains employment remains eligible for medical assistance for up to 12 months after the date of employment.

§5–316.

(a) (1) Except as provided in paragraph (2) of this subsection, the Governor shall provide sufficient funds in the budget to:

(i) ensure that the value of temporary cash assistance, combined with federal food stamps, is equal to at least:

1. for fiscal year 2021, 61% of the State minimum living level; and

2. for fiscal year 2022 and each fiscal year thereafter, 61.25% of the State minimum living level; and

(ii) maintain the FIP at the level of the fiscal year 1997 appropriation.

(2) The funds provided under this subsection may be less than the amount required under paragraph (1) of this subsection if the Governor reports to the General Assembly, in accordance with § 2–1257 of the State Government Article, on the reasons for the reduced funding for temporary cash assistance and food stamps.

(3) This subsection does not limit the flexibility of local departments regarding the provision of services.

(b) If the Secretary determines during the fiscal year that the funds available for the FIP are insufficient to make payments in accordance with the amount of assistance otherwise established by law, the Secretary shall:

(1) provide for a uniform method of adjusting individual payments; and

(2) submit emergency regulations, in accordance with Title 10, Subtitle 1 of the State Government Article, to implement the adjustment.

(c) Effective July 1 of each year, the Department shall make available for reallocation within its budget any savings the Department anticipates from funds appropriated for the FIP during the current fiscal year as a result of:

(1) caseload reductions; or

(2) other reductions in the total amount of temporary cash assistance paid to recipients compared to the total amount of temporary cash assistance appropriated.

(d) Except as provided in subsection (e)(1) of this section, savings made available for reallocation may be used for:

(1) child care;

(2) work activities;

(3) welfare avoidance grants;

(4) drug treatment for targeted recipients;

(5) transportation;

(6) emergency funds for applicants and recipients;

(7) administration to the extent that additional administrative costs are required to effectively implement the FIP; or

(8) any other direct service to applicants or recipients that the Secretary and the local department consider appropriate to further the purposes of this subtitle.

(e) (1) Savings shall be made available for reallocation as follows:

(i) 10% of the savings to the operating costs for one or more of the following:

1. demonstration projects established under § 5-317 of this subtitle;

2. second chance homes not subject to the restrictions of § 12 of Chapter 351 of the Acts of the General Assembly of 1996; or

3. demonstration projects to empirically evaluate strategies to reduce the incidence of nonmarital births in the State;

(ii) 45% of the savings to local departments, in accordance with the savings achieved by each local department, for the purposes authorized under subsection (d) of this section; and

(iii) 45% of the savings for the purposes authorized under subsection (d) of this section.

(2) Notwithstanding § 7-302 of the State Finance and Procurement Article, any savings allocated under this subsection that remain unexpended at the end of a fiscal year may be carried over into the next fiscal year.

§5-317.

(a) (1) The Secretary shall establish demonstration projects through grants to:

- (i) nonprofit organizations;
- (ii) local education agencies;
- (iii) local management boards;
- (iv) local health departments;
- (v) religious organizations; and
- (vi) institutions of higher education.

(2) The entities listed in paragraph (1) of this subsection shall jointly develop proposals for demonstration projects under this section with local departments.

(3) At least one of the demonstration projects under this section shall be located in a county other than the two counties with the largest numbers of FIP recipients.

(b) (1) The Secretary shall award grants for demonstration projects under this section through a competitive bid process that includes:

(i) the issuance of a request for proposals; and

(ii) the establishment of an evaluation panel to review competing proposals and to make a recommendation to the Secretary concerning which proposals have the greatest programmatic and financial merit.

(2) (i) Not more than 50% of the funds allocated for demonstration projects under this section may be allocated to a single demonstration project.

(ii) The funds allocated for demonstration projects under this section are incentive funds over and above any transfer of FIP benefits to a third party payee.

(3) Funds allocable to demonstration projects under paragraph (2) of this subsection shall, if feasible, be used for demonstration projects in the counties that generated the savings reallocated to demonstration projects under § 5-316(e) of this subtitle.

(4) When awarding grants under paragraph (1) of this subsection, the Secretary shall give priority in funding for at least 20% of the funds allocated to demonstration projects under this section to regional proposals from two or more counties in the State.

(5) Funds allocated to demonstration projects under this section may not be used in the furtherance of sectarian religious instruction or worship.

(c) In the request for proposals issued under subsection (b)(1)(i) of this section, the Secretary shall include requirements that:

(1) applicants specify what goods or services, or both, they will provide to participants; and

(2) each demonstration project:

(i) complement the local department FIP Plan; and

(ii) address specific, unmet local needs and barriers that prevent families from meeting the requirements of this subtitle.

(d) In addition to the demonstration projects funded under subsection (b) of this section, the Secretary shall encourage and facilitate demonstration projects that are supported through:

(1) the voluntary transfer of temporary cash assistance and food stamp benefits to the demonstration project;

(2) the transfer of administrative costs from the local department;
and

(3) any nonstate funds available to the project.

§5-318.

(a) (1) In this section the following words have the meanings indicated.

(2) “Children of current or former recipients” has the meaning stated in § 5-304 of this subtitle.

(3) “Former recipient” has the meaning stated in § 5-304 of this subtitle.

(4) “Foster youth” has the meaning stated in § 5-304 of this subtitle.

(5) “Obligor” has the meaning stated in § 10-101 of the Family Law Article.

(b) (1) In cooperation with the local directors, the Secretary shall establish a job skills enhancement program to provide newly employed current and former recipients, children of current or former recipients, foster youth, and obligors with training to:

(i) enhance existing job-related skills;

(ii) gain additional or alternative job skills; or

(iii) learn interpersonal, communication, and other related skills.

(2) The job skills enhancement program shall be established in at least three counties, one of which shall be located in Western Maryland, Southern Maryland, or the Eastern Shore.

(c) The job skills enhancement program shall:

(1) target unskilled and semiskilled former and current recipients, children of current or former recipients, foster youth, and obligors who are newly

employed in entry–level positions that have limited potential for advancement beyond entry–level; or

(2) target job training for former and current recipients, children of current or former recipients, foster youth, and obligors for employment in energy and environmental industries and construction, including:

industries;

- (i) the energy–efficient building, construction, and retrofits

- (ii) the renewable electric power industry;

- (iii) the energy efficient and advanced drive train vehicle industry;

- (iv) the biofuels industry;

- (v) the deconstruction and materials use industries;

- (vi) the energy assessment industry serving the residential, commercial, or industrial sector;

- (vii) the manufacturing industry that produces sustainable products using environmentally sustainable processes and materials;

- (viii) the brownfields remediation industry;

- (ix) the state of the art septic upgrades and sewage treatment industry;

- (x) environmental restoration, including stream restoration, reforestation, invasive removal, and acid mine drainage;

- (xi) state of the art storm water installation and retrofits;

- (xii) agriculture conservation practices;

- (xiii) the green roof industry and green roof maintenance industry; and

- (xiv) sustainable landscaping.

(d) (1) Participation in the job skills enhancement program shall be voluntary.

(2) Individuals participating in the job skills enhancement program shall sign a training agreement with the local department.

(e) To be eligible to participate in the job skills enhancement program, an individual shall:

(1) (i) have been a recipient during the 36 months before beginning participation in the job skills enhancement program; or

(ii) be a former recipient, a child of a current or former recipient, a foster youth, or obligor;

(2) have been employed in entry-level employment for at least 6 months before beginning participation in the job skills enhancement program;

(3) provide employer validation or other documentation of employment status;

(4) have limited job skills; and

(5) have limited opportunity for advancement in the individual's current employment.

(f) The local department shall contract for training services to be provided under the job skills enhancement program, as provided in § 5-306 of this subtitle.

(g) (1) The local department may work with businesses to train and place current and former recipients, children of current or former recipients, foster youth, and obligors in positions that meet the requirements of paragraph (2) of this subsection.

(2) Participating businesses shall:

(i) provide employment with benefits paid to employees;

(ii) provide employment that has a defined career path;

(iii) demonstrate the active involvement and financial commitment of the business; and

(iv) provide a match with cash or in-kind contributions on at least a one-to-one basis.

(h) (1) At the discretion of the Secretary and in consultation with the local director, the job skills enhancement program shall be administered by the local department or through the State workforce development area system under the federal Workforce Innovation and Opportunity Act.

(2) The Administrator of the program under paragraph (1) of this subsection shall:

- (i) manage each participant's training plan;
- (ii) maintain a database of appropriate training vendors; and
- (iii) compile necessary fiscal reports on the job skills enhancement program.

(i) In addition to any other funds available to fund the job skills enhancement program, the Secretary shall attempt to access funds available to the State under the American Recovery and Reinvestment Act and any other funds designed to reduce energy use and global warming emissions that would be available for job training in the industries listed under subsection (c)(2) of this section.

§5–319.

(a) In this section, “demonstration site” means a site that the Secretary selects in consultation with the local director.

(b) The Secretary may establish a FIP demonstration site in not more than six jurisdictions.

(c) Notwithstanding any other law, the local director shall appoint a director of the FIP established in a demonstration site who shall report directly to the local director.

(d) Notwithstanding any other law, the Secretary has sole authority to approve demonstration site plans that will govern FIP functions in a demonstration site, including the authority to approve demonstration site plans that will:

- (1) assist families that have an employable parent toward a lasting exit from temporary cash assistance;
- (2) ensure that individuals and families receive appropriate benefits;
- (3) reduce errors in the administration of FIP;

(4) place temporary cash assistance recipients in employment in which their earnings will likely increase; and

(5) improve the types of employment and employment retention rates of existing and former recipients.

(e) The local director shall:

(1) develop a demonstration site plan for submittal to the Secretary for approval that will detail its:

(i) programmatic structure, including any programmatic changes;

(ii) organizational structure, including any organizational changes;

(iii) pay incentive structure and criteria for the award of pay incentives;

(iv) measurable performance criteria and how these relate to the incentive structure; and

(v) target performance criteria;

(2) implement the plan as approved; and

(3) report to the Department on the progress achieved in the demonstration site.

(f) The proper operation of the demonstration site and the achievement of the target performance criteria shall be an element of the local director's performance evaluation.

(g) The Secretary shall establish a performance incentive program to provide pay incentives for employees in a demonstration site.

(h) The Secretary's powers under this section shall be construed liberally.

§5-320.

(a) In cooperation with local directors, the Secretary shall establish a mentoring program for former recipients.

(b) (1) The mentoring program may include FIP caseworkers in local departments who volunteer to be mentors.

(2) The Department may contract with other entities under § 5-306 of this subtitle to acquire mentors for former recipients.

(c) Mentoring may include:

(1) providing assistance to resolve workplace problems;

(2) providing workplace adjustment assistance;

(3) job coaching;

(4) providing assistance to develop life skills;

(5) counseling and tutoring; and

(6) any other activities that will help former recipients through the first months that they no longer receive temporary cash assistance.

(d) To be eligible to participate in the mentoring program, an individual shall:

(1) have been a recipient in the previous 6 months;

(2) have been employed; and

(3) have a demonstrated need and desire for assistance in acquiring and maintaining the skills necessary for a lasting exit from temporary cash assistance.

(e) Program participation may not exceed 6 months.

(f) The Secretary may arrange to provide pay or other types of incentives to employees who volunteer to mentor former recipients.

(g) The Secretary's powers under this section shall be construed liberally.

§5-321.

(a) Any assistance granted under this subtitle is subject to future amendment or repeal of this subtitle.

(b) A recipient is not entitled to compensation if the recipient's assistance is affected by amendment or repeal of this subtitle.

§5-322.

(a) On or before October 1 each year, the Department shall report to the General Assembly, in accordance with § 2-1257 of the State Government Article, the following information:

(1) for the preceding year:

(i) the number of recipients who engaged in vocational education or education directly related to employment;

(ii) the number of recipients who completed vocational education or education directly related to employment;

(iii) the number of recipients who obtained or maintained employment for 6 months, 12 months, 18 months, and 24 months after completing vocational education or education directly related to employment; and

(iv) the average earnings of recipients who obtained or maintained employment for 6 months, 12 months, 18 months, and 24 months after completing vocational education or education directly related to employment; and

(2) for the preceding fiscal year, the following information on work experience and community service work activity placements:

(i) information on the work sites and the public, private, and nonprofit organizations that have engaged temporary cash assistance recipients in work experience and community service, including:

1. a list, organized by county, of all work sites in the State, including units of State, federal, and local government that have engaged temporary cash assistance recipients in work experience;

2. for each work site:

A. the total number of work experience placements for the year;

B. the position, job duties, number of hours, and market salary rate for the job being performed by the temporary cash assistance recipients engaged in work experience; and

C. the number of temporary cash assistance recipients engaged in work experience who were hired by the work site for unsubsidized employment; and

3. a list, organized by county, of all public and nonprofit organizations in the State that have engaged temporary cash assistance recipients in community service;

(ii) information, organized by the number, jurisdiction, race, ethnicity, age, and gender of individuals who participated in work experience and community service; and

(iii) information on the employment outcomes of individuals who participated in work experience, including the number of individuals in work experience who were provided direct entry into a full-time job with a wage that:

1. equals or exceeds the State minimum wage;

2. equals or exceeds 150% of the State minimum wage;

and

3. equals or exceeds 200% of the State minimum wage.

(b) The information in the report required under subsection (a)(1) of this section shall be broken down by the types of vocational education or education programs in which the recipients engaged, including:

(1) associate degree programs;

(2) vocational education programs that do not lead to an associate degree;

(3) postsecondary education programs that are not included in item (1) or (2) of this subsection;

(4) adult basic education programs;

(5) English as a second language programs; and

(6) GED programs.

§5-323.

(a) The Department shall hire an outside consultant to conduct a review of FIP to assess the extent to which FIP is:

- (1) implementing policies equitably; and
- (2) employing best practices to achieve the best outcomes possible for children and their parents, including by considering that many FIP recipients are experiencing or have experienced significant trauma.

(b) The consultant hired under this section shall demonstrate knowledge of the federal Temporary Assistance to Needy Families programs.

(c) At a minimum, the review conducted under this section should include an assessment of the following:

- (1) program design, including core beliefs, goals, objectives, service delivery model, regulations, program rules, and performance measures;

- (2) contract design and execution, including:

- (i) payment structure;

- (ii) incentives; and

- (iii) service delivery approach and performance with a focus on placement in high-quality jobs with wages that meet or exceed 150% of the State minimum wage;

- (3) program outcomes that, to the extent practicable, are disaggregated by race and ethnicity;

- (4) an examination of how the State's use of unpaid work experience compares to other states and alternative program options;

- (5) documentation of innovative and evidence-based practices being implemented in other states; and

- (6) all assessment tools used by the Department under § 5-309(a)(1) of this subtitle with a focus on recommending changes needed for the assessment to be conducted in a manner that is:

- (i) trauma-informed;

- (ii) antiracist; and

(iii) individualized, empowering, and client-centered.

(d) To receive meaningful input on FIP in accordance with the review conducted under this section, including recommendations on methods to strengthen FIP, the Department shall consult:

- (1) stakeholders, including current and former recipients;
- (2) community-based organizations; and
- (3) other interested parties.

(e) The review conducted under this section shall:

- (1) include a summary of:
 - (i) the strengths and weaknesses of FIP;
 - (ii) recommendations for improving FIP; and

(iii) any necessary legislative or administrative changes to make the improvements; and

(2) (i) on or before October 1, 2024, in accordance with § 2-1257 of the State Government Article, be submitted to the General Assembly; and

(ii) be published on the Department's website.

(f) Until the Department has fully implemented, to the extent practicable, the recommendations of the final review submitted under subsection (e) of this section, beginning in calendar year 2024 and each year thereafter, the Department shall report, in accordance with § 2-1257 of the State Government Article, to the Senate Finance Committee and the House Appropriations Committee on the plans and progress for implementing the recommendations made in the review.

§5-401.

(a) In this part the following words have the meanings indicated.

(b) "Applicant" means an individual who applies for assistance under this part.

(c) "Assistance" means:

- (1) cash payments to a recipient; and
- (2) payments necessary for supplementary services for a recipient, including:
 - (i) the recipient's funeral expenses as provided in § 5-415 of this subtitle; and
 - (ii) placement of the recipient in a suitable home or institution if:
 - 1. the recipient lacks a legal guardian or other person legally responsible for the recipient's support; and
 - 2. the recipient consents.

(d) "Program" means the Public Assistance to Adults Program.

(e) "Recipient" means an individual who receives, or has received, assistance under this part.

§5-402.

(a) There is a State funded Public Assistance to Adults Program in the Administration.

(b) The Program shall be:

- (1) in effect in each county; and
- (2) administered by the local departments in accordance with regulations that the Administration adopts.

§5-403.

(a) A resident of the State is eligible for assistance under this part if the resident:

- (1) lacks sufficient income or benefits to maintain a reasonable subsistence compatible with decency and health; and
- (2) (i) is eligible for or receives cash benefits under Title XVI of the federal Social Security Act; or

(ii) is aged, blind, or disabled as defined under Title XVI of the federal Social Security Act and, but for income, would receive cash benefits under that title.

(b) An applicant may not assign or transfer property to establish eligibility for assistance under this part during the 3 years before:

- (1) filing an application for assistance; or
- (2) receiving assistance.

§5–404.

(a) An application for assistance under this part shall be made:

- (1) to the local department of the county where the applicant resides;
- and
- (2) in the form and manner that the Administration requires.

(b) Whenever a local department receives an application for assistance under this part, the local department shall make a record of:

- (1) the circumstances of the applicant;
- (2) the facts supporting the application; and
- (3) any other information that the Administration requires by regulation.

§5–405.

(a) (1) The local department shall determine an amount of assistance that is sufficient, when added to all other income and support available to a recipient, to provide the recipient with a reasonable subsistence compatible with decency and health.

(2) In determining the amount of assistance, the local department shall consider the recipient's available resources and necessary expenditures and the conditions existing for the recipient.

(b) In determining the amount of assistance, the local department shall consider support from children as a potential resource and evaluate the amount of

the support and its availability to the recipient, in accordance with regulations that the Administration adopts.

§5-406.

- (a) The local department shall:
 - (1) determine:
 - (i) whether an applicant is eligible for assistance under this part; and
 - (ii) in accordance with regulations that the Administration adopts, the amount of the assistance and the date on which the assistance will begin; and
 - (2) notify the applicant of its decision.
- (b) Assistance shall be paid to the applicant monthly or as the Administration otherwise determines.
- (c) If the funds available are insufficient to make payments in accordance with the amount of assistance established to be needed, the Administration shall adopt regulations to provide for a uniform method of adjusting individual payments.

§5-407.

- (a) (1) Assistance granted under this part may not be transferred or assigned.
- (2) Assistance paid or payable under this part is not subject to:
 - (i) execution;
 - (ii) levy;
 - (iii) attachment;
 - (iv) garnishment;
 - (v) other legal process; or
 - (vi) the operation of any bankruptcy or insolvency law.

(b) (1) The local department shall reconsider all assistance granted under this part as frequently as the regulations of the Administration require.

(2) The amount of assistance may be changed or assistance may be canceled if, after any further investigation the local department considers necessary or the Administration requires, the local department or the Administration finds that the recipient's circumstances have altered sufficiently to warrant the change or cancellation.

(c) (1) A recipient shall notify the local department immediately if, while receiving assistance, the recipient receives property or income in excess of the amount stated in the application for assistance.

(2) After an investigation, depending on the circumstances, the local department may:

(i) cancel the assistance; or

(ii) change the amount of assistance.

(3) Assistance paid before the recipient received the property or income that exceeds the recipient's need may be recovered by the local department as a debt due.

(4) The net amount recovered shall be divided between the State and county in proportion to the amount of assistance paid by each.

(d) (1) When a recipient dies:

(i) the total amount of assistance paid under this part shall be allowed as a claim against the estate; and

(ii) the net amount recovered shall be divided between the State and county in proportion to the amount of assistance paid by each.

(2) The claim may not be enforced against real estate occupied by the recipient's surviving spouse or dependents.

§5-408.

(a) An applicant or recipient may appeal to the Administration if the local department:

(1) does not act on an application within a reasonable time;

(2) denies an application wholly or partly; or

(3) modifies or cancels a grant of assistance.

(b) (1) The appeal shall be filed in the manner and form that the Administration requires.

(2) The Administration shall give the applicant or recipient reasonable notice and an opportunity for a hearing on the appeal.

(c) (1) On its own motion, the Administration may:

(i) review any decision of a local department; and

(ii) consider an application on which the local department has not made a decision within a reasonable time.

(2) The Administration:

(i) may make any additional investigation it considers necessary; and

(ii) shall make any decision on the granting of assistance and the amount of assistance it considers justified in accordance with this part.

(3) On request, the Administration shall give an applicant or recipient affected by a decision made under paragraph (2) of this subsection reasonable notice and an opportunity for a hearing.

(d) (1) A decision of the Administration under this section is final and binding on the local department.

(2) The local department shall comply with a decision of the Administration under this section.

§5-409.

The Administration shall:

(1) supervise the administration of the Program under this part by the local departments;

(2) adopt regulations necessary or desirable to carry out this part, including regulations to:

(i) establish eligibility requirements and any other requirements not set forth in this part; and

(ii) establish standards for the amount of assistance a recipient may receive under this part;

(3) prescribe the form of and supply to the local departments any forms the Administration considers necessary and desirable; and

(4) take any other action necessary or desirable to carry out this part.

§5-410.

Each local department shall:

(1) administer this part in its county in accordance with the regulations the Administration adopts; and

(2) report to the Administration as the Administration directs.

§5-411.

(a) Except in connection with a criminal proceeding brought under this part, a person may not charge or receive a fee from an applicant, recipient, or any other person:

(1) with respect to an application under this part; or

(2) to represent an applicant or recipient in any proceeding under this part.

(b) A person who violates this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$500.

§5-412.

(a) Any assistance granted under this part is subject to future repeal or amendment of this part.

(b) A recipient is not entitled to compensation if the recipient's assistance is affected by repeal or amendment of this part.

§5–415.

(a) (1) A local department may pay the reasonable funeral expenses of a decedent who was a:

(i) recipient of public assistance, including temporary cash assistance or public assistance to adults; or

(ii) State resident receiving Supplemental Security Income under Title XVI of the Social Security Act.

(2) The funeral expenses paid by the local department may not exceed \$900.

(b) A local department may not pay funeral expenses under this section unless:

(1) each person legally responsible for the support of the decedent is unable to pay the expenses; and

(2) other resources, including available death benefits of the estate, are insufficient to pay the expenses.

(c) Payments provided in accordance with this section shall be charged to State funds.

§5–501.

(a) (1) The Department may implement a Supplemental Nutrition Assistance Program in accordance with the federal Supplemental Nutrition Assistance Program.

(2) The Supplemental Nutrition Assistance Program shall include:

(i) a Restaurant Meals Program in accordance with § 5–505 of this subtitle; and

(ii) a Heat and Eat Program in accordance with § 5–506 of this subtitle.

(b) The State shall bear the nonfederal portion of the administrative costs of the Supplemental Nutrition Assistance Program for each county.

(c) Each local department shall administer the Supplemental Nutrition Assistance Program:

- (1) under the supervision and control of the Department; and
- (2) in accordance with the regulations of the Department and federal law.

(d) If a household includes an individual who is at least 60 years old and receives a federally funded benefit in an amount less than \$50 per month under the Supplemental Nutrition Assistance Program, the State shall provide a supplement to increase the total benefit to \$50 per month.

§5–501.1.

(a) In this section, “child” means an individual who is under the age of 19 years at any time during a calendar year.

(b) (1) Subject to subsections (e) and (f) of this section, if a household includes an individual who receives a federally funded benefit under the food supplement program, the State shall provide matching funds to a county to supplement benefits received under § 5–501 of this subtitle for each child in the household.

(2) For each child in the household, the combined State and county supplement under paragraph (1) of this subsection shall equal at least:

- (i) \$30 per month in the months of June, July, and August;
- and
- (ii) \$10 in the month of December.

(c) (1) A supplement provided under subsection (b)(2)(i) of this section shall be added to the household food supplement program benefit account in June, July, and August.

(2) A supplement provided under subsection (b)(2)(ii) of this section shall be added to the household food supplement program benefit account in December.

(d) A household may not receive more than one supplement per child under subsection (b) of this section.

(e) (1) (i) To receive funding in the following fiscal year for the supplements under subsection (b) of this section, a county shall submit an application to the Department on or before the date established by the Department.

(ii) The application shall include the following information:

1. the number of program participants to be served;
 2. the county's commitment to conducting an evaluation to assess the effectiveness of the program;
 3. certification of the availability of local share funds;
- and
4. any other relevant information required by the Department.

(2) (i) On or before the date established by the Department, the Department shall notify each county that submitted a complete application of the amount of funding available in the next fiscal year for supplements under subsection (b) of this section.

(ii) Receipt of available funding under subparagraph (i) of this paragraph is contingent on approval by the Department of a county's final plan submitted in accordance with paragraph (3) of this subsection.

(3) On or before the date established by the Department, a county that is notified of available funding shall submit a final plan to the Department that includes:

(i) a communication plan, coordinated with the Department, to inform eligible families of the food supplement program and the supplements available under this section;

(ii) if funding is not sufficient to provide a minimum supplement of \$100 to all children in the county receiving food supplement program benefits in the fiscal year, a designation of which children will be eligible to receive the supplements under this section;

(iii) the criteria used to determine eligibility under item (ii) of this paragraph; and

(iv) an evaluation plan to measure:

1. the impact of the supplements on recipients;
2. food supplement program participation; and
3. any other relevant information required by the Department.

(4) (i) The Department shall review a final plan submitted under paragraph (3) of this subsection and approve or reject the final plan.

(ii) The Department shall notify a county of its decision under subparagraph (i) of this paragraph on or before April 1.

(iii) If the Department rejects a county's final plan, the county may submit a revised final plan for approval on or before April 15.

(iv) If the Department approves a county's final plan, the Department shall certify the amount of funding that will be provided for the county in the following fiscal year.

(5) Each county with an approved final plan shall be awarded funding in accordance with subsection (f) of this section.

(f) (1) The State and local shares of funding required for a county with an approved final plan shall be equal to the State and local share percentages established by the State and local cost-share formula for that county required under § 5-303(d)(3)(i) of the Education Article.

(2) (i) Except as provided in subparagraph (ii) of this paragraph, in each fiscal year, the Department shall provide the State share of funds for each county with an approved final plan for the fiscal year in an amount equal to the product of:

1. the total amount of funds appropriated under subsection (g) of this section; and

2. the number of children in households that receive a federal benefit under the food supplement program in the county, divided by the total number of children in households that receive a federal benefit under the food supplement program in all counties with an approved final plan.

(ii) The amount of funds provided to a county under subparagraph (i) of this paragraph may not be greater than the State share amount

that corresponds to the maximum available local share funds certified under subsection (e)(1)(ii)3 of this section.

(3) (i) A county may provide funding in addition to the funding required under paragraph (1) of this subsection to increase the number of supplements provided in the county.

(ii) Funding provided by a county under subparagraph (i) of this paragraph may not affect the amount of funding the Department is required to provide under paragraph (2) of this subsection.

(g) Subject to the State budget, the Department may use the funding the State is required to provide under subsection (b)(1) of this section to:

(1) provide funds to a county to supplement benefits; and

(2) offset administrative costs of the federal Summer Electronic Benefit Transfer Program.

§5-502.

Except as provided in § 5-503 of this subtitle, if any provision of this subtitle conflicts with any federal law, the federal law shall prevail.

§5-503.

Subject to the State budget, the Department shall provide food supplement benefits to a legal immigrant who:

(1) is a minor;

(2) is ineligible for federally funded Supplemental Nutrition Assistance Program benefits because of immigration status;

(3) meets all other Supplemental Nutrition Assistance Program eligibility requirements; and

(4) meets any other requirements of the State.

§5-504.

(a) A person may not sell or purchase Supplemental Nutrition Assistance Program benefits unless otherwise authorized by law.

(b) A person may not knowingly buy or sell merchandise that has been purchased with Supplemental Nutrition Assistance Program benefits.

(c) If the value of the money or goods involved is \$1,000 or more, a person who violates this section is guilty of a felony and on conviction:

(1) is subject to imprisonment not exceeding 5 years or a fine not exceeding \$10,000 or both; and

(2) shall make full restitution of the money or goods unlawfully received or perform community service, as determined by the court.

(d) If the value of the money or goods involved is less than \$1,000, a person who violates this section is guilty of a misdemeanor and on conviction:

(1) is subject to imprisonment not exceeding 3 years or a fine not exceeding \$1,000 or both; and

(2) shall make full restitution of the money or goods unlawfully received or perform community service, as determined by the court.

§5-505.

(a) In this section, “RMP” means the Restaurant Meals Program.

(b) (1) There is a Restaurant Meals Program within the Supplemental Nutrition Assistance Program in the Department.

(2) The purpose of the RMP is to expand food access to individuals who:

(i) do not have a place to store and cook food;

(ii) may not be able to prepare food; or

(iii) do not have access to a grocery store.

(c) A household eligible under subsection (d) of this section to participate in the RMP may purchase hot prepared foods at participating restaurants using a Supplemental Nutrition Assistance Program benefit.

(d) A household is eligible to participate in the RMP if the household is eligible to receive Supplemental Nutrition Assistance Program benefits under State and federal law, and the household:

- (1) lacks a fixed, regular, and adequate nighttime residence;
- (2) includes only individuals who are:
 - (i) 60 years of age or older; or
 - (ii) designated disabled by a government entity;
- (3) includes only an individual and the individual's spouse if the individual is:
 - (i) 60 years of age or older; or
 - (ii) designated disabled by a government entity; or
- (4) includes only:
 - (i) individuals who are 60 years of age or older; and
 - (ii) individuals who are designated disabled by a government entity.

(e) Before participating in the RMP, a restaurant shall:

- (1) submit an application and be approved under a process determined by the Department;
- (2) become a Supplemental Nutrition Assistance Program provider licensed by the U.S. Department of Agriculture; and
- (3) be able to process electronic benefit transaction card payments at the point of sale.

(f) (1) Each local department shall administer the RMP as part of the Supplemental Nutrition Assistance Program authorized under § 5–501 of this subtitle, in accordance with federal law.

(2) The Department shall adopt regulations:

- (i) to verify household eligibility for participation in the RMP;
- (ii) to establish eligibility standards, an application process, and an approval process for restaurants to participate in the RMP; and

(iii) otherwise necessary to carry out this section.

§5–506.

(a) In this section, “standard utility allowance” means a Maryland Energy Assistance Program payment to a household that is at least \$21 per year.

(b) (1) There is a Heat and Eat Program within the Supplemental Nutrition Assistance Program in the Department.

(2) The purpose of the Heat and Eat Program is to expand food access to households that are receiving or eligible for Supplemental Nutrition Assistance Program benefits.

(c) (1) A household is eligible to participate in the Heat and Eat Program if the household is eligible to receive Supplemental Nutrition Assistance Program benefits under State and federal law.

(2) In determining the eligibility of a household to receive Supplemental Nutrition Assistance Program benefits, the Department shall apply a standard utility allowance to the shelter deduction that is used for the purpose of determining countable gross income for Supplemental Nutrition Assistance Program eligibility.

(d) The Department shall adopt regulations:

(1) to verify household eligibility for participation in the Heat and Eat Program; and

(2) otherwise necessary to carry out this section.

§5–5A–01.

(a) In this subtitle the following words have the meanings indicated.

(b) “Energy emergency” means a lack of fuel or the imminent discontinuation of energy services supplied by a fuel vendor or utility vendor that will endanger health, safety, or welfare.

(c) “Fuel vendor” means a person that distributes, transports, produces, or offers for sale coal products, fuel oil, kerosene, bottled gas, propane, or wood for fuel use or consumption in the State.

(d) “Office” means the Office of Home Energy Programs.

(e) “Program” means the Energy Assistance Program.

(f) “Utility vendor” means a person that distributes, transports, or produces natural gas or electricity for use or consumption in the State.

§5-5A-02.

There is an Office of Home Energy Programs in the Administration.

§5-5A-03.

The purpose of the Office is to carry out this subtitle.

§5-5A-04.

(a) The Office may employ a staff.

(b) Except as otherwise provided by law, the employees of the Office are subject to the State Personnel and Pensions Article.

§5-5A-05.

The Office exercises its authority, duties, and functions under any State law subject to the authority of the Secretary under any State law.

§5-5A-06.

(a) (1) The Office shall maintain liaison with:

(i) the United States Department of Health and Human Services;

(ii) local government units concerned with energy programs;

(iii) citizens’ groups;

(iv) utility vendors and major fuel vendors in the State; and

(v) any other state, federal, and local units.

(2) The Office shall:

(i) consult with and advise the local entities described in paragraph (1) of this subsection regarding their energy assistance programs;

(ii) work at all levels of government to carry out this subtitle; and

(iii) consult with all utility vendors and major fuel vendors in the State when developing and implementing the Program.

(b) The Office shall:

(1) collect and assemble information relating to energy assistance available from other units of the State and federal governments;

(2) disseminate information to further energy assistance;

(3) identify all utility vendors and major fuel vendors in the State and attempt to obtain their voluntary cooperation with the Program;

(4) establish and maintain a State information service that utilizes a toll-free telephone number to provide the public with information about the Program and the location of the nearest local energy assistance office; and

(5) establish a mechanism for monitoring the effectiveness of the Program to determine whether eligible households are aware of and have access to a local energy assistance office.

(c) (1) Consistent with this subtitle and other applicable laws, the Office may enter into contracts or assume any other function necessary to carry out this subtitle.

(2) The Office may enter into contracts for any study or research activity that is necessary and proper.

§5-5A-07.

(a) (1) The Office shall:

(i) carry out an energy emergency crisis intervention program to prevent low-income households, including the near poor, the elderly, households with children, and those on fixed incomes from experiencing danger to health or survival as a result of an energy emergency;

(ii) establish intake procedures for those experiencing an energy emergency;

(iii) establish guidelines for the income and program eligibility of applicants; and

(iv) identify local public or private agencies to administer the crisis intervention program.

(2) (i) The Office shall make payments to fuel vendors and utility vendors that have provided service to persons qualifying for the crisis intervention program.

(ii) The amount of assistance shall be based on need.

(b) (1) The Office shall carry out one or more fuel and utility assistance programs to make payments on behalf of qualified households to defray fuel and utility costs.

(2) (i) The Office shall determine program and income eligibility guidelines.

(ii) The Office shall enroll in any fuel and utility assistance program any household with an individual who meets the financial eligibility requirements established by the Department for a recipient of:

1. the Supplemental Nutrition Assistance Program;
2. Temporary Assistance for Needy Families;
3. Supplemental Security Income; or
4. means-tested Veterans Affairs benefits.

(3) The amount of assistance shall be based on need.

§5-5A-08.

(a) (1) In this section the following words have the meanings indicated.

(2) “CMN Program” means the Critical Medical Needs Program established under this section.

(3) “Critical medically vulnerable individual” means an individual who:

(i) has a severe health condition that will be aggravated due to the termination or noncontinuation of electric or gas service or needs the use of life-support equipment as documented and certified in accordance with regulations on a certification of serious illness or life support form submitted to the appropriate electric or gas company;

(ii) has or will have their electric or gas service terminated for nonpayment; and

(iii) is unable to complete the energy assistance applications under available energy assistance programs, including energy efficiency programs offered by the Department of Housing and Community Development.

(4) “Navigator” means a representative from a medical facility or from a public or private assistance agency or organization who:

(i) is in personal contact with a critical medically vulnerable individual; and

(ii) assists the critical medically vulnerable individual in the energy assistance application process.

(b) (1) There is a CMN Program in the Office.

(2) The Office shall implement and administer the CMN Program.

(3) In administering the CMN Program, the Office shall partner with the Office of People’s Counsel, the Fuel Fund of Central Maryland, the Cancer Support Foundation, electric and gas companies, nonprofit organizations, other State agencies, the health care community, and any other organization that the Office determines appropriate.

(4) The purpose of the CMN Program is to reduce the barriers to the energy assistance application process for critical medically vulnerable individuals and their households in obtaining State and federal financial assistance for their electric, gas, or other energy source bills so that their electric, gas, or other energy source service continues or is restored.

(c) (1) The CMN Program shall facilitate assistance to critical medically vulnerable individuals and their households in obtaining State and federal financial assistance for their electric, gas, or other energy source bills through navigators.

(2) The Office shall determine qualifications and establish training requirements for navigators.

(3) The Office shall train navigators or facilitate the training of navigators by others.

(d) In accordance with the requirements set forth in the Code of Maryland Regulations, the Office shall work with electric and gas companies to implement, for critical medically vulnerable individuals:

(1) a medical hold on electric or gas service or an expedited process to grant the extension of electric or gas service for those who will have their electric or gas services terminated; and

(2) an expedited process for the restoration of electric or gas service for those who have had their electric or gas service terminated.

(e) If a critical medically vulnerable individual is at least 60 years old and assisted by a navigator when applying to participate in the CMN Program, the Office shall allow the individual 90 days after applying for assistance to provide certification from a medical provider of the severe health condition.

(f) The Office shall establish a tracking system of the status of critical medically vulnerable individuals who participate in the CMN Program.

(g) The Department shall adopt regulations to implement this section.

§5-5A-09.

(a) (1) The Office shall develop a uniform redetermination process to assist eligible energy customers who are at least 65 years old in enrolling in energy assistance programs.

(2) The redetermination process developed under paragraph (1) of this subsection shall be updated annually.

(b) The redetermination process shall require local administering agencies to:

(1) have an accessible location to receive eligible energy customers' applications according to the Office's contractual or program requirements; and

(2) establish a policy reflecting reasonable accommodations for applicants who are homebound or request accommodation, including by:

- (i) arranging for a home visit; or
- (ii) allowing an individual to apply on the behalf of an eligible energy customer.

(c) The Office shall provide notice of the redetermination process to all eligible energy customers and include with the notice an addressed envelope with prepaid postage.

(d) In addition to the notice required under subsection (c) of this section, the Office shall:

(1) require yearly verification of status for each customer that qualifies for the redetermination process;

(2) allow an eligible energy customer 45 days to respond to a request for additional information; and

(3) maintain records organized by county, including records on the number of households during the previous year:

- (i) that were eligible for redetermination;
- (ii) whose notice of the redetermination process was verified and returned; and
- (iii) that were reenrolled in the redetermination process.

(e) The Office may not require a new application for a current energy customer whose eligibility has not changed from the previous year.

(f) On or before December 1 each year, the Office shall report, in accordance with § 2–1257 of the State Government Article, to the General Assembly on the information collected under subsection (d)(3) of this section.

(g) The Department shall adopt regulations to implement this section.

§5–5A–10.

This subtitle may be cited as the “Energy Assistance Program Act”.

§5-5B-01.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Applicant” means an individual who applies for assistance under this subtitle.
- (c) “Assistance” means cash payments made to a recipient.
- (d) “Eligibility period” means the period of time an individual is eligible for assistance under this subtitle.
- (e) “Impairment” means a medically verified mental or physical condition that renders an individual unable to work at any occupation.
- (f) “Program” means the Temporary Disability Assistance Program.
- (g) “Recipient” means an individual who receives, or has received, assistance under this subtitle.

§5-5B-02.

- (a) There is a State-funded Temporary Disability Assistance Program in the Department.
- (b) The primary purpose of the Program is to provide assistance to low-income disabled adults who are ineligible for other categories of assistance.
- (c) The Program shall be:
 - (1) in effect in each county; and
 - (2) administered by the local departments in accordance with regulations that the Administration adopts.

§5-5B-03.

Subject to § 5-5B-04 of this subtitle, an applicant is entitled to assistance under this subtitle if the applicant is:

- (1) a citizen of the United States or a qualified alien as determined by the Administration;

(2) a resident of the State and the jurisdiction served by the local department at the time of application;

(3) unemployed;

(4) not receiving any other means-tested cash assistance; and

(5) determined, based on the medical form required under § 5-5B-05 of this subtitle, to have an impairment that is expected to last at least 3 months.

§5-5B-04.

(a) If an applicant has an impairment that is expected to last at least 12 months, the applicant shall:

(1) pursue Supplemental Security Income; and

(2) sign an interim payment reimbursement authorization that:

(i) gives the Social Security Administration authority to mail the applicant's payments to the Department or the local department; and

(ii) authorizes the Department or local department to deduct from the payments an amount equal to the assistance granted the applicant under this subtitle.

(b) A recipient who is otherwise eligible under this subtitle may not receive assistance for more than 9 months in a 36-month period, unless the recipient:

(1) has been certified as medically disabled by a licensed health care provider on the medical form required under § 5-5B-05 of this subtitle; and

(2) has a pending application for Supplemental Security Income that has not been withdrawn or finally denied.

§5-5B-05.

(a) An application for assistance under this subtitle shall be made:

(1) to the local department of the county where the applicant resides;
and

(2) in the form and manner that the Administration requires.

(b) An application for assistance under this subtitle shall include a medical form that:

(1) contains the name and estimated duration of the applicant's impairment; and

(2) is signed by a licensed health care provider.

§5-5B-06.

(a) In determining whether an applicant qualifies for assistance under this subtitle, the local department shall evaluate whether the applicant meets the criteria listed under § 5-5B-03 of this subtitle.

(b) The local department shall notify the applicant of its determination under subsection (a) of this section.

§5-5B-07.

(a) The local department shall determine an eligibility period for a recipient based on the estimated duration of the impairment indicated in the medical form required under § 5-5B-05 of this subtitle.

(b) The eligibility period determined by the local department:

(1) may be less than the estimated recovery time indicated on the medical form; and

(2) may not exceed the estimated recovery time indicated on the medical form.

(c) If a local department determines that a recipient's eligibility period is at least 3 months, but less than 12 months, the recipient shall be eligible for assistance for not more than 9 months in a 36-month period.

(d) (1) If the local department determines that a recipient is unlikely to recover in less than 12 months, the recipient shall be eligible for assistance for not more than 12 months if the recipient:

(i) pursues Supplemental Security Income; and

(ii) otherwise remains eligible for assistance under this subtitle.

(2) The local department may establish additional eligibility periods, each not exceeding 12 months, if the recipient:

- (i) reapplies for assistance under this subtitle;
- (ii) maintains eligibility; and
- (iii) continues to pursue a Supplemental Security Income claim.

(3) The local department shall adjust the eligibility period for a recipient to be not more than 9 months in a 36-month period if the recipient:

(i) withdraws the recipient's application for Supplemental Security Income; or

(ii) is denied the Supplemental Security Income claim.

(e) Unless a recipient reapplies for assistance and the local department establishes an additional eligibility period, a recipient's eligibility for assistance under this subtitle will automatically end at the end of the eligibility period established by the local department.

(f) If a recipient is eligible for any portion of a month, the recipient shall be eligible for the entire month.

§5-5B-08.

(a) The Governor shall provide sufficient funds in the budget to ensure that the value of the maximum monthly allowable assistance under the Program is equal to at least:

(1) for fiscal year 2020, \$215;

(2) for fiscal year 2021, 74% of the monthly allowable benefit for a one-person household receiving temporary cash assistance through the Family Investment Program in fiscal year 2021;

(3) for fiscal year 2022, 78% of the monthly allowable benefit for a one-person household receiving temporary cash assistance through the Family Investment Program in fiscal year 2022;

(4) for fiscal year 2023, 82% of the monthly allowable benefit for a one-person household receiving temporary cash assistance through the Family Investment Program in fiscal year 2023;

(5) for fiscal year 2024, 86% of the monthly allowable benefit for a one-person household receiving temporary cash assistance through the Family Investment Program in fiscal year 2024;

(6) for fiscal year 2025, 90% of the monthly allowable benefit for a one-person household receiving temporary cash assistance through the Family Investment Program in fiscal year 2025;

(7) for fiscal year 2026, 94% of the monthly allowable benefit for a one-person household receiving temporary cash assistance through the Family Investment Program in fiscal year 2026; and

(8) for fiscal year 2027 and each year thereafter, 100% of the monthly allowable benefit for a one-person household receiving temporary cash assistance through the Family Investment Program for that fiscal year.

(b) Assistance shall be paid to the applicant monthly.

§5-5B-09.

The Administration shall:

(1) supervise the administration of the Program under this subtitle by the local departments; and

(2) adopt regulations necessary or desirable to carry out this subtitle.

§5-601.

(a) In this section, “resident” means an individual who resides in this State on the date the individual applies for public assistance.

(b) Subject to § 5-314 of this title and as authorized under 21 U.S.C. § 862a(d)(1), the State removes itself from the application of § 115 of the federal Personal Responsibility and Work Opportunity Act of 1996 to allow the Department to provide temporary cash assistance and food stamps to a resident who has been convicted of a felony involving the possession, use, or distribution of a controlled dangerous substance.

(c) (1) Notwithstanding subsection (b) of this section, if a resident receiving temporary cash assistance or food stamps is found to be in violation of § 5–612 or § 5–613 of the Criminal Law Article, the resident is:

(i) ineligible for temporary cash assistance or food stamps for 1 year after the date of the conviction; and

(ii) subject to testing for substance abuse, as provided by the Department, and to treatment as required under § 5–314 of this title, for 2 years beginning on the later of:

1. the date the individual is released from incarceration;

2. the date the individual completes any term of probation; or

3. the date the individual completes any term of parole or mandatory supervision.

(2) A recipient who fails to comply with the testing required under this subsection or the treatment required under § 5–314 of this title or who tests positive for the abuse of controlled dangerous substances is subject to the sanctions provided under § 5–314 of this title.

(3) In consultation with the Maryland Department of Health, the Secretary shall adopt regulations to establish the testing methods and procedures, consistent with § 5–314 of this title, to be required by the Department under this subsection, including the intervals of testing and methods required.

§5–602.

Notwithstanding any other provision of law, the Administration, a local department, or any other unit may not decrease the monetary amount of assistance received by any recipient of public assistance before the implementation of a system of flat grant payments, solely as a result of the implementation of the system.

§5–603.

(a) (1) In this section the following words have the meanings indicated.

(2) “Delinquent tenant” means a tenant of public housing who is 30 or more days delinquent in paying the tenant’s full monthly rent to a public housing authority.

(3) “Public housing” means a dwelling unit owned, leased, or managed by a public housing authority.

(4) “Public housing authority” means a public corporation created under Division II of the Housing and Community Development Article or the public corporation’s designee.

(b) If a recipient of temporary cash assistance is a delinquent tenant, the Administration, at the request of the public housing authority, shall:

(1) deduct the amount of the tenant’s rent from the tenant’s monthly assistance payments each month;

(2) pay the amount deducted from the tenant’s monthly assistance payments to the public housing authority or the public housing authority’s authorized agent; and

(3) forward the remaining amount of the monthly assistance payments to the tenant.

(c) (1) If a court establishes an escrow account under § 8-211 of the Real Property Article or a parallel provision of public local law for a tenancy covered under subsection (b) of this section, the public housing authority shall notify the Administration of the court action.

(2) On notice under paragraph (1) of this subsection or on certification by an attorney of record representing the delinquent tenant in the court action that an order has been issued to establish an escrow account, the Administration shall pay rent to the court as long as the order is in effect.

(3) Any notice under paragraphs (1) and (2) of this subsection shall include a list of all addresses covered by the court action.

(4) The public housing authority shall notify the Administration when the court action has been resolved.

§5–604.

(a) The Department may request and obtain from a fiduciary institution doing business in the State any financial records that the Department determines are necessary to verify or confirm an individual’s eligibility or ineligibility for public assistance.

(b) On a showing by an applicant for long-term care Medicaid benefits that the applicant has been unable to obtain from a fiduciary institution doing business in the State financial records related to financial and real property assets necessary to establish the applicant's eligibility or ineligibility for Medicaid benefits, the Department shall request the records.

(c) (1) (i) The Department shall adopt regulations governing procedures for requesting, obtaining, and examining financial records that the Department determines are necessary to verify or confirm an individual's eligibility or ineligibility for public assistance.

(ii) The regulations shall:

1. include reimbursement schedules necessary to compensate fiduciary institutions for complying with this section; and

2. state the requirements that an applicant must satisfy in order for the Department to request financial records under subsection (b) of this section.

(2) The Secretary shall notify a fiduciary institution of the officers or employees of the Department who are authorized to request and receive financial records from the fiduciary institution.

(3) An individual authorized to receive information under this section may not disclose any personally identifiable information obtained or maintained under this section.

§5-605.

(a) (1) In this section the following words have the meanings indicated.

(2) "Fraud" has the meaning stated in § 8-501 of the Criminal Law Article.

(3) "Public assistance" means any assistance described in § 8-503 of the Criminal Law Article.

(b) Each applicant for or recipient of public assistance shall:

(1) read or have read to the individual a statement of the conduct that constitutes fraud; and

(2) sign the statement to acknowledge that the individual understands that the penalties for fraud under § 8–503 of the Criminal Law Article are:

- (i) imprisonment not exceeding 3 years or a fine not exceeding \$1,000 or both; and
- (ii) restitution.

§5–606.

The local department shall place a duplicate photo identification print in the case file of a public assistance recipient whenever a photo identification card is issued to the recipient.

§5–607.

(a) The Administration shall make every effort to recoup overpayments made to recipients that the State is authorized to recoup under federal law.

(b) The Administration shall establish an administrative procedure, in accordance with federal law, to be followed when the Administration has reason to believe that an overpayment has been made.

§5–608.

The Administration may:

- (1) accept any federal funds or commodities;
- (2) manage and dispose of any federal funds or commodities as required by federal law; and
- (3) apply the federal Social Security Act or any other federal law relating to public assistance to the benefit of the State.

§5–609.

- (a) (1) In this section the following words have the meanings indicated.
- (2) (i) “Personal identifying information” has the meaning stated in § 8–301 of the Criminal Law Article.

(ii) “Personal identifying information” includes an Electronic Benefits Transfer card number or personal identification number.

(3) “Skimming practices” includes:

(i) use of a skimming device, including a scanner, skimmer, reader, or other electronic device used to access, read, scan, obtain, memorize, or store, temporarily or permanently, personal identifying information; or

(ii) adding malicious code illegally to a website to capture Electronic Benefits Transfer card data or personal identifying information.

(4) “Theft” includes:

(i) physical theft of an Electronic Benefits Transfer card;

(ii) identity fraud, as defined in § 8–301 of the Criminal Law Article; and

(iii) theft through skimming practices.

(5) “Two–way fraud alert” means the capability of the Department to communicate with households, and of households to communicate with the Department, through text messaging regarding potential fraudulent use or theft of an Electronic Benefits Transfer card.

(b) For fiscal year 2025 and each fiscal year thereafter, the total amount of benefits restored under this section is limited to \$30,000,000 per fiscal year.

(c) (1) If an investigation by the Department shows a household’s correctly issued benefits were lost due to theft, the Department shall restore the benefits without requiring further action from the household.

(2) As soon as practicable, but not later than 10 days after a household informs the Department of the loss of benefits due to theft, the Department shall:

(i) notify the household in writing of the Department’s decision as to whether to restore benefits, the amount of benefits to be restored, and the right to and method of requesting a hearing on the Department’s decision in accordance with subsection (d) of this section;

(ii) if the Department determines that the household receives benefits, restore benefits to the household in the amount of benefits that was lost; and

(iii) provide the household with a new Electronic Benefits Transfer card.

(3) The Department may not:

(i) require a household to provide a police report as a condition of restoration of benefits; or

(ii) limit the number of months in which a household can receive restoration of benefits lost due to theft.

(d) (1) If a household disputes the amount of benefits restored or the Department's determination that no restoration is due, the household may request a hearing with the Department within 90 days after the date of the Department's determination.

(2) If a household requests a hearing under this subsection, the Department shall restore the benefits for which the household claims entitlement while the hearing is pending.

(3) If the hearing decision is unfavorable to the household, any benefits improperly restored under paragraph (2) of this subsection may be recovered by the Department by reducing the household's benefit at a rate that may not exceed the lesser of \$10 or 5% of the household's monthly allotment of benefits.

(e) In the procurement process for electronic benefits distribution or administration, the State or State-aided or State-controlled entity shall give preference to a vendor that:

(1) holds a form of insurance that can be used to reimburse a beneficiary for identity fraud or theft; and

(2) provides identity access protections to protect an eligible beneficiary against identity fraud and theft, which may include multifactor authentication.

(f) The Department shall coordinate with vendors to take available precautions to reduce the vulnerability of Electronic Benefits Transfer cards to theft by utilizing enhanced technology.

(g) On or before December 1 each year, the Department, in consultation with local law enforcement agencies in the State, shall report to the General Assembly, in accordance with § 2–1257 of the State Government Article, on:

(1) the accessibility and security of Electronic Benefits Transfer cards;

(2) actions taken to reduce the fraudulent use of Electronic Benefits Transfer cards;

(3) the number of Electronic Benefits Transfer cards reissued due to fraud in the immediately preceding year;

(4) the number of households reporting theft of benefits, by jurisdiction and program;

(5) the number of households eligible for expedited Supplemental Nutrition Assistance Program benefits that reported loss of benefits due to theft, by jurisdiction and program;

(6) the total dollar amount of benefits reported lost due to theft, by jurisdiction and program;

(7) the number of determinations of theft made by the Department, by jurisdiction;

(8) the number of determinations made by the Department that theft did not occur, by jurisdiction;

(9) the number of households reimbursed for benefits lost due to theft and the total dollar amount of benefits restored, by jurisdiction and program;

(10) the average and maximum length of time, in days, between the report of theft and the restoration of benefits, by jurisdiction;

(11) the number of hearings requested and the number of households that received a restoration of benefits as an outcome of a hearing, by jurisdiction; and

(12) demographic data on households that experienced theft, including race, gender, number of households with children under the age of 18 years, and number of households with a member at least 60 years old.

§5–610.

(a) The Department may:

(1) restore benefits to any household that lost benefits due to theft that occurred between January 1, 2021, and October 1, 2022, both inclusive, provided that the Department confirms the household lost benefits due to theft during that time period; and

(2) support innovative practices required to support beneficiaries during the time period between the reporting of the loss of benefits due to theft and the restoration of benefits.

(b) On or before September 1, 2023, the Department shall issue benefits to households eligible to receive funds under subsection (a) of this section.

§6–101.

(a) In this title the following words have the meanings indicated.

(b) “Department” means the Department of Human Services.

(c) “Secretary” means the Secretary of Human Services.

§6–401.

(a) In this part the following words have the meanings indicated.

(b) “Applicant” means an entity that applies for a grant under this part.

(c) “Distribution organization” means a nonprofit entity that distributes food or equipment to emergency food organizations.

(d) (1) “Emergency food organization” means a nonprofit entity that provides emergency food services.

(2) “Emergency food organization” includes an organization that operates:

(i) a soup kitchen; or

(ii) a food pantry.

(e) “Program” means the Statewide Nutrition-Assistance Equipment Program.

§6–402.

There is a Statewide Nutrition-Assistance Equipment Program administered by the Department.

§6–403.

The purpose of the Program is to provide funding to distribution organizations to enable the distribution organizations and emergency food organizations to obtain necessary equipment.

§6–404.

In addition to any other responsibilities for administering the Program, the responsibilities of the Department include:

(1) designing and implementing an ongoing outreach and publicity campaign to achieve the widest possible dissemination of information about the Program to:

- (i) potential applicants; and
- (ii) nutrition advocacy groups in the State;

(2) receiving and reviewing applications for funding; and

(3) allocating funds for approved applications in accordance with this part.

§6–405.

(a) When reviewing and awarding grants under this part, the Department shall consider:

(1) the equitable distribution of funds across all geographical regions of the State;

(2) the adequacy of existing distribution organizations in the region served or intended to be served by the applicant;

(3) the estimated population to be served by the applicant;

(4) the applicant's level of experience in operating a distribution organization; and

(5) the amount of funding and other resources available to the applicant.

(b) (1) The Department may not release funds to a grantee under this part until the grantee establishes that the grantee has obtained matching resources or a commitment for matching resources that equals at least 50% of the grant amount.

(2) The matching resources may be in the form of cash or an in-kind equivalent acceptable to the Department.

§6–406.

The Department shall report annually to the Governor and, subject to § 2-1257 of the State Government Article, to the General Assembly on the activities of the Program, including:

- (1) financial reports;
- (2) distribution of funds;
- (3) community participation; and
- (4) the overall effectiveness of the Program in fulfilling its stated purpose.

§6–409.

(a) In this part the following words have the meanings indicated.

(b) “Administering agency” means an entity that the Department approves in accordance with § 6-414 of this subtitle to administer the Program at the county level.

(c) (1) “Emergency food provider” means a nonprofit organization or an organization operated by a local government that provides food at no charge to needy individuals.

(2) “Emergency food provider” includes:

- (i) a soup kitchen; and
- (ii) a food pantry.

(d) “Program” means the Maryland Emergency Food Program.

§6–410.

Subject to the State budget, there is a Maryland Emergency Food Program in the Department.

§6–411.

(a) The purposes of the Program are to:

(1) provide funding to assist emergency food providers in purchasing food for needy individuals;

(2) encourage needy individuals to become self-sufficient; and

(3) distribute information on the State’s earned income tax credit established under § 10-704 of the Tax - General Article.

(b) When feasible and cost effective, food purchased under the Program shall be produced, grown, and harvested in the State.

§6–412.

(a) The Department shall manage the Program.

(b) Each administering agency shall:

(1) provide emergency food providers with information about the Program, including Program guidelines and fund availability;

(2) accept and process requests for funding assistance from emergency food providers; and

(3) allocate funding to emergency food providers based on the procedures approved in the administering agency’s grant application under § 6-413 of this subtitle.

(c) An emergency food provider that receives a Program grant shall:

(1) use the grant to purchase food for distribution to needy individuals;

(2) as a condition of distributing food, provide to needy individuals information, developed in collaboration with the Department, that encourages self-sufficiency consistent with the goals of the Family Investment Program established under Title 5, Subtitle 3 of this article;

(3) distribute information on the State's earned income tax credit established under § 10-704 of the Tax - General Article; and

(4) submit a report to the Department and the administering agency detailing how the grant was used and how many units of service were provided.

§6-413.

(a) (1) No more than 5% of the Program's budget may be used to cover administrative costs of the Program.

(2) All remaining funding shall be allocated for food purchase only.

(3) Program funds may not be used for equipment or other capital expenditures.

(b) The Department shall:

(1) adopt a formula and qualifications for allocating Program funds to the counties based on county-wide statistics for:

(i) the number of families living in poverty;

(ii) the unemployment rate; and

(iii) the number of families receiving food stamps;

(2) submit annually to the State Advisory Council on Hunger a report detailing:

(i) the total appropriations for the Program for the current and prior fiscal years, including the amount allocated for administrative costs, the amount allocated to each administering agency, and the amount allocated to emergency food providers in each county; and

(ii) how many units of service were provided in each county;
and

(3) notify each county through the administering agency of the availability of Program funds under item (1) of this subsection.

(c) (1) Each administering agency shall apply to the Department for a Program grant.

(2) The application shall include the procedures that the administering agency will use to:

(i) notify emergency food providers of the availability of Program grants;

(ii) approve emergency food providers as recipients of Program grants; and

(iii) allocate Program grants among approved emergency food providers.

(d) Before an administering agency may receive a Program grant, the Department must approve the application.

§6-414.

(a) The Department shall adopt regulations to govern the selection and approval of an administering agency for each county.

(b) The regulations adopted under this section shall include:

(1) criteria to ensure that the selected administering agency has adequate internal controls over cash receipts, materials, supplies, and inventories; and

(2) a definition of “units of service” that shall be used to track Program utilization.

§6-501.

(a) In this part the following words have the meanings indicated.

(b) (1) “Community services” means household and personal services provided for an elderly individual under the direction and supervision of an appropriate social services or health agency.

(2) “Community services” includes assistance with:

- (i) meal preparation and planning;
- (ii) home-delivered meal services;
- (iii) dressing;
- (iv) shopping;
- (v) visits to health, recreational, and shopping facilities;
- (vi) transportation and personal escort services;
- (vii) light housekeeping; and
- (viii) personal medical and nursing care related to the provision of community services.

(c) “Elderly individual” means an individual at least 65 years old and the individual’s spouse, regardless of the spouse’s age.

§6–502.

(a) It is the policy of the State that elderly individuals in the State should have access to a comprehensive range of community services to enable them to remain in their own homes or other independent living arrangements consistent with their desires, abilities, and safety.

(b) It is the intent of the General Assembly that the community services provided under this subtitle shall be available to all elderly individuals, but that those elderly individuals who are financially able to do so shall pay all or a portion of the costs of the community services.

§6–503.

With the advice, cooperation, and assistance of the Department of Aging and the Maryland Department of Health, the Department shall administer a system of community services to serve as an effective alternative to inappropriate institutional care for elderly individuals.

§6–504.

To carry out the system of community services required under this part, the Department or its designee shall:

(1) adopt regulations, including standards and means for reimbursement from elderly individuals financially able to pay for all or part of the services provided;

(2) monitor continuously the effectiveness of the system and perform evaluative research through the Department of Aging;

(3) contract, where feasible and desirable, with governmental units, private nonprofit organizations, and volunteer groups to provide community services and group nutritional dining services;

(4) provide funds to train individuals to perform community services and for administrative costs of the system; and

(5) use, to the extent available, grants from federal, State, and other public or private sources to fund the system.

§6-505.

(a) To the extent possible, the Department shall train and utilize elderly individuals to perform community services.

(b) Elderly individuals compensated for performing community services are not subject to the State Personnel Management System or any merit system of a political subdivision.

(c) The Department has sole authority for determining all conditions of employment and rates of compensation.

§6-508.

(a) In this part the following words have the meanings indicated.

(b) “CARE Program” means the Certified Adult Residential Environment Program.

(c) (1) “Individual with a disability” means an adult who requires a supportive housing arrangement to reside in the community because of a physical, medical, or mental disability.

(2) “Individual with a disability” does not include an adult whose disability is so severe or complex as to require specialized professional intervention as part of the supportive housing arrangement.

(d) “Supportive housing arrangement” means a housing arrangement that provides an individual with room, board, and assistance with the activities of daily living.

§6–509.

(a) The General Assembly finds and declares that:

(1) an increasing number of adults in the State are unable, because of disability, to reside in the community without a supportive housing arrangement;

(2) many of these adults are therefore homeless, unnecessarily institutionalized, or residing in substandard housing; and

(3) current State-operated programs do not adequately address this problem.

(b) It is the policy of the State to encourage the development of affordable housing for adults who are unable to avail themselves of existing housing because of disability.

§6–510.

(a) There is a CARE Program in the Department.

(b) The purpose of the CARE Program is to provide housing and related services for individuals with disabilities.

§6–511.

In accordance with the State budget, the CARE Program shall provide for:

(1) the development of CARE housing;

(2) case management to individuals with disabilities residing in CARE housing; and

(3) supportive services for individuals with disabilities residing in CARE housing.

§6–512.

(a) The Department of Human Services, the Department of Education, the Maryland Department of Health, and the Department of Aging shall provide appropriate ancillary services to individuals with disabilities in the CARE Program subject to programmatic eligibility and priority criteria and budgetary resources.

(b) The Secretary of Human Services, the Secretary of Health, the Secretary of Aging, and the State Superintendent of Schools shall:

(1) coordinate departmental programs to ensure that the services needed by individuals with disabilities residing in CARE housing are provided in an integrated and cost-effective manner; and

(2) prepare and enter into a written memorandum of agreement that specifies the services to be provided by each departmental program and the integration and timing of the delivery of the services.

(c) The Department may adopt regulations to carry out the CARE Program.

§6-513.

(a) Eligibility for services under the CARE Program does not preclude eligibility for other services.

(b) The CARE Program may not serve an individual with a disability who is not a resident of the State when the application for service is made.

§6-601.

In this subtitle, "Commission" means the Commission on Responsible Fatherhood.

§6-602.

(a) There is a Commission on Responsible Fatherhood.

(b) The Commission:

(1) is independent; but

(2) is located in the Department for budgetary and administrative purposes only.

§6-603.

The purposes of the Commission are to:

- (1) raise awareness of the problems created when a child is raised without the presence of a responsible father;
- (2) identify obstacles that impede or prevent the involvement of responsible fathers in the lives of their children; and
- (3) identify strategies that encourage responsible fatherhood.

§6-604.

(a) The Commission consists of the following 18 members appointed by the Governor:

- (1) the Secretary of Budget and Management;
- (2) the Secretary of Health;
- (3) the Secretary of Human Services;
- (4) the Secretary of Labor;
- (5) the State Superintendent of Schools;
- (6) the Special Secretary of the Governor's Office for Children or the Special Secretary's designee;
- (7) one judge assigned to the family division of a circuit court nominated by the Chief Judge of the Court of Appeals;
- (8) one member of the Senate of Maryland nominated by the President of the Senate;
- (9) one member of the House of Delegates nominated by the Speaker of the House;
- (10) three individuals with extensive programmatic or academic experience with noncustodial fathers and their children;
- (11) three individuals with an interest or expertise in matters pertaining to noncustodial fathers and their children, including representatives of community, parent, or religious groups or organizations;

(12) two representatives of local government in areas with a significant number of noncustodial fathers; and

(13) one noncustodial father.

(b) (1) The term of a member appointed under subsection (a)(10), (11), or (12) of this section is 3 years.

(2) The term of the member appointed under subsection (a)(13) of this section is 2 years.

(3) The terms of members appointed under subsection (a)(10), (11), (12), and (13) of this section shall be staggered as required by the terms in effect for those members on October 1, 2007.

(4) A member who is appointed to a position with a fixed term after the term has begun shall serve only for the rest of the term and until a successor is appointed and qualifies.

(5) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

(c) A member appointed under subsection (a)(1) through (6) of this section may designate in writing an alternate to represent the member and exercise the member's power to vote.

§6-605.

From among the members of the Commission, the Governor shall designate a chair for a 2-year term.

§6-606.

(a) A majority of the members then serving on the Commission is a quorum.

(b) The Commission shall determine the times and places of its meetings.

(c) A member of the Commission:

(1) may not receive compensation as a member of the Commission;
but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

§6-607.

The Commission shall determine any necessary operating procedures, including establishing subcommittees or work groups utilizing the expertise of persons who are not members of the Commission.

§6-608.

(a) (1) Subject to the approval of the Governor, the Commission shall hire a staff director as provided in the State budget.

(2) Subject to the advice and consent of the chair of the Commission, the staff director shall hire additional staff as provided in the State budget to perform the duties that the Commission considers appropriate.

(b) The staff is responsible to the Secretary solely for routine administrative purposes.

(c) Members of the Commission may designate staff from their respective units to assist the Commission.

§6-609.

(a) The Commission shall:

(1) conduct a thorough examination of the extent and implications of the absence of responsible fathers from families;

(2) strongly advocate to ensure the development of a coordinated and comprehensive approach to the social, educational, economic, health, and legal problems of responsible fatherhood;

(3) promote interdepartmental and public and private policy and program collaboration and coordination;

(4) collect data and perform analyses on efforts to increase responsible fatherhood;

(5) promote the development of statewide policies to address the issues preventing fathers from participating in raising their children;

(6) monitor statewide progress towards reducing the number of noncustodial fathers;

(7) promote and encourage wide community input, communication, and education regarding responsible fatherhood; and

(8) advise local public and private agencies seeking to mobilize local efforts to promote responsible fatherhood.

(b) To carry out its duties under subsection (a)(1) of this section, the Commission shall:

(1) hold hearings at which persons, organizations, and agencies with an interest in responsible fatherhood may present their views;

(2) conduct meetings, discussions, and examinations as necessary to gather information on the laws and services relating to responsible fatherhood in this and other states;

(3) identify and examine the limitations and problems associated with existing laws, programs, and services relating to responsible fatherhood; and

(4) examine the financing and delivery of services relating to responsible fatherhood.

(c) (1) In cooperation with appropriate State and local units and in accordance with State and federal law, the Commission shall foster plans to enhance the coordination of federal- and State-funded programs and services regarding responsible fatherhood.

(2) The Commission shall develop a coordinated comprehensive statewide plan, including estimates of necessary public and private funding, for:

(i) increasing the participation of fathers in raising their children; and

(ii) improving services to noncustodial fathers.

(3) In accordance with the statewide plan, the Commission shall recommend to the Governor distribution of community incentive grants concerning responsible fatherhood from funds provided in the State budget for this purpose or from grants or private donations, giving priority to innovative projects that:

(i) promote the establishment of a coordinated network of services for noncustodial fathers; and

(ii) demonstrate a high level of commitment to the project by making available nonstate funds, personnel, and facilities.

§6–610.

The Commission may not operate any programs or provide any direct services.

§6–701.

In this subtitle, “Program” means the Citizenship Promotion Program.

§6–702.

There is a Citizenship Promotion Program in the Department.

§6–703.

The purposes of the Program are:

(1) to encourage and assist eligible foreign-born residents to become naturalized citizens of the United States and active participants in the civic life of Maryland;

(2) to increase the number and proportion of eligible foreign-born residents who become citizens of the United States; and

(3) to encourage foreign-born residents who become citizens to be involved in our democratic institutions.

§6–704.

In accordance with the State budget, the Program shall:

(1) encourage eligible residents to learn English;

(2) encourage eligible residents to become naturalized citizens of the United States;

(3) inform eligible residents about the rights and responsibilities of citizens, the process of naturalization, and the availability of citizenship services;

(4) make available or increase the availability of instruction in:

(i) English as a second language;

- (ii) United States history; and
- (iii) citizenship preparation;
- (5) make available or increase the availability of assistance in completing applications for naturalization;
- (6) establish an effective connection to nonpartisan voter registration efforts;
- (7) encourage the involvement of new citizens in democratic institutions; and
- (8) work with federal, State, and local units of government and organizations to respond to the need for citizenship services in the State.

§6–705.

Funding for the Program shall be as provided in the State budget, not exceeding \$100,000 each year.

§6–706.

The Department shall adopt regulations and policies to carry out the Program.

§6–707.

All executive units of the State shall cooperate with the Department to implement the regulations and policies of the Program.

§6–801.

(a) For fiscal years 2021 through 2023, the Governor shall include in the annual State budget an appropriation of \$200,000 for the CASH Campaign of Maryland to promote the financial capability of low-income individuals and families by providing outreach, education, and free tax preparation services.

(b) For fiscal years 2024 and 2025, the Governor shall include in the annual budget bill an appropriation of \$500,000 for the CASH Campaign.

(c) (1) For fiscal year 2026 and each fiscal year thereafter, the Governor shall include in the annual budget bill an appropriation of \$800,000 for the CASH Campaign.

(2) From the appropriation made under paragraph (1) of this subsection, \$150,000 shall be used to provide grants to external entities for providing income tax assistance in accordance with § 6–802 of this subtitle through on–demand or mobile tax clinics that serve senior populations, rural communities, or under–resourced communities, including New American populations.

§6–802.

An appropriation made under § 6–801 of this subtitle may be used only to:

(1) provide free volunteer income tax assistance that helps low–income individuals and families:

(i) file tax returns;

(ii) avoid predatory fees; and

(iii) claim the federal earned income tax credit or the State earned income tax credit under § 10–704 of the Tax – General Article;

(2) coordinate and expand access to free, fact–based financial education and coaching for low–income individuals and families;

(3) connect low–income individuals and families to affordable, high–quality financial services;

(4) recruit, train, and manage a corps of volunteers to provide financial education, coaching, and tax preparation services for low–income individuals and families; and

(5) conduct outreach to low–income individuals and families.

§7–101.

(a) In this subtitle the following words have the meanings indicated.

(b) “Board” means the Interagency Disabilities Board.

(c) “Commission” means the Maryland Commission on Disabilities.

(d) “Department” means the Department of Disabilities.

(e) “Disability” has the meaning stated in the federal Americans with Disabilities Act of 1990, 42 U.S.C. § 12102.

(f) “Secretary” means the Secretary of Disabilities.

(g) “Unit of State government” means a department, agency, office, commission, council, or other unit in the Executive Branch of the State government.

§7–104.

There is a Department of Disabilities, established as a principal department of State government.

§7–105.

(a) (1) With the advice and consent of the Senate, the Governor shall appoint the Secretary of Disabilities.

(2) The Secretary is the head of the Department.

(b) The Secretary shall:

(1) have extensive experience and knowledge of disability laws, legislation, and regulations, and programs for individuals with disabilities;

(2) at a minimum, hold a bachelor’s degree; and

(3) be an individual with a disability or appoint a deputy secretary who is an individual with a disability.

(c) Before taking office, the appointee shall take the oath required by Article I, § 9 of the Maryland Constitution.

(d) (1) The Secretary serves at the pleasure of the Governor and is responsible directly to the Governor.

(2) The Secretary shall advise the Governor on all matters assigned to the Department and is responsible for carrying out the Governor’s policies on those matters.

(e) The Secretary is entitled to the compensation provided in the State budget.

§7–106.

(a) The Secretary is responsible for the operation of the Department and shall establish guidelines and procedures to promote the orderly and efficient operation of the Department.

(b) The Secretary may establish, reorganize, or abolish areas of responsibility in the Department as necessary to fulfill the duties assigned to the Secretary.

§7-107.

(a) With the approval of the Governor, the Secretary shall appoint a deputy secretary.

(b) The deputy secretary shall be an individual with a disability, if the Secretary is not an individual with a disability.

(c) The deputy secretary:

(1) serves at the pleasure of the Secretary; and

(2) is entitled to the compensation provided in the State budget.

(d) The deputy secretary has the duties provided by law or delegated by the Secretary.

§7-108.

(a) In accordance with the State budget, the Secretary may employ a staff.

(b) Unless otherwise provided by law, the Secretary shall appoint and remove all staff in accordance with the provisions of the State Personnel and Pensions Article.

(c) The Secretary may review any personnel action taken by any unit in the Department.

§7-109.

(a) The Attorney General is the legal adviser to the Department.

(b) The Attorney General shall assign to the Department the number of assistant Attorneys General authorized by law to be assigned to the Department.

(c) (1) The Attorney General shall designate one of the assistant Attorneys General assigned to the Department as counsel to the Department and may not reassign that individual without consulting with the Secretary.

(2) The counsel to the Department shall have only the following duties:

(i) to give the legal aid, advice, and counsel required by the Secretary and any other official of the Department;

(ii) to supervise the other assistant Attorneys General assigned to the Department; and

(iii) to perform for the Department the duties that the Attorney General assigns.

(3) The counsel shall perform the duties under paragraph (2) of this subsection subject to the control and supervision of the Attorney General.

§7–110.

(a) The Secretary shall adopt regulations for the Department and its units.

(b) The Secretary may adopt regulations necessary to carry out the provisions of law that are within the jurisdiction of the Secretary.

§7–111.

(a) (1) There is a State Coordinator for Autism Strategy in the Department.

(2) The Governor shall appoint the State Coordinator for Autism Strategy.

(b) The State Coordinator for Autism Strategy, in consultation with the Advisory Stakeholder Group on Autism–Related Needs established under § 7–112 of this subtitle, shall:

(1) identify and evaluate existing public, private, and nonprofit services for individuals with autism and their families;

(2) on or before July 1, 2021, develop a strategic plan for addressing autism–related needs in the State, including, at a minimum, needs in the areas of

employment, housing, health care, training for first responders and criminal justice professionals, and identification and intervention;

(3) identify national benchmarks and other performance measures to be included in the strategic plan and used in evaluating the success of the State in addressing autism–related needs; and

(4) monitor and evaluate the implementation of the strategic plan and the success of the State in addressing autism–related needs, including success in meeting national benchmarks.

(c) The strategic plan required under subsection (b) of this section shall specify performance measures, including any national benchmarks, for monitoring and evaluating success in addressing autism–related needs in the State including, at a minimum, the following:

(1) reducing the unemployment and underemployment rates of people with autism;

(2) improving postsecondary transition services and graduation rates;

(3) increasing degree–granting college admission and participation and postsecondary vocational internships and apprenticeships leading to licensure;

(4) increasing the availability of safe, affordable, and accessible housing;

(5) identifying and reducing the negative physical and mental health outcomes of people with autism, including:

(i) identifying and improving caregiver and family support and respite services;

(ii) evaluating need and implementation strategies for the adult autism waiver;

(iii) reducing wait times for the Autism Waiver Registry;

(iv) promoting social inclusion and understanding for people with autism; and

(v) ensuring equitable access to diagnostic and therapeutic support services in rural areas and for underserved populations; and

(6) evaluating the need for and making recommendations regarding training programs for law enforcement, criminal justice professionals, or other first responders that address the effective recognition of and response to the needs of individuals with autism and their caregivers.

(d) (1) On or before July 1 each year, beginning in 2021, the State Coordinator for Autism Strategy shall submit a report to the Secretary of Disabilities, the Governor, and, in accordance with § 2–1257 of the State Government Article, the General Assembly on the development, implementation, and effectiveness of the strategic plan required under subsection (b) of this section.

(2) Within 30 days after a report required under paragraph (1) of this subsection is submitted, the State Coordinator for Autism Strategy shall publish the report on the Department’s website.

(e) (1) For fiscal year 2023 and each fiscal year thereafter, the Governor shall include in the annual budget bill an appropriation to fund the position of State Coordinator for Autism Strategy and the Advisory Stakeholder Group on Autism–Related Needs.

(2) For fiscal year 2024 and each fiscal year thereafter, the Governor shall include in the annual budget bill an appropriation in an amount sufficient to fund one support staff position for the State Coordinator for Autism Strategy.

§7–112.

(a) There is an Advisory Stakeholder Group on Autism–Related Needs.

(b) The Advisory Stakeholder Group on Autism–Related Needs consists of the following members:

(1) one member of the Senate of Maryland, appointed by the President of the Senate;

(2) two members of the House of Delegates, appointed by the Speaker of the House;

(3) the State Superintendent of Schools, or the State Superintendent’s designee;

(4) the Secretary of Disabilities, or the Secretary’s designee;

(5) the Secretary of Human Services, or the Secretary’s designee;

- (6) the Secretary of Health, or the Secretary's designee;
- (7) the State Coordinator for Autism Strategy;
- (8) one representative of the Maryland Speech–Language–Hearing Association;
- (9) one representative of the Maryland Developmental Disabilities Council;
- (10) one representative of the Maryland Occupational Therapy Association;
- (11) one representative of The ARC Maryland;
- (12) one representative of Pathfinders for Autism;
- (13) one representative of Itineris;
- (14) the following members, appointed by the Governor:
 - (i) a school psychologist;
 - (ii) a physical therapist;
 - (iii) a pediatrician;
 - (iv) two parents of children with autism;
 - (v) two self–advocates with autism;
 - (vi) one representative of public universities in the State;
 - (vii) one representative of local public school systems in the State; and
 - (viii) one representative from the business community; and
- (15) any additional members with expertise or experience in autism–related needs as considered necessary, appointed by the State Coordinator for Autism Strategy.

(c) The State Coordinator for Autism Strategy shall chair the Advisory Stakeholder Group on Autism–Related Needs.

(d) The Department shall provide staff for the Advisory Stakeholder Group on Autism–Related Needs.

(e) In appointing members under subsection (b) of this section, the appointing authority shall consider the geographical diversity of the State so that the composition of the Advisory Stakeholder Group on Autism–Related Needs reflects the various communities of the State.

(f) A member of the Advisory Stakeholder Group on Autism–Related Needs:

(1) may not receive compensation as a member of the Advisory Stakeholder Group on Autism–Related Needs; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(g) The Advisory Stakeholder Group on Autism–Related Needs shall work with the State Coordinator for Autism Strategy to:

(1) identify and evaluate existing services for individuals with autism and their families;

(2) develop a strategic plan for addressing autism–related needs in the State;

(3) promote, monitor, and evaluate implementation of the strategic plan; and

(4) recommend and implement changes to the strategic plan.

(h) (1) The Advisory Stakeholder Group on Autism–Related Needs shall hold its initial meeting on or before December 31, 2020.

(2) Beginning in 2021, the Advisory Stakeholder Group on Autism–Related Needs shall meet quarterly each calendar year.

§7–113.

(a) The Secretary is responsible for the budget of the Department.

(b) Except as otherwise provided by law, the Secretary shall pay all money collected by the Department under this subtitle into the General Fund of the State.

(c) (1) (i) Before publication in the Maryland Register, the Secretary shall review new or proposed changes to regulations submitted by a unit of State government that relate to the provision of resources and services to individuals with disabilities.

(ii) The regulations shall include an assessment that describes the impact of the proposed regulations on individuals with disabilities.

(2) Before implementation, the Secretary shall review new or proposed changes to policies, programs, or services submitted by a unit of State government that relate to the provision of resources and services to individuals with disabilities.

(d) (1) The Secretary shall review, coordinate, and concur with any application for federal aid, waivers, or grants that is:

(i) specific to services for individuals with disabilities; and

(ii) submitted by or through any unit of State government.

(2) Except as otherwise prohibited by law, the Secretary may apply for, receive, and use grants-in-aid, funds, or services from the federal government or any of its units, or any public or private source made available to the Department for use in carrying out the powers and duties of the Secretary or the Department.

(e) (1) The Secretary shall review the State Disabilities Plan developed by the Board in accordance with § 7-132 of this subtitle.

(2) The Secretary may approve the State Disabilities Plan or amend the Plan if the Secretary determines that the Plan developed by the Board is not in accordance with § 7-132 of this subtitle.

(3) The Secretary shall request that the Board revise the State Disabilities Plan at least once every 4 years.

(4) The Secretary shall adopt regulations to implement the State Disabilities Plan as approved or as amended in accordance with paragraph (2) of this subsection.

(f) The Secretary shall submit an annual analysis of the State's progress in implementing the State Disabilities Plan and related performance objectives to the

Governor and, in accordance with § 2–1257 of the State Government Article, to the General Assembly on or before December 1 of each year.

(g) The Secretary may create citizens' advisory bodies that the Secretary considers necessary for the effective operation of the Department.

§7–114. ** CONTINGENCY – IN EFFECT – CHAPTERS 6 AND 13 OF THE 2025 SPECIAL SESSION **

(a) (1) The Department is the principal unit of State government responsible for developing, maintaining, revising, and enforcing statewide disability policies and standards throughout the units of State government.

(2) In this capacity, the Department shall:

(i) serve as the principal advisor to the Governor on the means and methods available to:

1. implement and fund support to individuals with disabilities in accordance with the State Disabilities Plan;

2. modify or consolidate support to individuals with disabilities; and

3. collaborate with federal, regional, and local units of government to enhance the effectiveness of the provision and funding of support to individuals with disabilities;

(ii) annually recommend projects to the Department of Budget and Management for inclusion in the capital budget to promote access to State-owned facilities for individuals with disabilities;

(iii) assist units of State government to identify federal, State, local, and private funds available to the State for programs and services for individuals with disabilities; and

(iv) provide technical assistance to local jurisdictions in planning and implementing collaborative strategies consistent with the State Disabilities Plan.

(b) The Department shall oversee and administer the following programs and units:

(1) constituent services and ombudsmen programs;

(2) the Assistive Technology Guaranteed Loan Program under Subtitle 6 of this title;

(3) the Office of Personal Assistance Services, including the Attendant Care Program under Subtitle 4 of this title;

(4) Telecommunications Access of Maryland under Subtitle 8 of this title;

(5) Telecommunications Devices and Distribution of Accessible Information for Disabled Individuals under Subtitle 9 of this title;

(6) the Office of Disability Employment Advancement and Policy; and

(7) the Maryland Assistive Technology Program under Subtitle 14 of this title.

§7-114. ** CONTINGENCY – NOT IN EFFECT – CHAPTERS 6 AND 13 OF THE 2025 SPECIAL SESSION **

(a) (1) The Department is the principal unit of State government responsible for developing, maintaining, revising, and enforcing statewide disability policies and standards throughout the units of State government.

(2) In this capacity, the Department shall:

(i) serve as the principal advisor to the Governor on the means and methods available to:

1. implement and fund support to individuals with disabilities in accordance with the State Disabilities Plan;

2. modify or consolidate support to individuals with disabilities; and

3. collaborate with federal, regional, and local units of government to enhance the effectiveness of the provision and funding of support to individuals with disabilities;

(ii) annually recommend projects to the Department of Budget and Management for inclusion in the capital budget to promote access to State-owned facilities for individuals with disabilities;

(iii) assist units of State government to identify federal, State, local, and private funds available to the State for programs and services for individuals with disabilities; and

(iv) provide technical assistance to local jurisdictions in planning and implementing collaborative strategies consistent with the State Disabilities Plan.

(b) The Department shall oversee and administer the following programs and units:

(1) constituent services and ombudsmen programs;

(2) the Assistive Technology Guaranteed Loan Program under Subtitle 6 of this title;

(3) the Office of Personal Assistance Services, including the Attendant Care Program under Subtitle 4 of this title;

(4) Telecommunications Access of Maryland under Subtitle 8 of this title;

(5) Telecommunications Devices and Distribution of Accessible Information for Disabled Individuals under Subtitle 9 of this title;

(6) the Office of Disability Employment Advancement and Policy;

(7) the Maryland Assistive Technology Program under Subtitle 14 of this title; and

(8) the Maryland Disability Service Animal Program under Subtitle 15 of this title.

§7-115.

Unless the disclosure of information is otherwise prohibited by law, each unit of State government shall provide to the Secretary:

(1) at the request of the Secretary, information regarding current programs and services for individuals with disabilities; and

(2) information regarding new or proposed programs and services for individuals with disabilities.

§7-116.

(a) (1) On or before July 1 of each year, each unit of State government shall develop a unit plan to implement the State Disabilities Plan as approved or amended by the Secretary under § 7-113(e) of this subtitle.

(2) The unit plan shall contain an implementation schedule and measurable strategic performance objectives.

(3) The Secretary may request amendments to a unit plan if the Secretary determines that the unit plan does not comply with the State Disabilities Plan.

(b) On or before July 1 of each year, each unit of State government shall provide the Department with an evaluation of the unit's performance in accordance with the unit's plan developed under subsection (a) of this section.

(c) The evaluation required under subsection (b) of this section shall:

(1) assess the unit's performance against the strategic performance objectives established under subsection (a)(2) of this section; and

(2) identify and measure:

(i) consumer satisfaction;

(ii) gaps in services;

(iii) numbers of individuals waiting for services; and

(iv) progress made on achieving performance objectives.

(d) The Secretary may provide technical assistance to any unit of State government to meet the requirements of this section.

(e) The Secretary may waive the requirements of this section for any unit of State government.

§7-119.

There is a Maryland Commission on Disabilities.

§7-120.

- (a) The Commission consists of:
- (1) the following members, appointed by the Governor:
 - (i) one individual with a physical disability;
 - (ii) one individual who has experienced mental illness;
 - (iii) one individual with a traumatic brain injury;
 - (iv) two individuals with a developmental disability, including one with an intellectual disability;
 - (v) one individual who is blind;
 - (vi) one individual who is deaf or hard of hearing;
 - (vii) one parent or foster parent of a child with a disability;
 - (viii) four members of the general public who have disabilities;
 - (ix) three representatives from statewide disability advocacy organizations;
 - (x) one representative from the home health care industry;
 - (xi) one representative from a statewide organization of providers of services and support for individuals with disabilities;
 - (xii) one representative from the Alliance of Local Commissions on Disability; and
 - (xiii) two representatives from the Board, one of whom shall be selected by the Secretary and one of whom shall be the Secretary of Budget and Management or the designee of the Secretary of Budget and Management;
 - (2) one representative from the Senate of Maryland, appointed by the President of the Senate;
 - (3) one representative from the Maryland House of Delegates, appointed by the Speaker of the House;
 - (4) the State Coordinator for Autism Strategy; and

(5) one representative from the Governor's Advisory Board for Telecommunications Relay, appointed by the chair of the Board.

(b) In making the appointments required under subsection (a)(1) of this section, the Governor shall appoint members from among:

(1) the geographic regions of the State; and

(2) diverse backgrounds.

(c) A majority of the members shall be individuals with disabilities.

(d) (1) The term of a member is 3 years.

(2) The terms of the members are staggered as required by the terms provided for the members of the Commission on October 1, 2007.

(3) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

(4) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(5) A member may not serve more than two consecutive 3-year terms.

(e) A member who fails to attend at least 50% of the regularly scheduled meetings of the Commission during any 12-month period shall be considered to have resigned.

§7-121.

From among the members of the Commission, the Governor shall designate a chair for a 2-year term.

§7-122.

(a) A member of the Commission:

(1) may not receive compensation as a member of the Commission;
but

(2) if the Secretary approves, is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(b) The Department shall provide staff to the Commission as necessary.

§7-123.

Members of the Commission shall:

(1) advise the Department in carrying out its duties;

(2) meet at least twice a year in meetings open to the public; and

(3) serve on one or more subcommittees established by the Secretary to provide guidance to the Department on matters affecting individuals with disabilities, including public policy, outreach, and personal assistance services.

§7-124.

Notwithstanding any other provision of law, a subcommittee of the Commission created in accordance with § 7-123 of this subtitle shall be considered a public body under § 3-101(h) of the General Provisions Article.

§7-127.

(a) There is an Interagency Disabilities Board convened by the Governor.

(b) The purpose of the Board is to develop the State Disabilities Plan.

§7-128.

The Board consists of the following members:

(1) the Secretary of Disabilities;

(2) the Secretary of Aging, or the Secretary's designee;

(3) the Secretary of Commerce, or the Secretary's designee;

(4) the Secretary of Budget and Management, or the Secretary's designee;

(5) the Secretary of Health, or the Secretary's designee;

(6) the Secretary of Housing and Community Development, or the Secretary's designee;

(7) the Secretary of Human Services, or the Secretary's designee;

(8) the Secretary of Labor, or the Secretary's designee;

(9) the Secretary of Planning, or the Secretary's designee;

(10) the State Superintendent of Schools, or the Superintendent's designee;

(11) the Secretary of Transportation, or the Secretary's designee;

(12) the Special Secretary of the Governor's Office for Children, or the Special Secretary's designee;

(13) the Director of the Governor's Office of the Deaf and Hard of Hearing, or the Director's designee;

(14) the Secretary of Juvenile Services, or the Secretary's designee;

(15) the Secretary of Public Safety and Correctional Services, or the Secretary's designee;

(16) the Executive Director of the Governor's Office of Crime Prevention and Policy, or the Executive Director's designee; and

(17) representatives from any other unit of State government that the Governor designates.

§7-129.

(a) The Secretary is the chair of the Board.

(b) The chair shall direct the work of the Board.

(c) The chair may establish subcommittees of the Board to carry out the duties established under this part.

§7-130.

The Department shall provide staff to the Board as necessary.

§7-131.

The Board shall:

- (1) provide ongoing examination of the structure and organization of the State's system of services and support to individuals with disabilities to ensure equal access to support services and resources by individuals with disabilities;
- (2) facilitate the development of performance objectives that will result in a comprehensive, effective, efficient, and integrated service delivery system for individuals with disabilities;
- (3) develop an interagency funding approach to maximize efficiencies and streamline access to services and support for individuals with disabilities;
- (4) formulate policies on legislative issues and, under the direction of the Governor, communicate the policies to the General Assembly; and
- (5) develop the State Disabilities Plan.

§7-132.

(a) The State Disabilities Plan shall provide for the coordination of support services that:

- (1) ensure compliance with the federal Americans with Disabilities Act and other relevant federal and State provisions intended to protect the civil rights of individuals with disabilities;
- (2) are necessary for individuals with disabilities to achieve maximum participation in the mainstream of the community in the most integrated setting possible; and
- (3) address, on a statewide basis, the improvement of:
 - (i) the capacity of communities to support individuals with disabilities with personal attendant care and other long-term care options that are self-directed;
 - (ii) the availability of accessible, integrated, and affordable housing options;
 - (iii) reliable transportation options;

(iv) employment and training options, including self-employment and noncongregant competitive opportunities available in an integrated environment in which there are individuals with and without disabilities;

(v) somatic and behavioral health options;

(vi) accessible and universally designed technology;

(vii) support services for children, youth, and their families to enable them to achieve successful learning;

(viii) family support services, including respite care; and

(ix) crime control, public safety, and correctional services that appropriately take into account the needs and rights of individuals with disabilities.

(b) The State Disabilities Plan shall assess the provision of and resources for support services for individuals with disabilities.

§7-201.

(a) In this subtitle the following words have the meanings indicated.

(b) “Department” means the Department of Human Services.

(c) “Respite care” means short-term care:

(1) of an individual with a developmental or functional disability described under § 7-202 of this subtitle; and

(2) that is provided either within or outside the individual’s home to give temporary relief to the individual or the individual’s family.

§7-202.

(a) An individual has a functional disability if the individual has a severe, chronic disability that:

(1) is attributable to a mental or physical impairment or a combination of mental and physical impairments, including a head injury;

(2) is likely to continue indefinitely;

(3) results in substantial functional limitations in at least three of the following areas of major life activity:

- (i) self-care;
- (ii) receptive and expressive language;
- (iii) learning;
- (iv) mobility;
- (v) self-direction;
- (vi) capacity for independent living; and
- (vii) economic self-sufficiency; and

(4) reflects the individual's need for a combination and sequence of special interdisciplinary or generic care, treatment, or other services that are:

- (i) lifelong or of extended duration; and
- (ii) individually planned and coordinated.

(b) An individual has a developmental disability if the individual has a functional disability that is manifested before the individual attains the age of 22 years.

§7-203.

(a) (1) There is a Respite Care Program in the Department.

(2) The purpose of the Program is to provide respite care services in the State.

(b) The Department shall provide respite care services through:

- (1) local departments of social services; or
- (2) contracts with private nonprofit community-based providers.

§7-204.

Subject to the State budget, within a fiscal year an individual may receive:

(1) on an hourly basis, up to 24 hours of respite care provided in periods of less than 10 hours in any 24-hour period; and

(2) on a daily basis, up to 14 days of respite care provided in periods of 10 or more hours in any 24-hour period.

§7-205.

The Department shall adopt regulations governing respite care services, including:

(1) mandatory standards; and

(2) sliding fee schedules.

§7-301.

(a) In this subtitle the following words have the meanings indicated.

(b) “Commission” means the Maryland Commission on Caregiving.

(c) “Department” means the Department of Human Services.

§7-302.

(a) There is a Maryland Commission on Caregiving in the Department.

(b) The purpose of the Commission is to coordinate statewide planning, development, and implementation of family caregiver support services.

§7-303.

(a) (1) The Commission consists of the following members:

(i) one member of the Senate of Maryland, appointed by the President of the Senate;

(ii) one member of the House of Delegates, appointed by the Speaker of the House; and

(iii) the following members appointed by the Governor:

- Services;
- Department of Health;
- Disabilities;
- Coalition;
1. two representatives from the Department of Human
 2. three representatives from the Maryland
 3. one representative from the Department of Aging;
 4. one representative from an area agency on aging;
 5. one representative from the Department of
 6. one representative from the Maryland Respite Care
 7. two consumers of respite care services;
 8. three family caregivers; and
 9. three representatives of organizations that provide or have interest or expertise in respite care services.

(2) In appointing members to the Commission, to the extent possible, the Governor shall consider groups representing individuals:

- (i) with Alzheimer's disease and related disorders;
- (ii) with developmental disabilities;
- (iii) with physical disabilities;
- (iv) with chronic illnesses;
- (v) with mental or emotional conditions that require supervision;
- (vi) who are vulnerable to abuse or neglect;
- (vii) with disabilities, disorders, or conditions affecting the entire lifespans of the individuals; and
- (viii) who reflect the diversity of the State.

(b) The term of a member of the Commission is 3 years.

(c) The Governor shall appoint a chair of the Commission from among the members.

§7-304.

(a) (1) The Department shall provide staff for the Commission.

(2) An individual from the Department shall serve as executive director of the Commission.

(b) A member of the Commission:

(1) may not receive compensation as a member of the Commission;
but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

§7-305.

(a) The Commission shall:

(1) solicit and gather concerns of caregivers by:

(i) conducting surveys;

(ii) holding public hearings;

(iii) establishing a telephone hotline for public access; and

(iv) other appropriate means;

(2) develop and distribute to interested parties a handbook of current respite care and other family caregiver services available in the State;

(3) review successful respite care programs in other states;

(4) develop a model family caregiver support program that incorporates best practices from existing programs in this and other states;

(5) provide ongoing analysis of best practices in family caregiver support programs in this and other states;

(6) coordinate activities of existing and proposed family caregiver support services among State and local units;

(7) research available funding sources and explore possibilities for additional funds;

(8) identify unmet needs and priorities for additional funds; and

(9) monitor implementation of the Commission's recommendations.

(b) The Commission shall report annually on its activities and recommendations regarding family caregiver support services to the Governor and, subject to § 2-1257 of the State Government Article, the General Assembly.

§7-401.

(a) In this subtitle the following words have the meanings indicated.

(b) "Attendant care services" means any of the following services for an eligible individual, which are certified as necessary by an attending physician or by a registered nurse:

(1) dressing;

(2) preparing food and assisting with eating;

(3) bathing and personal hygiene;

(4) assisting with routine bodily functions, including bowel and urinary care;

(5) moving into, out of, or turning in bed;

(6) laundering and other clothing care; and

(7) cleaning house and performing other services of daily care, including shopping and transportation, that the Department and the eligible individual request.

(c) "Department" means the Department of Disabilities.

(d) "Eligible individual" means an individual who:

(1) is at least 18 years old and under the age of 65 years at the time of the initial eligibility determination; and

(2) has a severe chronic or permanent physical disability that precludes or significantly impairs the individual's independent performance of essential activities of daily living, self-care, or mobility.

(e) "Financial assistance" means a payment the Department makes to an eligible individual for attendant care services or ongoing additional supports.

(f) "Ongoing additional supports" means a continual support that:

(1) increases an eligible individual's independent performance of an essential activity of daily living, self-care, or mobility; and

(2) is requested by an eligible individual and approved by the Department.

(g) "Program" means the Attendant Care Program.

(h) "Secretary" means the Secretary of Disabilities.

§7-402.

(a) (1) There is an Attendant Care Program in the Department.

(2) The purpose of the Program is to provide financial assistance to eligible individuals for attendant care services and ongoing additional supports.

(b) The Department shall provide financial assistance in accordance with a sliding payment scale that the Department establishes by regulation for each category of eligible individuals described in § 7-404(a) of this subtitle.

§7-403.

(a) The Secretary shall designate an individual from the Department to serve as director of the Program.

(b) The Secretary shall provide appropriate support services to the Program as provided in the State budget.

§7-404.

(a) (1) The Department shall ensure that at any given time at least 50% of the eligible individuals receiving financial assistance under the Program are:

(i) gainfully employed;

(ii) actively seeking employment; or

(iii) attending an institution of postsecondary or higher education, as defined in § 10–101 of the Education Article.

(2) The remainder of the eligible individuals receiving financial assistance under the Program shall be individuals who:

(i) reside in a nursing facility or similar institution licensed to provide chronic or intermediate care and who will be deinstitutionalized as a result of the Program; or

(ii) are certified by an attending physician or certified nurse practitioner as being at risk of placement in a nursing facility or similar institution licensed to provide chronic or intermediate care if attendant care services are not received in the community.

(b) (1) Subject to the availability of funds, the Secretary may waive the proportional requirement of subsection (a)(1) of this section in the event there is a waiting list of eligible individuals described in subsection (a)(2) of this section.

(2) The Secretary may adopt regulations to establish priorities and procedures for a waiting list of eligible individuals.

(3) An eligible individual receiving financial assistance may not be removed from the Program to achieve the proportional requirement under subsection (a)(1) of this section.

(c) Financial assistance provided under the Program may not duplicate any other State or federal assistance for attendant care services or ongoing additional supports that an eligible individual receives.

(d) The Department shall limit participation in the Program to the number of eligible individuals who can be served with the funds appropriated for the Program in the State budget.

(e) Each year, the Department shall review the eligibility of each individual receiving financial assistance.

§7–405.

- (a) The Program shall be funded as provided in the State budget.
- (b) The Department may:
 - (1) administer the Program directly; or
 - (2) enter into a contract with a private organization to administer and operate the Program.

§7–406.

- (a) The Department shall administer this subtitle.
- (b) The Department shall adopt regulations for the operation of the Program.

§7–501.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Alliance” means the Ethan Saylor Alliance for Self–Advocates as Educators.
- (c) “Community inclusion” means circumstances in which individuals with intellectual disabilities and developmental disabilities are welcomed, supported, and included in all aspects of society.
- (d) “Developmental disability” has the meaning stated in § 7–101 of the Health – General Article.
- (e) “Intellectual disability” has the meaning stated in § 7–101 of the Health – General Article.
- (f) “Steering Committee” means the Steering Committee for the Ethan Saylor Alliance for Self–Advocates as Educators.

§7–502.

- (a) There is an Ethan Saylor Alliance for Self–Advocates as Educators in the Department.

(b) The purpose of the Alliance is to advance the community inclusion of individuals with intellectual disabilities and developmental disabilities by preparing and supporting self-advocates to play a central role in educating persons about appropriate and effective interactions with individuals with intellectual disabilities and developmental disabilities.

(c) The Alliance shall:

(1) be guided by the Steering Committee;

(2) build on the work of the Commission for Effective Community Inclusion of Individuals with Intellectual and Developmental Disabilities by prioritizing the training needs of law enforcement officers;

(3) connect law enforcement trainers with:

(i) self-advocate educators; or

(ii) entities that use self-advocate educators in a central role when providing training;

(4) identify and support the development of self-advocate educators;

(5) identify resources needed to prepare and support self-advocate educators; and

(6) promote collaborative efforts that support community inclusion.

§7-503.

(a) There is a Steering Committee for the Alliance.

(b) The Steering Committee shall include the following members:

(1) the Secretary, or the Secretary's designee;

(2) the Superintendent of the State Police, or the Superintendent's designee;

(3) the Executive Director of the Police and Correctional Training Commissions, or the Executive Director's designee;

(4) the Deputy Secretary for Developmental Disabilities in the Maryland Department of Health, or the Deputy Secretary's designee; and

(5) the following individuals, appointed by the Secretary:

(i) a representative of the Maryland Developmental Disabilities Council;

(ii) two representatives of community-based organizations that support people with intellectual disabilities and developmental disabilities;

(iii) four members of the public with knowledge of intellectual disabilities and developmental disabilities, including at least two self-advocates and a family member of an individual with an intellectual disability or developmental disability; and

(iv) other members deemed necessary to carry out the work of the Steering Committee.

(c) A member appointed by the Secretary:

(1) serves for a term of 3 years and until a successor is appointed and qualifies; and

(2) may be reappointed.

(d) A member of the Steering Committee:

(1) may not receive compensation as a member of the Steering Committee; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(e) The Steering Committee shall:

(1) develop parameters for the Alliance, including expected outcomes for and evaluation of the Alliance;

(2) select entities to operate the Alliance through a competitive process;

(3) provide general oversight of the Alliance;

(4) approve the budget for the Alliance;

- (5) review the Alliance's activities and outcomes;
- (6) develop recommendations for sustainability and expansion of the Alliance, including:
 - (i) costs of sustaining and expanding the Alliance;
 - (ii) potential sources of funding for the Alliance; and
 - (iii) compensation and supports for self-advocate educators;and
- (7) review, or request that the Alliance review, the content and monitor the implementation of the training objectives and curriculum adopted by the Maryland Police Training and Standards Commission for a community inclusion training program:
 - (i) at least once every 4 years; or
 - (ii) more frequently if requested by the Maryland Police Training and Standards Commission.

§7-504.

- (a) Subject to subsection (b) of this section, the operation of the Alliance shall be supported by:
 - (1) appropriations provided in the annual State budget;
 - (2) grants or other assistance from federal, State, or local government; and
 - (3) any other money made available to the Alliance from any public or private source.
- (b) The operation of the Alliance is subject to the limitations of the State budget.

§7-601.

- (a) In this subtitle the following words have the meanings indicated.

(b) (1) “Assistive technology” means any item, equipment, or device that is designed to enable an individual with a disability to become more independent or a more productive member of the community with an improved quality of life.

(2) “Assistive technology” includes wheelchairs, motorized scooters, Braille equipment, voice simulation systems, scanners, assistive listening devices, telecommunications devices for the deaf, augmentative communication systems, environmental control systems, computers and adaptive peripherals, building modifications for accessibility, motor vehicles, and vehicle modifications.

(c) “Board” means the Board of Directors of the Program.

(d) “Department” means the Department of Disabilities.

(e) “Fund” means the Assistive Technology Loan Fund.

(f) “Program” means the Assistive Technology Loan Program.

(g) “Secretary” means the Secretary of Disabilities.

§7-602.

There is an Assistive Technology Loan Program in the Department.

§7-603.

The purpose of the Program is to provide assistance for the purchase of assistive technology.

§7-604.

There is a Board of Directors of the Program.

§7-605.

(a) The Board consists of:

(1) the Secretary of Information Technology or the Secretary’s designee;

(2) a representative from the Maryland Department of Health, Developmental Disabilities Administration, appointed by the Secretary of Health;

(3) a representative of the State Department of Education Division of Rehabilitation Services, appointed by the State Superintendent of Schools; and

(4) eight members of the public appointed by the Governor with the advice and consent of the Senate.

(b) Of the eight members of the public appointed by the Governor:

(1) four shall have significant experience in finance, accounting, investment management, or consumer lending; and

(2) four shall have disabilities or assist individuals with disabilities.

(c) (1) The term of a member appointed by the Governor is 4 years.

(2) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

(3) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(4) A member appointed by the Governor may not serve more than two terms.

§7-606.

From among its members, the Board annually shall elect a chair.

§7-607.

(a) Six members of the Board are a quorum.

(b) The Board shall meet at least quarterly or more often as necessary to carry out its duties efficiently.

(c) A member:

(1) may not receive compensation as a member of the Board; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations as provided in the State budget.

(d) Except as provided in subsection (c) of this section, a member may not financially benefit directly or indirectly from the activities of the Fund.

- (e) The Department shall provide staff to the Board.

§7-608.

Subject to §§ 7-609(a) and 7-610 of this subtitle, the Board may provide a guarantee of a loan or a subsidy of loan interest for a loan to an individual for the purchase of assistive technology.

§7-609.

(a) To apply for a guarantee of a loan or a subsidy of loan interest, an applicant shall submit to the Board an application on the form that the Secretary provides.

(b) The Board shall review the applications for guarantees of loans and subsidies of loan interest and approve or deny them based on information provided to or obtained by the Board.

§7-610.

(a) The Board may enter into an agreement with an applicant to guarantee a loan or provide a subsidy for loan interest to the applicant only if the applicant demonstrates:

(1) that the loan to be guaranteed or the subsidy of loan interest will be used to acquire assistive technology;

(2) the ability to repay the loan;

(3) creditworthiness; and

(4) the inability to qualify for a loan from a lending institution without a loan guarantee or a subsidy of loan interest.

(b) The Board may elect to provide the borrower with an interest rate equivalent to the guaranteed rate by either guaranteeing the loan or subsidizing the interest rate if:

(1) a participating lending institution approves a loan without the requirement of a guarantee; and

(2) the interest rate is higher than the interest rate otherwise available for a guaranteed loan.

§7-611.

(a) Except as provided in this subtitle, the Board and lender jointly shall determine the amount and terms of the guarantee of the loan or the subsidy of loan interest.

(b) The total aggregate amount of a loan guarantee may be up to 100% of the loan.

(c) The total aggregate amount of the loan guarantees to be provided from the Fund in any given year shall be set annually by the Board in accordance with the requirements of the banks underwriting the loans at any given time.

§7-612.

If a borrower violates any provision of a loan guarantee or subsidy agreement or ceases to meet the requirements of this subtitle, on reasonable notice to the borrower, the Board may:

(1) withhold from the borrower further loan guarantees or subsidies until the borrower complies with the agreement or requirements; and

(2) exercise any other remedy that the loan guarantee or subsidy agreement provides.

§7-613.

(a) There is an Assistive Technology Loan Fund in the Department.

(b) The purpose of the Fund is to provide guarantees of loans and subsidies of loan interest for the purchase of assistive technology.

(c) (1) The Board shall administer the Fund.

(2) The Treasurer shall hold the Fund separately and the Comptroller shall account for the Fund.

(d) The Fund is a continuing, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

(e) Any investment earnings of the Fund shall be paid into the Fund.

(f) If, at any time, the balance of the Fund exceeds the amount that the Board considers necessary to meet its obligations, on resolution of the Board, the excess shall revert to the General Fund.

§7-614.

(a) The Fund consists of:

(1) premiums and fees charged for the guarantees of loans or the subsidies of loan interest;

(2) income from investment earnings;

(3) proceeds from the sale, disposition, lease, or rental of collateral relating to the guarantees of loans or subsidies of loan interest;

(4) money appropriated by the State to the Fund; and

(5) any other money made available to the Fund.

(b) The Fund shall be used to pay:

(1) guaranty payments required by loan defaults;

(2) subsidies of loan interest;

(3) expenses for administrative, legal, actuarial, technical assistance, and other services; and

(4) any other expenses and disbursements that the Board authorizes for administering the Fund and financing the guarantees of loans and the subsidies of loan interest for the purchase of assistive technology.

§7-615.

Each year, the Treasurer shall report to the Board and the Secretary on:

(1) the status of the money invested under this subtitle;

(2) the market value of the assets in the Fund as of the date of the report; and

(3) the interest received from investments during the period that the report covers.

§7-616.

On or before January 1 of each year, the Board, through the Secretary, shall report to the Governor and, subject to § 2-1257 of the State Government Article, to the General Assembly, on the number, amount, and use of loans and subsidies for which the Program has provided guarantees of loans and subsidies of loan interest under this subtitle.

§7-701.

(a) In this subtitle the following words have the meanings indicated.

(b) “Blind” means:

(1) a visual acuity not exceeding 20/200 in the better eye with corrective lenses; or

(2) a visual field of which the widest diameter subtends an angle of not more than 20 degrees.

(c) “Deaf” means a permanent hearing loss:

(1) that necessitates the use of amplification devices to hear oral communication; or

(2) for which amplification devices are ineffective.

(d) “Disability” has the meaning stated in the federal Americans with Disabilities Act of 1990, 42 U.S.C. § 12102.

(e) “Housing accommodations” means real property, or a portion of real property, that is:

(1) offered for compensation; and

(2) used or occupied, or intended to be used or occupied, as the residence or lodging of at least one individual.

(f) “Mobility impaired” means an inability to carry objects or to move or travel without the use of an assistive device or service animal.

(g) “Service animal” means a guide dog, signal dog, or other animal individually trained to do work or perform tasks for the benefit of an individual with a disability, including:

- (1) guiding individuals with impaired vision;
- (2) alerting individuals with impaired hearing to an intruder or sounds;
- (3) providing minimal protection or rescue work;
- (4) pulling a wheelchair;
- (5) fetching dropped items; or
- (6) detecting the onset of a seizure.

(h) “Service animal trainer” means a person who trains or raises service animals for individuals with disabilities, whether the person is a professional or volunteer.

§7-702.

(a) It is the policy of the State to encourage and enable blind, visually impaired, deaf, and hard of hearing individuals to participate fully in the social and economic life of the State and to be employed.

(b) It is the policy of the State that blind, visually impaired, deaf, and hard of hearing individuals shall be employed by the State, political subdivisions of the State, public schools, and other employers supported wholly or partly by public funds on the same terms and conditions as individuals without those disabilities, unless an individual’s disability prevents doing the work required.

(c) Deaf and hard of hearing individuals in the State are recognized as a cultural minority with specialized communication needs.

(d) (1) In this subsection, “American Sign Language” means a visual-spatial method of communication that is a distinct language involving the hands, arms, facial markers, and body movements to communicate with others, including the conveyance of thoughts, words, emotions, and grammatical information.

(2) American Sign Language is recognized as a language system designed to meet the specialized communication needs of deaf and hard of hearing individuals.

§7-703.

(a) In this section, “Board” means the Board of Trustees of Blind Industries and Services of Maryland.

(b) There is a Board of Trustees that is a body corporate under the name of “Blind Industries and Services of Maryland”.

(c) (1) The Board consists of 11 trustees appointed by the Governor with the advice and consent of the Senate.

(2) Of the 11 trustees, at least 4 trustees shall be blind.

(d) (1) From among its members, the Board shall elect a chair and a treasurer.

(2) The Board may elect another member to serve as chair if it is inconvenient or impossible for the regularly elected chair to serve.

(e) (1) The term of a member is 3 years.

(2) The terms of members are staggered as required by the terms provided for members of the Board on October 1, 2007.

(f) (1) The Governor shall fill a vacancy on the Board by appointment with the advice and consent of the Senate.

(2) A member who is appointed after a term begins shall serve only for the rest of the term and until a successor is appointed and qualifies.

(g) A trustee is entitled to:

(1) per diem compensation for each Board or committee meeting attended in accordance with the State budget; and

(2) reimbursement for expenses incurred in the performance of the trustee’s duties under the Standard State Travel Regulations, as provided in the State budget.

(h) The Board shall:

(1) maintain in Baltimore City a training and employment center for blind individuals;

(2) operate the Blind Industries and Services of Maryland for the labor and manufactures of all blind adult residents of the State who give satisfactory evidence of character and ability to do the work required;

(3) use the profits arising from the operation of the Blind Industries and Services of Maryland to further its mission;

(4) acquire suitable quarters in the State;

(5) keep proper records of its funds and accounts; and

(6) report annually to the Governor, and subject to § 2-1257 of the State Government Article, the General Assembly, and the chair of the Joint Audit and Evaluation Committee on the condition and operations of the Blind Industries and Services of Maryland, including a thorough discussion of its programs and the participation of the blind community in these programs.

(i) The Board may:

(1) apply that portion of the endowment fund and annual income that the Board considers expedient to establish training and employment centers in any part of the State and to open a store for the sale of articles manufactured by blind individuals;

(2) extend the benefits of the training and employment centers and the store to blind adults of the State who do not reside in institutions on any terms and under any regulations that the Board prescribes;

(3) generally supervise and control the training and employment centers;

(4) acquire and hold real, personal, and mixed property;

(5) sue and be sued;

(6) make, use, and alter a seal;

(7) appoint a corporate secretary and other necessary employees and set their compensation; and

(8) establish, maintain, direct, and supervise each matter concerning the Blind Industries and Services of Maryland, including the purchase of any

machinery and materials that the Board considers suitable and necessary and the barter or exchange of articles or manufactures entrusted to the Board for disposal.

(j) The Board shall be audited annually.

§7-704.

(a) Individuals with disabilities, the parents of a minor child with a disability, and service animal trainers who are accompanied by an animal being trained or raised as a service animal have the same right as individuals without disabilities to the full and free use of the roads, sidewalks, public buildings, public facilities, and other public places.

(b) (1) Individuals with disabilities, the parents of a minor child with a disability, and service animal trainers who are accompanied by an animal being trained or raised as a service animal are entitled to full and equal rights and privileges with respect to common carriers and other public conveyances or modes of transportation, places of public accommodations, and other places to which the general public is invited, subject only to any conditions and limitations of general application established by law.

(2) The failure of a blind or visually impaired pedestrian to carry a cane predominantly white or metallic in color, with or without a red tip, or an individual with a disability or a parent of a minor child with a disability to use a service animal wearing an orange license tag or orange collar and on a leash, or to use a service animal in a place, accommodation, or conveyance listed in paragraph (1) of this subsection does not constitute contributory negligence per se.

(c) (1) This subsection does not apply to any accommodations or single family residence in which the occupants offer for compensation not more than one room.

(2) An individual with a disability, a parent of a minor child with a disability, or a service animal trainer who is accompanied by an animal being trained or raised as a service animal is entitled to the same access as other members of the general public to housing accommodations in the State, subject to any conditions and limitations of general application established by law.

(3) An individual with a disability, a parent of a minor child with a disability, or a service animal trainer who has, obtains, or may wish to obtain a service animal or an animal to be trained or raised as a service animal is entitled to full and equal access to housing accommodations.

(4) An individual with a disability, a parent of a minor child with a disability, or a service animal trainer who is accompanied by a service animal or an animal being trained or raised as a service animal may not be required to pay extra compensation for the service animal, but the individual may be liable for damages to the premises or facilities that the service animal causes.

§7-705.

(a) The following individuals have all the same rights and privileges conferred by law on other individuals:

(1) a blind or visually impaired pedestrian using a service animal and not carrying a cane predominantly white or metallic in color, with or without a red tip;

(2) an individual with a disability and a parent of a minor child with a disability using a service animal not wearing an orange license tag or orange collar and on a leash;

(3) an individual with a disability and a parent of a minor child with a disability using a service animal in a place, accommodation, or conveyance listed in § 7-704(b) of this subtitle; and

(4) a service animal trainer who is accompanied by an animal that is being trained as a service animal.

(b) This section does not require a physical modification of any place or vehicle in order to admit an individual with a disability or any other individual authorized under this subtitle to use a service animal who is accompanied by a service animal.

(c) (1) Except as provided in paragraph (2) of this subsection, a service animal trainer may be accompanied by an animal that is being trained as a service animal in any place where an individual with a disability or a parent of a minor child with a disability has the right to be accompanied by a service animal.

(2) An animal being trained as a service animal and accompanied by a service animal trainer may be excluded from a place described in paragraph (1) of this subsection if admitting the animal would create a clear danger of a disturbance or physical harm to an individual in the place.

(d) (1) An individual with a disability or a parent of a minor child with a disability who is accompanied by a service animal specially trained for that purpose in a place, accommodation, or conveyance listed in § 7-704(b) of this subtitle may not

be required to pay extra compensation for the service animal, but the individual may be liable for any damages to the premises or facilities caused by the service animal.

(2) A service animal trainer who is accompanied by an animal that is being trained as a service animal may not be required to pay extra compensation for the animal, but the service animal trainer organization that certifies the service animal may be liable for any personal injuries or damages to the premises or facilities caused by the service animal.

(e) (1) (i) A person may not deny or interfere with the admittance of a service animal that accompanies an individual with a disability or a parent of a minor child with a disability in violation of this section.

(ii) A person who violates subparagraph (i) of this paragraph is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$500 for each offense.

(2) (i) A person may not deny or interfere with the admittance of an animal being trained as a service animal that accompanies a service animal trainer.

(ii) Subject to subsection (c)(2) of this section, a person who violates subparagraph (i) of this paragraph is subject to a fine not exceeding \$25 for each offense.

§7-706.

(a) This subtitle does not affect § 21-511 of the Transportation Article as to the right-of-way of a blind, deaf, or hard of hearing pedestrian crossing a highway.

(b) This subtitle does not require a person who rents or leases housing accommodations to modify the person's property or provide a higher degree of care for a blind or visually impaired individual than for an individual without those disabilities.

§7-707.

(a) (1) A person may not deny or interfere with admittance to or enjoyment of a public place, accommodation, or conveyance described in § 7-704 of this subtitle or otherwise interfere with the rights of a blind, visually impaired, deaf, or hard of hearing individual under this subtitle.

(2) A person who violates this subsection is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$500 for each offense.

(b) In addition to any other remedy provided under the Code for a violation of this subtitle, a person may maintain a civil action for injunctive relief against another person who denies or interferes with admittance to or enjoyment of a public place, accommodation, or conveyance described in § 7–704 of this subtitle or otherwise interferes with the rights of a blind, visually impaired, deaf, or hard of hearing individual under this subtitle.

§7–708.

Any organization or agency that requires a professional training program for the following individuals shall include a segment concerning the rights of individuals with disabilities who are accompanied by service animals:

- (1) first responders;
- (2) emergency shelter operators; and
- (3) 9–1–1 operators.

§7–709.

The Governor shall take suitable public notice of each October 15 as White Cane Safety Day by issuing a proclamation that:

- (1) comments on the significance of the white cane;
- (2) calls on the public to observe the White Cane Law under §§ 7–704 through 7–707 of this subtitle and to take precautions necessary for the safety of blind and visually impaired individuals;
- (3) reminds the public of the policies with respect to blind and visually impaired individuals and urges cooperation with the policies;
- (4) emphasizes the need for awareness of the presence of blind and visually impaired individuals in the community and the need to keep roads, sidewalks, public accommodations, public buildings, public facilities, other public places, and other places to which the public is invited safe and functional for those individuals; and
- (5) offers assistance to blind and visually impaired individuals on appropriate occasions.

§7–801.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Board” means the Governor’s Advisory Board for Telecommunications Relay.
- (c) “Communications company” means a public service company, as defined in § 1–101 of the Public Utilities Article, or any other company, that provides a communications service.
- (d) “Communications service” means:
 - (1) landline telephone service;
 - (2) wireless or cellular telephone service; or
 - (3) Voice over Internet Protocol (VoIP) service, as defined in § 8–601 of the Public Utilities Article.
- (e) “Department” means the Department of Disabilities.
- (f) “Dual party telephone relay program” means a service that provides full and simultaneous communication between a person or persons with a disability that prevents them from using a standard telephone and a person or persons without that disability using conventional telephone equipment or other technology or equipment, whereby the disabled person or persons have their message relayed through an intermediary party using specialized telecommunications equipment.
- (g) “Program” means the dual party telephone relay program.
- (h) “Program participant” means a resident of the State who uses the dual party telephone relay program.
- (i) (1) “Specialized customer telephone equipment” means any communications device that enables or assists a person with a disability to communicate with others by means of the public switched telephone network or Internet protocol–enabled voice communications service.
 - (2) “Specialized customer telephone equipment” includes:
 - (i) TDD/TT/TTY;
 - (ii) amplifiers;

- (iii) captioned telephones;
- (iv) VRS equipment;
- (v) cell phones;
- (vi) pagers;
- (vii) puff blow devices;
- (viii) Braille–TTY devices; and
- (ix) equipment for the mobility disabled.

(j) “Telecommunications device for the deaf” or “TDD/TT/TTY” means all types of mechanical devices that enable disabled individuals to communicate through messages sent and received through a telephone or wireless network.

§7–802.

There is a Governor’s Advisory Board for Telecommunications Relay in the Department.

§7–803.

(a) The Board shall be composed of 14 individuals appointed by the Governor, who shall designate the chair, including:

- (1) five representatives of the deaf or hard of hearing community;
- (2) one representative of the mobility–impaired community who requires the use of specialized customer telephone equipment;
- (3) one representative of the speech–impaired community who requires the use of specialized customer telephone equipment;
- (4) one representative of the senior citizen community who requires the use of specialized customer telephone equipment;
- (5) one representative of the deaf–blind community;
- (6) three representatives of government, one of whom is a representative of the Public Service Commission;

(7) one representative from the Maryland Commission on Disabilities; and

(8) one representative from the Governor's Office of the Deaf and Hard of Hearing.

(b) (1) The term of a member is 3 years.

(2) The terms of members are staggered as required by the terms provided for members of the Board on June 30, 2008.

(3) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

(4) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(5) The Governor may remove a member for incompetence or misconduct.

(c) The members of the Board shall serve without compensation, but shall be reimbursed for all reasonable expenses incurred in the performance of their duties.

(d) By January 1 of each year, the Board shall file an annual report on its activities to the General Assembly in accordance with § 2-1257 of the State Government Article.

(e) The Board shall advise the Department with regard to the program's:

(1) level of access to program participants; and

(2) quality of service.

§7-804.

(a) The Department in consultation with the Board shall:

(1) establish and administer a program to provide cost-efficient, 24-hour, dual party relay service to program participants at a comparable level of access and quality that a standard telecommunication service provides to a person without a hearing or speech disability;

(2) develop the program in collaboration with State programs currently serving disabled individuals and with community agencies or other organizations that have established relay programs; and

(3) maintain an information and referral service to provide information about the availability of the relay service.

(b) The Department in consultation with the Board shall:

(1) contract with a private vendor or nonprofit organization to provide the information and referral service required under subsection (a)(3) of this section; and

(2) provide appropriate staff assistance from the Department, including a director, to assist the Board in carrying out its duties under this subtitle.

(c) The director provided under subsection (b)(2) of this section shall:

(1) be an individual who is:

(i) deaf, hard of hearing, deafblind, or speech disabled; and

(ii) is a user of telecommunications relay services;

(2) direct the implementation of services and programs established in accordance with this subtitle and Subtitle 9 of this title; and

(3) advise the Department and the Secretary of Disabilities on regulatory policy and the administration of the Universal Service Trust Fund.

§7-805.

The Department in consultation with the Board shall adopt regulations to carry out the purposes of this subtitle.

§7-806.

(a) (1) Subject to paragraph (2) of this subsection, the programs under § 7-804(a) of this subtitle, § 7-902(a) of this title, and § 3.5-702 of the State Finance and Procurement Article shall be funded as provided in the State budget.

(2) For fiscal year 2019 and each fiscal year thereafter, the program under § 3.5-702 of the State Finance and Procurement Article shall be funded at an amount that:

(i) is equal to the cost that the Department of Aging is expected to incur for the upcoming fiscal year to provide the service and administer the program; and

(ii) does not exceed 5 cents per month for each account out of the surcharge amount authorized under subsection (c) of this section.

(b) (1) There is a Universal Service Trust Fund created for the purpose of paying the costs of maintaining and operating the programs under:

(i) § 7–804(a) of this subtitle, subject to the limitations and controls provided in this subtitle;

(ii) § 7–902(a) of this title, subject to the limitations and controls provided in Subtitle 9 of this title; and

(iii) § 3.5–702 of the State Finance and Procurement Article, subject to the limitations and controls provided in Title 3.5, Subtitle 7 of the State Finance and Procurement Article.

(2) Money in the Universal Service Trust Fund shall be held in the State Treasury.

(3) Money in the Universal Service Trust Fund may only be used:

(i) to fund the costs of the programs specified in paragraph (1) of this subsection; and

(ii) to pay for the administration of the Universal Service Trust Fund.

(c) (1) The costs of the programs under § 7–804(a) of this subtitle, § 7–902(a) of this title, and § 3.5–702 of the State Finance and Procurement Article shall be funded by revenues generated by:

(i) a surcharge to be paid by the subscribers to a communications service; and

(ii) other funds as provided in the State budget.

(2) (i) The surcharge may not exceed 18 cents per month for each account and shall be applied to all current bills rendered for a communications service in the State.

(ii) The surcharge is payable at the time the bills for a communications service are due.

(3) The surcharge to be collected under this section applies only to a communications service for which charges are billed by, or on behalf of, a communications company to a subscriber of the communications service.

(d) (1) The Secretary shall annually certify to the Public Service Commission the costs of the programs under § 7–804(a) of this subtitle, § 7–902(a) of this title, and § 3.5–702 of the State Finance and Procurement Article to be paid by the Universal Service Trust Fund for the following fiscal year.

(2) (i) The Public Service Commission shall determine the surcharge for the following fiscal year necessary to fund the programs under § 7–804(a) of this subtitle, § 7–902(a) of this title, and § 3.5–702 of the State Finance and Procurement Article.

(ii) 1. In accordance with subsection (c)(2) of this section and subsubparagraph 2 of this subparagraph, the Public Service Commission shall set the surcharge for the following fiscal year at an amount that is no higher than necessary to generate sufficient revenues to fund the costs of the programs for the following fiscal year, as certified under paragraph (1) of this subsection.

2. In setting the surcharge under subsubparagraph 1 of this subparagraph, the Public Service Commission shall take into account whether the surcharge may be adjusted as a result of any uncommitted funds in the Universal Service Trust Fund at the end of the fiscal year that may be used to fund the costs of the programs for the following fiscal year.

(3) The Secretary shall, on 60 days' notice, direct the affected communications companies to add the surcharge determined by the Public Service Commission under paragraph (2) of this subsection to all current bills rendered for communications service in the State.

(e) (1) The affected communications companies shall act as collection agents for the Universal Service Trust Fund and shall remit all proceeds monthly to the Comptroller for deposit to the Universal Service Trust Fund.

(2) The communications companies shall be entitled to credit against these proceeds in an amount equal to 1 1/2 percent of these proceeds to cover the expenses of billing, collecting, and remitting the surcharge and any additional charges.

(f) (1) The Secretary shall administer the Universal Service Trust Fund.

(2) The income derived from investment of money in the Universal Service Trust Fund shall accrue to the Universal Service Trust Fund.

(3) Any funds remaining at the end of a fiscal year in the Universal Service Trust Fund shall be carried forward within the Universal Service Trust Fund for the maintenance and operation of the programs specified under subsection (b) of this section in the following fiscal year.

(g) (1) The Legislative Auditor may conduct postaudits of a fiscal and compliance nature of the Universal Service Trust Fund and the expenditures made for purposes of § 7–804(a) of this subtitle, § 7–902(a) of this title, and § 3.5–702 of the State Finance and Procurement Article.

(2) The cost of the fiscal portion of the postaudit examination shall be paid from the Universal Service Trust Fund as an administrative cost.

§7–901.

(a) In this subtitle the following words have the meanings indicated.

(b) “Board” means the Governor’s Advisory Board for Telecommunications Relay established in Subtitle 8 of this title.

(c) “Department” means the Department of Disabilities.

(d) “Program” means the program administered by the Department in consultation with the Board to provide financial assistance for the purchase of specialized customer telephone equipment by eligible program participants.

(e) “Program participant” means a person who:

(1) is a resident of the State;

(2) is certified by a licensed professional as having a disability which seriously limits or prohibits the use of the telephone or wireless network without specialized customer telephone equipment;

(3) is certified by a licensed professional as being able to use specialized customer telephone equipment for which application is made;

(4) meets the financial eligibility requirements established by the Department as a recipient of:

- (TEMHA);
- (i) Transitional Emergency Medical and Housing Assistance
 - (ii) Supplemental Security Income (SSI);
 - (iii) Social Security Disability Income (SSDI); or
 - (iv) Temporary Assistance for Needy Families (TANF); and

(5) at the time of application is not receiving similar services which are available and can be provided in a timely manner through another program.

(f) “Qualified entity” means a nonprofit organization that:

(1) produces audio editions of daily newspapers, available for interstate distribution using high-speed computer and telecommunications technology; and

(2) provides a means of program administration and reader registration on the Internet.

(g) “Specialized customer telephone equipment” or “equipment” means any communications device designed to assist program participants in using a telephone or wireless service provider’s network.

(h) “System” means the method which the Department shall use to provide equipment to eligible program participants.

§7-902.

(a) In accordance with the State budget and § 7-806 of this title, the Department, in consultation with the Board, shall establish and administer a program:

(1) to provide specialized customer telephone equipment to eligible program participants; and

(2) to provide reimbursement of costs under § 7-906 of this subtitle.

(b) (1) In this subsection, “shopping facility” means an outdoor or indoor retail facility with a common pedestrian area housing more than five sales or rental establishments in which a majority of the tenants have a main entrance from the common pedestrian area.

(2) This subsection applies to a shopping facility that:

(i) provides a total number of four or more public pay telephones at the facility of which at least one is located in the common pedestrian area; and

(ii) is larger than 500,000 square feet.

(3) In accordance with the standards and regulations established by the Department, the owner, operator, manager, or other person having control of a shopping facility shall acquire and install at least one specialized communications device designed to enable customers with hearing or speech disabilities to access a telephone or wireless service providers network.

§7-903.

(a) The Department, in consultation with the Board, shall:

(1) provide a system for eligible program participants to obtain equipment, but no single eligible participant shall receive more than \$6,000;

(2) provide a system for eligible program participants who cannot access telecommunications relay services in a traditional manner to obtain communication facilitators or related support services;

(3) establish an information and referral service, including the toll-free numbers for the various access modes for the Maryland relay service and provide information about the availability of the equipment;

(4) contract with private vendors or nonprofit organizations to provide the information and referral service and other auxiliary services;

(5) as necessary, establish interagency agreements with other State agencies that provide technical assistance for disabled individuals to prevent duplicative programs; and

(6) appoint appropriate staff to assist the Board in carrying out its activities under this subtitle.

(b) The Board and the Department shall:

(1) develop regulations;

- (2) develop and implement educational outreach programs; and
- (3) review and monitor the program.

§7-904.

This subtitle may not be construed to establish an entitlement program.

§7-905.

The Department in consultation with the Board shall adopt regulations to carry out the purposes of this subtitle.

§7-906.

(a) The Department in consultation with the Board shall enter into an agreement with the State Library Board, providing for an annual payment to be made to the State Library Agency in an amount equal to the cost incurred for the distribution of newspapers in a computerized audio format.

(b) Under the agreement, the State Library Agency shall provide eligible blind and disabled individuals with access to newspapers in a computerized audio format by a qualified entity.

§7-1001.

(a) In this subtitle the following words have the meanings indicated.

(b) “Centers for Independent Living” means community-based organizations that are designed and operated by people with disabilities.

(c) “Council” means the Maryland Statewide Independent Living Council.

(d) “Designated State Entity” means the State entity identified in the State Plan for Independent Living as having responsibility for providing administrative support and disbursement of funds to the Council to carry out the State Plan.

(e) “State Plan” means the State Plan for Independent Living that is required to receive funds under the federal Rehabilitation Act.

§7-1002.

(a) (1) There is a Maryland Statewide Independent Living Council that is an instrumentality of the State.

(2) The Council is the entity that was created in 1993 by an executive order issued by the Governor, which established the Council in accordance with the federal Rehabilitation Act.

(b) The Council shall:

(1) work in conjunction with Centers for Independent Living in submitting, monitoring, implementing, and evaluating the State Plan; and

(2) carry out other duties as required under this subtitle and the federal Rehabilitation Act to support the implementation of the State Plan.

§7-1003.

(a) (1) The Governor shall appoint the members of the Council in accordance with the federal Rehabilitation Act or any other federal law that modifies provisions for statewide independent living councils.

(2) A member of the Council shall reside in the State.

(3) In making appointments to the Council, the Governor shall consider:

(i) diversity based on sex, gender identity, sexual orientation, race, ethnicity, and economic status; and

(ii) representation from all geographic regions of the State.

(b) (1) (i) A member of the Council may not serve more than two consecutive full 3-year terms.

(ii) In the event of a vacancy on the Council:

1. the Council may continue to execute its duties; and

2. the Governor shall appoint a member of the Council in accordance with subsection (a) of this section.

(iii) A member appointed to fill a vacancy shall serve only for the balance of the remaining term at the time of appointment.

(2) The Governor may remove an appointed member for incompetence, misconduct, or failure to perform the duties of the position.

(3) Each year the Council shall elect a chair from among its members.

(4) A member of the Council:

(i) may not receive compensation as a member of the Council;
but

(ii) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(c) The Council may act with an affirmative vote of a majority of its members.

§7-1004.

(a) (1) The Council shall employ an Executive Director.

(2) The Executive Director shall have experience with, and possess qualifications relevant to, the activities and purposes of the Council.

(b) The Council may:

(1) employ a staff;
(2) adopt bylaws, policies, and procedures related to operating the Council;

(3) retain any necessary accountants, financial advisors, or other consultants;

(4) maintain offices at a place the Council designates in the State;

(5) accept loans, grants, or assistance of any kind from any entity of federal, State, or local government, an institution of higher education, or a private source if the Council gives prior notice to the Designated State Entity;

(6) enter into contracts and other legal instruments;

(7) sue or be sued; and

(8) do all things necessary or convenient to carry out the powers granted by this subtitle.

§7-1005.

- (a) The Attorney General is the legal advisor to the Council.
- (b) With the approval of the Attorney General, the Council may retain any other necessary attorneys.

§7-1006.

- (a) Except as provided in subsections (b), (c), and (e) of this section, the Council is exempt from Title 10 and Division II of the State Finance and Procurement Article.
- (b) The Council is subject to:
 - (1) the Open Meetings Act; and
 - (2) the Public Information Act.
- (c) The employees of the Council are subject to the Public Ethics Law.
- (d) The employees of the Council are not subject to the provisions of Division I of the State Personnel and Pensions Article that govern the State Personnel Management System.
- (e) The Council and the employees of the Council are subject to Title 12, Subtitle 4 of the State Finance and Procurement Article.
- (f) Each year, the Designated State Entity shall audit the books and records of the Council.

§7-1007.

- (a) A debt, a claim, an obligation, or a liability of the Council is not:
 - (1) a debt, a claim, an obligation, or a liability of the State; or
 - (2) a pledge of the credit of the State.
- (b) The Council is exempt from State and local taxes.

§7-1101.

- (a) In this subtitle the following words have the meanings indicated.

(b) “Department” means the Department of Disabilities.

(c) “Fund” means the Individuals With Disabilities and Service–Disabled Veterans Boating Fund.

(d) (1) “Individuals with disabilities” means individuals considered disabled in accordance with the federal Americans with Disabilities Act of 1990, 42 U.S.C. § 12102.

(2) “Individuals with disabilities” includes individuals with learning disabilities.

(e) “Secretary” means the Secretary of Disabilities.

(f) “Service–disabled veteran” means a veteran with a disability that is service–connected, as defined in 38 U.S.C. § 101(16).

§7–1102.

(a) There is an Individuals With Disabilities and Service–Disabled Veterans Boating Fund.

(b) The purpose of the Fund is to provide sailing, boating, kayaking, canoeing, paddleboarding, and surfing opportunities for individuals with disabilities and service–disabled veterans.

(c) The Department shall administer the Fund.

(d) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(e) The Fund consists of:

(1) money appropriated in the State budget to the Fund; and

(2) any other money from any other source accepted for the benefit of the Fund.

(f) The Fund may be used only for:

- (1) providing State grants under this section; and
- (2) administrative expenses of the Department in administering the Fund.

(g) (1) Subject to paragraph (2) of this subsection, the Department may provide a grant of not more than \$40,000 in a fiscal year to a grantee to provide sailing, boating, kayaking, canoeing, paddleboarding, or surfing opportunities for individuals with disabilities or service-disabled veterans.

(2) The Department may provide grants under this section only to a nonprofit organization in good standing that:

- (i) is qualified under § 501(c)(3) of the Internal Revenue Code;
- (ii) has been in operation for at least 3 years, notwithstanding a cessation of operations during a national or public health emergency issued:
 - 1. by the President of the United States under § 201, § 202(d), or § 301 of the federal National Emergencies Act; or
 - 2. by the Secretary of Health and Human Services under the federal Public Health Service Act; and
- (iii) has engaged individuals with disabilities or service-disabled veterans in sailing, boating, kayaking, canoeing, paddleboarding, or surfing activities on State waters at least 25 times in each of the past 3 years.

§7-1201.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Department” means the Department of Disabilities.
- (c) “Initiative” means the Maryland as a Model Employer Initiative.
- (d) “Office” means the Office of Disability Employment Advancement and Policy.
- (e) “Secretary” means the Secretary of Disabilities.

§7-1202.

(a) There is an Office of Disability Employment Advancement and Policy within the Department.

(b) The purpose of the Office includes:

(1) the development and implementation of strategies in the State Disabilities Plan, established under § 7–132 of this title, relating to the employment, training, and career–readiness of individuals with disabilities;

(2) performing duties under § 7–114 of this title necessary to support statewide policies and standards relating to the employment, training, and career–readiness of individuals with disabilities;

(3) collecting information and data from units of State government relating to the employment, training, and career–readiness of individuals with disabilities, in accordance with § 7–115 of this title; and

(4) implementing the Maryland as a Model Employer Initiative, established under § 7–1205 of this subtitle.

(c) Beginning in fiscal year 2027, the Governor may include in the annual budget bill an appropriation of \$250,000 for the Office.

§7–1203.

The Secretary may adopt regulations as necessary to carry out the provisions of this subtitle.

§7–1204.

This subtitle may not be construed to establish an entitlement program.

§7–1205.

(a) Beginning July 1, 2026, the Office shall be responsible for implementation and oversight of the Maryland as a Model Employer Initiative.

(b) The purpose of the Initiative shall include:

(1) promoting the recruitment, hiring, retention, and career advancement of people with disabilities across State government;

(2) conducting and coordinating outreach to job seekers with disabilities and State government to encourage participation in the Initiative;

(3) developing and delivering trainings to State agencies and units addressing best practices, resources, and relevant federal and State laws pertaining to the employment of people with disabilities;

(4) assisting State government agencies and units to attract qualified job seekers with disabilities to available positions;

(5) promoting access to and acquisition of assistive technology for new State employees with disabilities;

(6) evaluating State employment practices and policies and making recommendations regarding ways to reduce barriers for job seekers and employees with disabilities;

(7) collecting from each unit of State government, as part of the plans required under § 7–116 of this title, performance goals related to hiring and retention efforts for employees with disabilities and any data deemed necessary by the Secretary to demonstrate performance outcomes; and

(8) reporting on the Initiative's outcomes in compliance with subsection (c) of this section.

(c) On or before December 1, 2026, and each December 1 thereafter, the Office shall report to the Governor and the General Assembly, in accordance with § 2–1257 of the State Government Article, on:

(1) progress and outcomes of the Initiative; and

(2) recommendations developed by the Initiative for continued improvement of State government employment practices for people with disabilities.

§7–1301. IN EFFECT

// EFFECTIVE UNTIL SEPTEMBER 30, 2030 PER CHAPTER 393 OF 2025 //

(a) In this subtitle the following words have the meanings indicated.

(b) “Adapted vehicle” means a motor vehicle that has been modified to be operated by an individual who requires a mobility aid.

(c) “Department” means the Department of Disabilities.

(d) “Donation” means the voluntary transfer of property, services, or funds to the Program or an eligible individual.

(e) “Eligible individual” means an individual who:

- (1) requires a mobility aid;
- (2) is a licensed driver; and
- (3) is qualified to drive an adapted vehicle.

(f) “Program” means the Adapted Vehicle Access Pilot Program.

§7–1302. IN EFFECT

// EFFECTIVE UNTIL SEPTEMBER 30, 2030 PER CHAPTER 393 OF 2025 //

(a) There is an Adapted Vehicle Access Pilot Program.

(b) The purpose of the Program is to provide adapted vehicles to eligible individuals who do not qualify for other programs offered by the Department that provide access to adapted vehicles.

(c) The Department shall implement and administer the Program.

(d) The Department shall select eligible individuals to participate in the Program and shall prioritize individuals who reside in areas with limited access to public transportation.

(e) (1) The Department shall request, apply for, and facilitate donations of vehicles, vehicle modification and adaptation services, and funds from individuals or public or private corporations to implement the Program.

(2) The Department may apply for, receive, and spend federal funds and grants available for use in carrying out the Program.

(f) The Department shall study the impacts of the Program on the recipients’ independence, mobility, job opportunities, and dependency on public subsidies.

(g) (1) On or before December 1, 2028, the Department shall report to the Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly on the Pilot Program.

(2) The report required under paragraph (1) of this subsection shall include:

- (i) the number of recipients of vehicles under the Program;
- (ii) information regarding how the Program has affected the recipients' independence, mobility, job opportunities, and dependency on public subsidies;
- (iii) information regarding the availability of vehicles, modification and adaptation services, and funds; and
- (iv) a recommendation on whether the Program should be extended or expanded.

(3) In reporting the data required under paragraph (2)(ii) of this subsection, the Department shall make reasonable efforts to anonymize the data to protect the privacy of recipients.

§7-1401.

(a) In this subtitle the following words have the meanings indicated.

(b) "Assistive technology device" means any item, piece of equipment, or product system, whether acquired commercially, modified, or customized, that is used to increase, maintain, or improve functional capabilities of individuals with disabilities.

(c) "Assistive technology service" means any service that assists an individual with a disability in the selection, acquisition, or use of an assistive technology device.

(d) "Fund" means the Assistive Technology Services Fund.

(e) "Program" means the Maryland Assistive Technology Program.

§7-1402.

(a) There is a Maryland Assistive Technology Program in the Department.

(b) The purpose of the Program is to:

(1) increase access to assistive technology devices and assistive technology services for individuals with disabilities;

(2) support the State's efforts to improve the provision of assistive technology to individuals with disabilities of all ages, including underrepresented populations, through comprehensive statewide programs of technology-related assistance;

(3) ensure statewide access to assistive technology lending libraries that allow individuals with disabilities and those supporting individuals with disabilities to learn about, try, and borrow assistive technology devices through short-term loans; and

(4) implement activities required by federal grants, including funding authorized under the federal 21st Century Assistive Technology Act.

(c) The Program shall provide access to or conduct assistive technology services that include any activity described in the federal 21st Century Assistive Technology Act.

§7-1403.

(a) There is an Assistive Technology Services Fund in the Department.

(b) The purpose of the Fund is to receive revenue from assistive technology services provided by the Program, including:

(1) assistive technology assessments;

(2) assistive technology training;

(3) digital accessibility training;

(4) digital accessibility website evaluations; and

(5) digital accessibility remediation services.

(c) The Secretary, through the Program, shall administer the Fund.

(d) (1) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(e) The Fund consists of:

section;

- (1) revenue distributed to the Fund under subsection (b) of this section;
- (2) money appropriated in the State budget to the Fund;
- (3) interest earnings; and
- (4) any other money from any other source accepted for the benefit of the Fund.

(f) The Fund may be used only to support the operations of the Program, including the purchase of assistive technology devices.

(g) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any interest earnings of the Fund shall be credited to the Fund.

(h) Expenditures from the Fund may be made only in accordance with the State budget.

(i) Money expended from the Fund for the Program is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for the Program.

§7-1404.

This subtitle may not be construed to establish an entitlement program.

§7-1405.

The Secretary may adopt regulations to implement this subtitle.

§7-1501. ** CONTINGENCY – NOT IN EFFECT – CHAPTERS 6 AND 13 OF THE 2025 SPECIAL SESSION **

(a) In this subtitle the following words have the meanings indicated.

(b) “Department” means the Department of Disabilities.

(c) “Eligible individual” means a resident of the State with a disability, as defined in the federal Americans with Disabilities Act of 1990, 42 U.S.C. § 12102.

(d) “Fund” means the Maryland Disability Service Animal Program Fund.

(e) “Nonprofit training entity” means a corporation, a foundation, or any other legal entity that:

(1) is tax-exempt under § 501(c)(3) of the Internal Revenue Code;

(2) engages in the training of service animals for use by eligible individuals; and

(3) has been selected by the Department to provide services under this subtitle.

(f) “Program” means the Maryland Disability Service Animal Program established under this subtitle.

(g) “Program participant” means an eligible individual who participates in the Program.

(h) (1) “Service animal” means an animal that is individually trained to do work or perform tasks for the benefit of an individual with a disability.

(2) “Service animal” does not include an animal that:

(i) as a result of the animal’s presence, is meant to deter crime; or

(ii) provides only emotional support, well-being, comfort, or companionship to an individual.

(i) “Successful Program participant” means a Program participant who successfully completes the training protocol specified by a nonprofit training entity.

§7-1502. ** CONTINGENCY – NOT IN EFFECT – CHAPTERS 6 AND 13 OF THE 2025 SPECIAL SESSION **

There is a Maryland Disability Service Animal Program in the Department.

§7-1503. ** CONTINGENCY – NOT IN EFFECT – CHAPTERS 6 AND 13 OF THE 2025 SPECIAL SESSION **

The purposes of the Program are to:

(1) select one or more nonprofit training entities to participate in the Program; and

(2) provide additional funding mechanisms to assist eligible individuals in the Program.

§7–1504. ** CONTINGENCY – NOT IN EFFECT – CHAPTERS 6 AND 13 OF THE 2025 SPECIAL SESSION **

The Department shall:

(1) administer the Program;

(2) adopt regulations to implement the Program, including regulations establishing procedures for the Department to:

(i) receive donations for the Fund; and

(ii) use revenue from the Fund to pay selected nonprofit training entities for services that are provided through the Program; and

(3) select at least one nonprofit training entity to:

(i) develop and implement a training protocol that will teach each Program participant methodologies, strategies, and techniques for partnering with service animals;

(ii) select qualified Program participants;

(iii) select an appropriate service animal for each Program participant;

(iv) facilitate each Program participant's training using the nonprofit training entity's training protocol; and

(v) partner each successful Program participant with the service animal on the Program participant's successful completion of the nonprofit training entity's training protocol.

§7–1505. ** CONTINGENCY – NOT IN EFFECT – CHAPTERS 6 AND 13 OF THE 2025 SPECIAL SESSION **

(a) To be eligible for selection as a nonprofit training entity under § 7–1204 of this subtitle, a nonprofit training entity shall:

(1) serve the needs of eligible individuals in the State; and

(2) generate its own revenue and reinvest the proceeds of that revenue in the growth and development of its programs.

(b) A nonprofit training entity may disqualify a Program participant from participation in the Program if the nonprofit training entity determines that the Program participant's involvement in the Program:

(1) presents a danger to the Program participant's mental or physical well-being;

(2) presents a direct threat to others, as defined by the federal Americans with Disabilities Act;

(3) presents a direct threat to the service animal's mental or physical well-being; or

(4) does not meet the training requirements of the nonprofit.

(c) A Program participant may discontinue involvement in the Program for any reason.

§7-1506. ** CONTINGENCY – NOT IN EFFECT – CHAPTERS 6 AND 13 OF THE 2025 SPECIAL SESSION **

(a) There is a Maryland Disability Service Animal Program Fund.

(b) The purpose of the Fund is to:

(1) pay a nonprofit training entity; and

(2) cover the costs of administering the Program.

(c) The Secretary shall administer the Fund.

(d) (1) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

(2) The State Treasurer shall hold the Fund, and the Comptroller shall account for the Fund.

(e) (1) The Fund consists of:

(i) revenue collected by the Department in the form of donations to the Program;

(ii) money appropriated in the State budget to the Fund; and

(iii) any other money from any other source accepted for the benefit of the Fund.

(2) For each fiscal year, the Governor shall include in the annual budget bill an appropriation of \$25,000 to the Fund.

(3) Expenditures from the Fund may be made only in accordance with the State budget.

(4) Money expended from the Fund is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for the Program.

(f) The Fund may be used only to pay:

(1) a nonprofit training entity; and

(2) administrative costs of the Program.

(g) (1) The State Treasurer shall invest and reinvest the money of the Fund in the same manner as other State money may be invested.

(2) Any investment earnings of the Fund shall be credited to the General Fund of the State.

(h) For the purpose of implementing this section, the Department may accept gifts or grants for donation to the Fund.

§8-101.

(a) In this title the following words have the meanings indicated.

(b) “Agencies of the Children’s Cabinet” includes:

(1) the Department of Budget and Management;

(2) the Department of Disabilities;

- (3) the Maryland Department of Health;
- (4) the Department of Housing and Community Development;
- (5) the Department of Human Services;
- (6) the Department of Juvenile Services;
- (7) the Maryland Department of Labor;
- (8) the Department of Service and Civic Innovation;
- (9) the State Department of Education;
- (10) the Higher Education Commission; and
- (11) the Governor's Office for Children.

(c) (1) "Child in need of out-of-state placement" means a child who is recommended by a public agency for out-of-home placement outside of the State.

(2) "Child in need of out-of-state placement" does not include a child:

(i) placed in foster care, as defined in § 5-501 of the Family Law Article; or

(ii) who is in a hospital for 30 continuous days or less.

(d) "Child with intensive needs" means a child who has behavioral, educational, developmental, or mental health needs that cannot be met through available public agency resources because:

(1) the child's needs exceed the resources of a single public agency; or

(2) there is no legally mandated funding source to meet the child's needs.

(e) "Core service agency" has the meaning stated in § 7.5-101 of the Health – General Article.

(f) "Council" means the State Coordinating Council for Children.

(g) “Evidence-based” means meeting the criteria for an evidence-based early childhood home visiting service delivery model as defined by the federal Department of Health and Human Services.

(h) (1) “Family” means an eligible child’s natural, adoptive, or foster parents.

(2) “Family” includes:

- (i) a guardian;
- (ii) a person acting as a parent of a child; and
- (iii) a relative or stepparent with whom a child lives.

(i) (1) “Home visiting program” means a program or initiative that:

(i) contains home visiting as a primary service delivery strategy;

(ii) offers services on a voluntary basis to pregnant women, expectant fathers, and parents and caregivers of children from birth to kindergarten entry; and

(iii) targets participant outcomes that may include:

- 1. improved maternal and child health;
- 2. prevention of child injuries, child abuse or maltreatment, and reduction of emergency department visits;
- 3. improvements in school readiness and achievement;
- 4. reduction in crime or domestic violence;
- 5. improvements in family economic self-sufficiency;
- 6. improvements in the coordination of and referrals to other community resources and supports; or
- 7. improvements in parenting skills related to child development.

(2) “Home visiting program” includes those program models identified in the Home Visiting Evidence of Effectiveness project of the federal Department of Health and Human Services.

(3) “Home visiting program” does not include:

(i) programs with few or infrequent visits;

(ii) programs in which home visiting is supplemental to other services; or

(iii) in-home services delivered through provisions of an individualized family service plan or an individualized education program under Part C or Part B of the federal Individuals with Disabilities Education Act.

(j) “Hospital” has the meaning stated in § 19–301 of the Health – General Article.

(k) “Local behavioral health authority” has the meaning stated in § 7.5–101 of the Health – General Article.

(l) “Local management board” means an entity established or designated by a county under Subtitle 3 of this title to ensure the implementation of a local, interagency service delivery system for children, youth, and families.

(m) “Office” means the Governor’s Office for Children.

(n) “Promising” means a home visiting program or practice that:

(1) does not yet meet the standard for evidence-based practices; and

(2) meets the criteria of a promising approach as defined by the federal Department of Health and Human Services.

(o) “Public agency” means a State or local government unit or a quasi-governmental entity.

(p) (1) “Residential child care program” means an entity that provides 24-hour per day care for children within a structured set of services and activities that are designed to achieve specific objectives relative to the needs of the children served and that include the provision of food, clothing, shelter, education, social services, health, mental health, recreation, or any combination of these services and activities.

(2) “Residential child care program” includes a program:

(i) licensed by:

1. the Maryland Department of Health;
2. the Department of Human Services; or
3. the Department of Juvenile Services; and

(ii) that is subject to the licensing regulations of the members of the Children’s Cabinet governing the operations of residential child care programs.

(q) “Special Secretary” means the Special Secretary of the Governor’s Office for Children.

§8–102.

(a) It is the policy of the State to promote a stable, safe, and healthy environment for children and families that provides access to necessary services and supports in the least restrictive, most appropriate, and most effective environment possible, thereby increasing self-sufficiency and family preservation.

(b) This policy shall be achieved through a comprehensive and coordinated interagency approach that:

(1) is family-driven, child-guided, home- and community-based, culturally and linguistically competent, individualized, and effective;

(2) provides a continuum of care, opportunities, and supports that emphasize prevention, early intervention, and community-based services, as well as natural supports;

(3) gives priority to children and families most at risk; and

(4) engages and empowers families and children so that, to the extent possible, they will be well-represented in every facet of the child-family serving system and partners in their own care planning.

§8–103.

(a) The Children’s Cabinet shall meet not less than four times a year in open session to discuss matters related to State needs for children, youth, and families.

(b) The Special Secretary shall chair the Children's Cabinet.

(c) The Office shall staff the Children's Cabinet.

(d) On or before December 1, 2024, and each December 1 thereafter, the Children's Cabinet shall submit a report, in accordance with § 2–1257 of the State Government Article, to the General Assembly on the Children's Cabinet meetings in the prior year and activities planned in the upcoming year.

§8–104.

(a) (1) On or before October 1, 2025, the Office shall submit a report on neighborhood indicators of poverty to the General Assembly, in accordance with § 2–1257 of the State Government Article, the Accountability and Implementation Board, and the Department of Education.

(2) The report required under this subsection shall include an analysis of different methods used to calculate indicators of poverty in order to determine:

(i) eligibility for the compensatory education program under § 5–222 of the Education Article, including the data necessary to implement each methodology; and

(ii) eligibility under the Concentration of Poverty School Grant Program under § 5–223 of the Education Article, including the data necessary to implement each methodology.

(3) In completing the report required under this subsection, the Office shall:

(i) evaluate the American Community Survey data available across geographic areas in the Small Income and Poverty Estimates Program to provide school district poverty estimates;

(ii) evaluate the Area Deprivation Index developed by the University of Wisconsin–Madison to rank neighborhoods by socioeconomic status disadvantage;

(iii) analyze how other states approach measuring poverty;

(iv) analyze how other states calculate eligibility for state programs for school districts that participate in the federal Community Eligibility Provision; and

(v) consult with each local school system for input.

(4) Any State agency, including the Department of Education and the Maryland Longitudinal Data System Center, shall share any data needed by the Office to complete the report required under this subsection.

(b) (1) On or before December 1, 2025, the Accountability and Implementation Board, in consultation with the Department of Legislative Services and the Department of Budget and Management, shall submit a methodological recommendation, based on the Office's report required under subsection (a) of this section, in accordance with § 2–1257 of the State Government Article, to the General Assembly.

(2) The recommendation submitted under this subsection shall include whether there should be an updated methodology for calculating eligibility for compensatory grants under § 5–222 of the Education Article, and if so, an updated methodology for calculating the compensatory education formula under § 5–222 of the Education Article.

§8–105.

(a) (1) There is a Governor's Office for Children.

(2) The Office is a separate unit within the Executive Department.

(b) The purpose of the Office is to provide a coordinated, comprehensive, interagency approach to promoting the well-being of children and families through a network of supports, programs, and services that are family and child-oriented and reducing the number of children living in poverty.

(c) The Governor may provide for the structure, duties, and responsibilities of the Office by executive order.

(d) For each of fiscal years 2027 through 2030, the Governor shall include in the annual budget bill an appropriation of \$250,000 to the Governor's Office for Children to provide grants to fund operating expenses of the Boys and Girls Clubs of Maryland.

§8–106.

(a) There is a Children's Cabinet administered by the Governor's Office for Children.

(b) The purpose of the Children's Cabinet is to promote the vision of the State for a stable, safe, and healthy environment for children and families.

(c) The head of the Governor's Office for Children shall serve as the Chair and be responsible for the administration and operations of the Children's Cabinet.

(d) The Governor may provide for the structure, duties, and responsibilities of the Children's Cabinet by executive order.

§8-201.

There is an Advisory Council to the Children's Cabinet.

§8-202.

The purpose of the Advisory Council is to make recommendations to the Children's Cabinet on:

(1) methods for meeting the policy and program goals of the State for integrated children and family programs;

(2) coordinating State programs with programs operated by local governments, local management boards, and private groups;

(3) building capacity to serve youths in their communities and at home;

(4) reducing reliance on institutions as the primary mode of intervention for at-risk youth offenders;

(5) promoting positive outcomes for youths;

(6) funding practices that prevent juvenile crimes and delinquency;
and

(7) reducing disproportionate minority confinement.

§8-301.

(a) Each county shall establish and maintain a local management board to ensure the implementation of a local interagency service delivery system for children, youth, and families.

(b) A county may designate as the local management board:

(1) a quasi-public nonprofit corporation that is not an instrumentality of the county government; or

(2) a public agency that is an instrumentality of the county government.

§8–302.

A local management board may be composed of:

(1) public and private community representatives who share the responsibility for implementing a community-based, interagency, family-focused service delivery system for children, youth, and families;

(2) a senior representative or department head of the:

(i) local health department;

(ii) local office of the Department of Juvenile Services;

(iii) core service agency or local behavioral health authority;

(iv) local school system; and

(v) local department of social services;

(3) family members or family advocates; and

(4) youth or youth advocates.

§8–303.

A local management board shall:

(1) strengthen the decision-making capacity at the local level;

(2) design and implement strategies that achieve clearly defined results for children, youth, and families as articulated in a local 5-year strategic plan for children, youth, and families;

(3) maintain standards of accountability for locally agreed upon results for children, youth, and families;

(4) influence the allocation of resources across systems as necessary to accomplish the desired results;

(5) build local partnerships to coordinate children, youth, and family services within the county to eliminate fragmentation and duplication of services; and

(6) create an effective system of services, supports, and opportunities that improve outcomes for all children, youth, and families.

§8-304.

The members of the Children's Cabinet shall adopt regulations that:

(1) specify the roles and responsibilities of local management boards;

(2) establish minimum standards for the composition of local management boards;

(3) establish fiscal and program accountability in the implementation of community partnership agreements and the use of other State resources by local management boards;

(4) establish procedures to ensure the confidentiality of information shared by local management board members and employees in accordance with State and federal law; and

(5) generally relate to the operation of local management boards.

§8-305.

On or before October 1 of each year, the Maryland Association of Local Management Board Directors shall, in accordance with § 2-1257 of the State Government Article, submit to the Senate Finance Committee, the House Committee on Ways and Means, and the Joint Committee on Children, Youth, and Families, a report summarizing, with respect to the programs implemented under § 8-505(d) of this title:

- (1) each local management board's activities;
- (2) the amount of money spent on the programs; and
- (3) the effectiveness of the programs.

§8-306.

(a) On or before January 1, 2018, the Prince George's County Local Management Board shall:

- (1) develop and implement a strategic plan to raise revenues to match the total funding provided by the Governor's Office for Children; and
- (2) submit the strategic plan to:
 - (i) the County Executive of Prince George's County;
 - (ii) the County Council of Prince George's County;
 - (iii) the Prince George's County Senate Delegation of the General Assembly; and
 - (iv) the Prince George's County House Delegation of the General Assembly.

(b) On or before January 1 each year, the Prince George's County Local Management Board shall submit a report on the total revenue received in the previous fiscal year and the total revenue from each source to:

- (1) the County Executive of Prince George's County;
- (2) the County Council of Prince George's County;
- (3) the Prince George's County Senate Delegation of the General Assembly; and
- (4) the Prince George's County House Delegation of the General Assembly.

§8-401.

There is a State Coordinating Council for Children in the Office.

§8–402.

(a) The Council consists of the following members:

- (1) the Special Secretary of the Governor’s Office for Children, or the Special Secretary’s designee;
- (2) the Secretary of Juvenile Services, or the Secretary’s designee;
- (3) the Secretary of Health, or the Secretary’s designee;
- (4) the Secretary of Human Services, or the Secretary’s designee; and
- (5) the State Superintendent of Schools, or the Superintendent’s designee.

(b) The Secretary of Budget and Management, or the Secretary’s designee, shall serve as a nonvoting ex officio Council member.

(c) The Secretary of Disabilities, or the Secretary’s designee, shall serve as a nonvoting ex officio Council member.

(d) The Children’s Cabinet shall designate up to three individuals to serve on the Council on a rotating basis to represent each of the following stakeholder groups:

- (1) family members or family advocates; and
- (2) youth or youth advocates.

§8–403.

(a) (1) The office of chair of the Council shall rotate annually among the members of the Council appointed under § 8–402(a) of this subtitle, in the order listed in that subsection.

(2) The term of the chair is 1 year.

(b) The Office shall provide staff support for the Council.

§8–404.

The Council shall address the population of children who are in out-of-state placements or are recommended for out-of-state placements, including:

- (1) reviewing recommendations for State funding of the individual placement of a child in need of out-of-state placement;
- (2) coordinating the monitoring of out-of-state residential facilities for children as required by statute;
- (3) tracking the types, costs, and effectiveness of services required to meet the needs of children who are recommended for out-of-state placements;
- (4) providing training and technical assistance to local agency and community partners;
- (5) making recommendations to the appropriate secretary on the development of regulations to carry out this subtitle; and
- (6) performing other related activities that the Children's Cabinet identifies.

§8-405.

There is a local care team in each county.

§8-406.

- (a) Each local care team shall include:
 - (1) at least one representative from:
 - (i) the Department of Juvenile Services;
 - (ii) the Developmental Disabilities Administration;
 - (iii) the Behavioral Health Administration;
 - (iv) if determined to be appropriate by the Behavioral Health Administration, the local core service agency or local behavioral health authority;
 - (v) the local school system;
 - (vi) the local health department;
 - (vii) the local department of social services; and

(viii) the local management board;

(2) a parent, parent advocate, or both, appointed by the chair of the local care team in consultation with the child advocacy community; and

(3) a nonvoting representative of the local office of the division of rehabilitative services to represent individuals who are 16 years old and older.

(b) Each local care team shall establish the terms of its members.

(c) Each local care team shall select its chair from among its members for a designated term of office.

(d) Each local care team:

(1) shall determine which of its members will have responsibility for its administrative functions; and

(2) if two or more members will share the responsibility, shall determine the rotation of the administrative functions.

(e) Subject to the availability of funds, a parent or parent advocate who is a member of a local care team may receive:

(1) the compensation provided in the State or local budget; and

(2) reimbursement for expenses, in accordance with the Standard State Travel Regulations.

§8-407.

A local care team shall:

(1) be a forum for:

(i) families of children with intensive needs to receive assistance with the identification of individual needs and potential resources to meet identified needs; and

(ii) interagency discussions and problem solving for individual child and family needs and systemic needs;

(2) refer children and families to:

- (i) care management entities when appropriate; and
 - (ii) available local and community resources;
- (3) provide training and technical assistance to local agency and community partners;
- (4) identify and share resource development needs and communicate with the care management entity, local core service agencies, or local behavioral health authority, provider networks, local management boards, and other local care teams in surrounding jurisdictions; and
- (5) discuss a request for a voluntary placement agreement for a child with a developmental disability or a mental illness under § 5–525 of the Family Law Article.

§8–408.

(a) A parent or guardian of a child and the child’s attorney may attend any meeting of the Council or the local care team at which the child’s care is discussed.

(b) At least 10 days before the meeting, the Council or local care team shall notify each parent or guardian of the child and the child’s attorney of the date, time, and location of any meeting the Council or the local care team plans to hold to discuss the child’s out-of-state placement.

(c) The Council or the local care team shall notify each parent or guardian of the child and the child’s attorney in writing of:

(1) any decision the Council or local care team makes concerning the child’s out-of-state placement; and

(2) the right of the parent, guardian, or attorney to appeal a decision made by the Council or the local care team concerning the child’s out-of-state placement.

§8–501.

In this subtitle, “Fund” means the Children’s Cabinet Fund.

§8–502.

There is a Children’s Cabinet Fund.

§8–503.

(a) The Fund:

(1) consists of money appropriated, transferred, credited, or paid into the Fund from any source; and

(2) includes money for out-of-home care and services to prevent out-of-home placements.

(b) At the end of each fiscal year any unspent money in the Fund shall revert to the General Fund.

§8–504.

Expenditures from the Fund shall be made:

(1) in accordance with the State Finance and Procurement Article;
and

(2) to reflect the priorities, policies, and procedures that the Children’s Cabinet adopts.

§8–505.

(a) A local management board shall apply for money from the Fund in accordance with procedures established by the Children’s Cabinet.

(b) In connection with an application for money under subsection (a) of this section, a local management board shall develop and submit a community partnership agreement that:

(1) reflects coordination with:

(i) the State’s 3-year plan for children, youth, and families;
and

(ii) any local government plan for services for children, youth, and families, including the local substance abuse plan developed in accordance with Title 8, Subtitle 10 of the Health - General Article; and

(2) addresses the priorities and strategies of the county for meeting the identified needs of children and families as articulated in the local management board’s 5-year strategic plan regarding:

- (i) youth development;
- (ii) prevention services;
- (iii) crisis and early intervention;
- (iv) services for children at risk of out-of-home placement or returning from out-of-home placement; and
- (v) out-of-home placement and treatment.

(c) The Children's Cabinet may disburse money to a local management board subject to the terms, conditions, performance measures, or outcome evaluations that the Children's Cabinet considers necessary.

(d) The local management board shall use the money to implement:

(1) a local interagency services delivery system for children, youth, and families in accordance with the community partnership agreement; and

(2) any terms, conditions, and performance measures that the Children's Cabinet requires.

§8-506.

(a) The State shall fund only evidence-based and promising home visiting programs for improving parent and child outcomes, as provided in the State budget.

(b) Not less than 75% of the State funding for home visiting programs shall be made available to evidence-based home visiting programs.

§8-507.

(a) (1) The Maryland Department of Health and the other agencies of the Children's Cabinet, with input from local management boards, local home visiting programs, and the Early Childhood Advisory Council, shall require the recipients of State funding for home visiting programs to submit reports to the Maryland Department of Health on a regular basis.

(2) Home visiting program reports shall include, at a minimum:

- (i) a verifiable accounting of the State funds spent;

(ii) the number and demographic characteristics of the individuals served; and

(iii) the outcomes achieved by the home visiting programs.

(b) The Maryland Department of Health and the other agencies of the Children’s Cabinet shall develop a standardized reporting mechanism for the purpose of collecting information about and monitoring the effectiveness of State–funded home visiting programs.

(c) On or before December 1, 2013, and at least every 2 years thereafter, the Maryland Department of Health, jointly with the other agencies of the Children’s Cabinet shall submit a report to the Governor and, in accordance with § 2–1257 of the State Government Article, the Senate Finance Committee, the House Ways and Means Committee, and the Joint Committee on Children, Youth, and Families on the implementation and outcomes of State–funded home visiting programs.

§8–508.

The Governor’s Office for Children is the fiscal agent for the Fund.

§8–601.

In this subtitle, “at-risk youth prevention and diversion program” means services provided to school-aged youth and their families to prevent or divert youth from entering the juvenile justice system and to help make them ready for adulthood by age 21.

§8–602.

An at-risk youth prevention and diversion program may be:

- (1)
 - (i) community-based;
 - (ii) school-based;
 - (iii) neighborhood-based; or
 - (iv) faith-based; and
- (2) nonresidential.

§8–603.

(a) At-risk youth prevention and diversion programs shall be coordinated, monitored, and supported by local management boards.

(b) A local management board shall:

(1) develop a request for funds based on the recommendations of the local planning group convened in accordance with § 8-605(b) of this subtitle;

(2) award funds to local agencies or organizations to provide direct services;

(3) monitor and evaluate at-risk youth prevention and diversion program performance;

(4) provide technical assistance to at-risk youth prevention and diversion programs as needed;

(5) promote cost-effectiveness strategies;

(6) measure at-risk youth prevention and diversion program outcomes; and

(7) provide fiscal and program reports to the Office.

(c) As part of the prevention element of the 3-year plan developed by the Children's Cabinet establishing priorities and strategies for the coordinated delivery of services for children and families, the local management board shall:

(1) assess the adequacy, availability, and accessibility of current community-based services that:

(i) prevent and divert entry and reentry into the juvenile system;

(ii) provide alternatives to incarceration and institutionalization;

(iii) prevent and divert criminal behavior; and

(iv) increase personal responsibility and self-sufficiency;

(2) identify unserved neighborhoods or communities with critical needs and significant numbers of at-risk or delinquent youth; and

(3) recommend programs that can be established or enhanced to address the unmet needs of youth and their families.

§8-604.

(a) A local management board shall apply to the Office for funding for an at-risk youth prevention and diversion program.

(b) The application shall demonstrate that the local management board has convened a local planning group consisting of parents, youth, and representatives of public and private agencies that have knowledge of and experience working with at-risk youth and families.

§8-605.

On or before December 31 each year, the Office shall report:

(1) to the General Assembly, in accordance with § 2-1257 of the State Government Article, on the implementation and effectiveness of at-risk youth prevention and diversion programs; and

(2) to the Department of Juvenile Services on:

(i) the number of children referred to an at-risk youth prevention and diversion program in the previous year;

(ii) the age, gender, and race of children referred to an at-risk youth prevention and diversion program in the previous year; and

(iii) the number of children currently enrolled in an at-risk youth prevention and diversion program.

§8-701.

(a) In this part the following words have the meanings indicated.

(b) “Agency” means:

(1) the Maryland Department of Health;

(2) the Department of Human Services; or

(3) the Department of Juvenile Services.

(c) “Certified program administrator” means an individual who is:

(1) certified by the State Board for Certification of Residential Child Care Program Professionals under Title 20 of the Health Occupations Article; and

(2) responsible for the day-to-day management and operation of a residential child care program and for assuring the care, treatment, safety, and protection of the children in the residential child care program.

(d) “Plan” means the State Resource Plan for Residential Child Care Programs.

(e) “Provider” means a for profit or nonprofit entity licensed by an agency to operate a residential child care program.

(f) Except as provided in § 8–707 of this subtitle, “residential child care program” does not include sites licensed by the Developmental Disabilities Administration.

§8–702.

It is the intent of the General Assembly to:

(1) improve the quality of care provided by residential child care programs;

(2) provide the same quality of care to all children placed in residential child care programs; and

(3) develop a system that expands services provided by residential child care programs to counties that are underserved.

§8–703.

(a) There is a State Resource Plan for Residential Child Care Programs.

(b) The purpose of the Plan is to enhance access to services provided by residential child care programs.

(c) On or before July 1 of each year, the Department of Human Services shall develop the Plan in consultation with the agencies, providers, counties, child advocates, consumers, and any other State unit, entity, or person that the Department identifies as having relevant information or that is interested in the development of the Plan.

(d) The Plan shall:

(1) provide a framework for the Department and the agencies to procure residential child care program services that meet the needs identified in the Plan;

(2) provide the following information on residential child care programs:

(i) the county where each program is operated;

(ii) the provider for each program;

(iii) the actual capacity and utilization rate for each program;

(iv) the ages of the children in each program;

(v) the county where each child in a program lived at the time the child entered out-of-home placement;

(vi) the services children require and a description of how those services are being provided;

(vii) the agency that placed children in each program; and

(viii) any other information the Department or the agencies, providers, or counties consider relevant;

(3) identify the types of services needed in residential child care programs and the estimated number of children requiring those services in each county;

(4) identify the counties where the services identified in item (3) of this subsection are insufficiently supplied;

(5) establish an incentive fund for residential child care program development in the counties identified in item (4) of this subsection; and

(6) identify the reasons children are placed in residential child care programs outside of the counties where the children lived at the time they entered out-of-home placement in accordance with § 5-525 of the Family Law Article.

(e) On or before January 1 of each year, the Department shall report to the Governor and, in accordance with § 2-1257 of the State Government Article, the Senate Finance Committee and the House Health and Government Operations Committee on the Plan's findings and recommendations.

§8-703.1.

(a) (1) In this section the following words have the meanings indicated.

(2) "Licensing agency" means:

(i) the Department of Human Services; and

(ii) the Department of Juvenile Services.

(3) "Statement of need" means an official certification of public need for the location and establishment of a residential child care program in a county issued by a licensing agency under this section.

(b) The licensing agencies shall adopt regulations governing the issuance of statements of need.

(c) In developing the regulations required under subsection (b) of this section, a licensing agency shall:

(1) consider the specialized mental, physical, and behavioral health and developmental needs of children in the county or region affected by the statement of need; and

(2) consult with stakeholders in the county or region affected by the statement of need, including:

(i) State and local child-serving agencies;

(ii) providers of residential and community-based services for children; and

(iii) children, parents, and foster parents.

(d) (1) Except as provided in paragraph (2) of this subsection, an application may not be submitted to the office and a license may not be granted by a licensing agency for a residential child care program until a licensing agency issues a statement of need for a residential child care program in a county.

(2) A statement of need is not required before a license may be granted by a licensing agency for a residential child care program if there is no placement available in an existing licensed residential child care program that can provide the services needed for a child.

(e) (1) Except as provided in paragraphs (2) through (4) of this subsection, in addition to the statement of need required under subsection (d) of this section, a statement of need is required before:

(i) an existing or previously licensed residential child care program is relocated to another site;

(ii) the physical site of a residential child care program is expanded; or

(iii) the number of placements in a residential child care program is increased.

(2) A statement of need is not required before an existing licensed residential child care program is relocated to another site on a temporary basis if:

(i) the site of the existing licensed residential child care program is in a state of disrepair that necessitates rehabilitation for the health, safety, and well-being of the residents;

(ii) the temporary site meets the requirements of the residential child care program's license;

(iii) the temporary site is located:

1. within the same jurisdiction as the site undergoing rehabilitation; or

2. within 10 miles of the site undergoing rehabilitation;

and

(iv) the rehabilitation of the existing site:

1. will be completed within 180 days; or
2. if not completed within 180 days, will be completed within a period of time determined by the licensing agency, on request of the licensee, not to exceed an additional 180 days.

(3) A statement of need is not required before an existing licensed residential child care program is relocated to another site if:

(i) the relocation is necessary:

1. due to circumstances beyond the control of the licensee, including the nonrenewal of the lease for the site of the existing licensed residential child care program; or

2. because the site of the existing licensed residential child care program is in a state of disrepair that:

A. necessitates rehabilitation of the site for the health, safety, and well-being of the residents; and

B. the rehabilitation is impractical or infeasible;

(ii) the new site meets the requirements of the residential child care program's license; and

(iii) the new site is located:

1. within the same jurisdiction as the site being closed;

or

2. within 10 miles of the site being closed.

(4) A statement of need is not required before the number of placements in an existing licensed residential child care program is increased if there is no placement available in an existing licensed residential child care program that can provide the services needed for a child.

(f) A licensing agency shall publish notice of the issuance of a statement of need in the Maryland Register.

(g) A licensing agency may not delegate its authority to issue a statement of need.

§8-704.

A contract awarded or renewed between an agency and a provider for a residential child care program shall:

(1) require the provider to fulfill the licensing requirements under §§ 5–507 through 5–509 of the Family Law Article or §§ 9–235 through 9–237 of this article;

(2) include the following provisions:

(i) a description of the services the provider is required to provide;

(ii) an explanation from the provider of how the program will further the objectives of the Plan under § 8–703(b) of this subtitle; and

(iii) any other provision the contracting agency considers necessary;

(3) require the provider to report to the contracting agency in writing within 24 hours after a critical incident, as defined in regulation, involving a child in the provider's care;

(4) include a plan for the residential child care program's interaction with the surrounding community, including a mechanism for responding to complaints;

(5) require the provider to report to the contracting agency community complaints that the residential child care program receives and the resolution of each complaint within 10 days after the complaint is received;

(6) require that the residential child care program provide health care services under § 5–533 of the Family Law Article;

(7) require the provider to maintain health care records during the placement of a child in the residential child care program, including:

(i) health insurance information;

(ii) powers of attorney, if applicable;

(iii) a history of primary and preventive care and any arrangements made for continuing care;

(iv) a history of the health care provided for behavioral, mental, or substance abuse disorders and any arrangements made for continuing care; and

(v) documentation of doctor and dentist visits;

(8) require the provider to comply with § 7–309 of the Education Article;

(9) require an annual financial disclosure, including:

(i) a certified financial audit of revenues and expenditures prepared by a licensed accountant;

(ii) a certified financial audit prepared by a licensed accountant that compares actual revenues and expenditures to the budget submitted to the interagency rates committee for the purpose of determining the program’s rate; and

(iii) a statement identifying any interest that the provider or an employee of the provider has with a business or entity that accounts for 5% or more of the program’s expenditures;

(10) require the residential child care program to have certified residential child and youth care practitioners, as required under § 20–301 of the Health Occupations Article; and

(11) require the residential child care program to have a certified program administrator as required under § 20–301 of the Health Occupations Article.

§8–705.

The Department of Human Services shall provide a sample contract that includes an example of the provisions required under § 8–704 of this subtitle to each potential provider interested in becoming licensed to operate a residential child care program.

§8–706.

The members of the Children’s Cabinet shall adopt regulations to carry out this part.

§8–707.

(a) In this section, “residential child care program” includes sites licensed by the Developmental Disabilities Administration.

(b) A contract awarded or renewed between an agency and a provider shall require the provider to:

(1) post conspicuously a “Residents’ Bill of Rights” in the facility of the provider stating that a resident has a right:

- (i) to be treated with fairness, dignity, and respect;
- (ii) to receive appropriate and reasonable adult guidance, support, and supervision, consistent with the resident’s age and level of development;
- (iii) not to be abused, mistreated, threatened, harassed, or subjected to corporal punishment or to other unusual or extreme methods of discipline;
- (iv) to have the resident’s opinion heard and to be included, to the greatest extent possible and consistent with the resident’s age and level of development, when major decisions, including regular case planning meetings, are being made affecting the resident’s life;
- (v) to reasonable and clinically appropriate visitation, mail, and telephone communication with relatives, friends, attorneys, social workers, therapists, and guardians ad litem;
- (vi) to have the resident’s relatives and designated representatives, who are authorized in writing by the contracting agency, to communicate with the facility of the provider, ask questions of the facility of the provider, and have questions answered promptly by the facility of the provider;
- (vii) to language translation and interpretation services, if necessary;
- (viii) not to be discriminated against on the basis of race, color, religion, national origin, sex, age, marital status, personal appearance, sexual orientation, gender identity, familial status, family responsibilities, matriculation, political affiliation, disability, source of income, or place of residence or business; and
- (ix) to an appropriate education, including educational supports such as homework assistance, summer enrichment opportunities, and employment skills training;

(2) develop and, on placement, provide to residents and their parents or legal guardians a handbook of the policies of the provider and the contracting agency as they relate to:

- (i) the mission of the program;

- (ii) placement and discharge;
- (iii) daily routines;
- (iv) treatment strategies;
- (v) disciplinary practices;
- (vi) visiting hours;
- (vii) communication procedures with residents;
- (viii) grievance procedures;
- (ix) health care access;
- (x) religious exercise access;
- (xi) emergency telephone contact information;
- (xii) family involvement;
- (xiii) attorney access;
- (xiv) community integration;
- (xv) education;
- (xvi) medical and dental care;
- (xvii) recreation;
- (xviii) life skills training;
- (xix) clothing;
- (xx) personal funds;
- (xxi) food and nutrition;
- (xxii) day care;
- (xxiii) personal belongings;

(xxiv) extracurricular activities; and

(xxv) therapy; and

(3) document in each child's case file receipt and review by the child and the parent or guardian of the child of the handbook required to be provided under item (2) of this subsection.

(c) Nothing in this section precludes a contracting agency or provider from providing additional rights to a resident.

§8-709.

In this part, "licensing agency":

(1) means the agency designated by the Office as responsible for licensing a residential child care program; and

(2) includes the Maryland Department of Health, the Department of Human Services, and the Department of Juvenile Services.

§8-710.

(a) A person may not operate a residential child care program in the State without a license.

(b) A person who violates subsection (a) of this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,000 for each day of operation.

§8-711.

A licensing agency may deny a license to:

(1) a corporation or entity that has had a license revoked by a licensing agency within the previous 10 years; or

(2) a corporation or entity that has a corporate officer who has served as a corporate officer for a corporation or entity that has had a license revoked by a licensing agency within the previous 10 years.

§8-712.

(a) Unless a program administrator or an employee of a residential child care program is required to be present, a licensing agency shall conduct unannounced inspections of residential child care programs.

(b) The unannounced inspections required under subsection (a) of this section shall include inspections conducted during nonbusiness hours.

§8-715.

(a) In this part the following words have the meanings indicated.

(b) (1) “Residential child care program” includes a facility or program that:

(i) provides a residential environment such as:

1. a program with a wilderness or outdoor experience, expedition, or intervention;

2. a boot camp experience or other experience designed to simulate characteristics of basic military training for correctional regimes;

3. an educational or therapeutic boarding school; or

4. a behavioral modification program; and

(ii) serves children who have a history of diagnosis of:

1. an emotional, behavioral, or mental health disorder;

2. a substance misuse or use disorder, including alcohol misuse or use disorder; or

3. an intellectual, developmental, physical, or sensory disability.

(2) “Residential child care program” does not include:

(i) a hospital licensed by the State;

(ii) a detention facility licensed by the State;

(iii) a youth correctional facility;

(iv) a substance abuse treatment facility;

(v) a foster family home:

1. that provides 24-hour substitute care for children placed away from their parents or guardians;

2. for which the State child welfare services agency has placement and care responsibility; and

3. that is licensed and regulated by the State as a foster family home; or

(vi) any other secure facility.

(c) “Youth transportation company” means a business that specializes in transporting a child to a residential child care program.

§8–716.

(a) When the final intended destination is a residential child care program and subject to subsection (b) of this section, a youth transportation company may not use:

(1) visual impairment, such as blindfolds and hoods;

(2) mechanical restraints, such as handcuffs, chains, irons, straitjackets, cloth restraints, leather restraints, plastic restraints, or other similar items; or

(3) physical restraints, including holds, or other use of physical force to restrict free movement, unless:

(i) the restraints are necessary due to a substantial likelihood of imminent serious physical harm to a child or others; and

(ii) there are no less restrictive alternatives that will alleviate the substantial likelihood of imminent serious physical harm to the child or others.

(b) (1) Physical restraints may not be used:

(i) as punishment;

(ii) for convenience; or

(iii) as a substitute for staff supervision.

(2) Only youth transportation company staff who have been adequately trained in restraint device usage may use and apply restraints during transportation.

(3) If restraints are necessary due to a substantial likelihood of imminent serious physical harm to a child or others, the restraints may be used only as long as the imminent risk persists.

(c) (1) Except as provided in paragraph (2) of this subsection, when the final intended destination is a residential child care program, a youth transportation company may not pick up a child for transport to a residential child care program between the hours of 9 p.m. and 6 a.m.

(2) Paragraph (1) of this subsection does not apply to a youth transportation company under contract with the Department of Human Services.

§8–717.

(a) (1) Subject to paragraph (2) of this subsection, the Attorney General may bring an action against a youth transportation company for a violation of § 8–716 of this subtitle.

(2) In an action brought under this subsection, the Attorney General may seek:

(i) injunctive relief; and

(ii) statutory damages up to:

1. \$1,000 for a first offense; and

2. \$3,000 for a subsequent offense.

(b) (1) Subject to paragraphs (2) and (3) of this subsection, an individual may bring an action against a youth transportation company for a violation of § 8–716 of this subtitle.

(2) In an action brought under this subsection, the individual may seek:

(i) restitution;

(ii) compensatory damages;

(iii) statutory damages up to \$500 per violation; and

(iv) if awarded restitution or damages, reasonable attorney's fees.

(3) An action brought under this section shall be filed within 10 years after the date that the victim reaches the age of majority.

§8-801.

In this subtitle, "licensing agency":

(1) means the agency designated by the Office as responsible for licensing a residential child care program; and

(2) includes the Maryland Department of Health, the Department of Human Services, and the Department of Juvenile Services.

§8-802.

This subtitle applies to a corporation that is an applicant for or has been granted a license to operate a residential child care program in the State.

§8-803.

Except as provided in § 8-807 of this subtitle and in addition to the standards set forth in COMAR 14.31.06 and 14.31.07, a corporation shall meet the requirements established in this subtitle as a condition of licensure.

§8-804.

A corporation shall demonstrate to the licensing agency the capability to provide for and arrange for the provision of all applicable services proposed in the license application by submitting, at a minimum, the following documents to the licensing agency:

(1) a business plan that clearly demonstrates the ability of the residential child care program operated by the corporation to provide services in accordance with State regulations and funding requirements;

(2) a summary of the corporation's demonstrated experience in the field of human services, in accordance with standards developed by the Office;

(3) prior licensing reports issued within the previous 10 years concerning the corporation or any in-State or out-of-state entities associated with the corporation or the residential child care program, including deficiency reports and compliance records on which the State may make reasoned decisions about the qualifications of the corporation or the residential child care program; and

(4) a written quality assurance plan, approved by the licensing agency, to address how the corporation will ensure the health and safety of the individuals served by the residential child care program and the quality of services provided to individuals by the residential child care program.

§8-805.

(a) (1) A corporation shall have a board of directors that consists of at least five individuals with an interest in or knowledge of the needs of children and their families.

(2) Of the members of the board of directors:

(i) at least one shall be a resident of the State;

(ii) at least one shall have demonstrated experience in or knowledge of the field of human services; and

(iii) at least one shall have demonstrated knowledge in the fields of accounting, business, or financial management.

(3) (i) An employee, or an immediate family member of an employee, of a corporation or residential child care program may not serve on the corporation's board of directors.

(ii) A person who is compensated by a corporation for providing goods or services may not serve on the corporation's board of directors.

(b) A corporation shall have a chief financial officer.

§8-806.

A corporation shall adopt written bylaws that require the corporation's board of directors to be responsible for:

- (1) overseeing the management and operation of the residential child care program operated by the corporation;
- (2) ensuring that the residential child care program operates in compliance with all applicable laws and regulations;
- (3) approving the residential child care program's mission statement, long-term goals, policies, procedures, and annual budget;
- (4) defining and prohibiting circumstances that would create a financial or personal conflict of interest for members of the board of directors, corporate officers, employees, agents, assigns, and volunteers;
- (5) ensuring that the residential child care program responds to all requests from the licensing agency in a timely manner;
- (6) approving the residential child care program's service plan and ensuring that services are provided in accordance with the plan;
- (7) if the corporation is a nonprofit corporation, reviewing annually whether the corporation is satisfying its charitable mission;
- (8) ensuring that the corporation has liability insurance;
- (9) requiring that members of the board of directors have training in their responsibilities regarding the governance of the residential child care program; and
- (10) establishing committees or member assignments to periodically review as warranted, but not less than annually:
 - (i) compensation of officers and staff of the corporation and the residential child care program;
 - (ii) quality of services provided to clients, including all incidents harming or potentially harming clients;
 - (iii) financial problems and concerns relating to the residential child care program;
 - (iv) performance of key staff;
 - (v) nominations of new members of the board of directors; and

- (vi) potential conflicts of interest.

§8–807.

The members of the Children’s Cabinet shall adopt regulations to authorize a waiver from some or all of the requirements of this subtitle for corporations that can demonstrate that their bylaws and policies are substantially similar to those required under this subtitle.

§8–1001.

- (a) In this subtitle the following words have the meanings indicated.

- (b) (1) “Cooperating department” means a unit of the State government responsible for out-of-home placement of children.

- (2) “Cooperating department” includes:

- (i) the Department of Juvenile Services; and

- (ii) the Department of Human Services.

- (c) “Direct care staff” means staff assigned to perform direct responsibilities related to activities of daily living, self-help, and socialization skills of children in a residential child care program.

- (d) “Out-of-home placement” means:

- (1) the removal of a child from the child’s family; and

- (2) the placement of the child by a cooperating department or court in a public or private residential child care program, a residential program operated by or under contract with the Department of Juvenile Services, a foster care home approved by a local department of social services, or a treatment foster care home for more than 30 days.

- (e) “System for outcomes evaluation” means an objective and standardized method of measuring the effectiveness of the programs described in subsection (d)(2) of this section.

§8–1002.

This subtitle does not apply to:

(1) a shelter care facility or residential respite program licensed by the Department of Human Services; or

(2) a detention center or shelter care facility operated by or under contract with the Department of Juvenile Services.

§8–1004.

(a) On or before July 1, 2008, the Office and the cooperating departments shall develop, coordinate, and implement a system for outcomes evaluation.

(b) The system for outcomes evaluation shall be used to:

(1) monitor the care, supervision, education, and treatment provided by State–operated and State–supported programs described in § 8–1001(d)(2) of this subtitle so that successful services can be expanded and services that do not produce positive results can be identified;

(2) establish an evaluation system for program performance, including measures of safety, quality, and effectiveness; and

(3) complete an assessment of the capacity of the programs described in § 8–1001(d)(2) of this subtitle in the State that identifies programs in each community to serve the needs of a family that resides in the community.

(c) The system for outcomes evaluation shall use standardized measures of function to evaluate the child’s:

(1) protection from harm while in out–of–home placement;

(2) stability of living environment;

(3) family situation and efforts to treat and counsel the family unit;

(4) educational and vocational development;

(5) job skills and employment readiness;

(6) legal and appropriate use of drugs and alcohol;

(7) progress in learning positive, nonaggressive behavioral habits;

and

(8) delinquency status.

(d) The system for outcomes evaluation shall ensure that collection and use of data in the system maintains confidentiality of information on the children from the cooperating departments.

(e) The system for outcomes evaluation shall ensure that a cooperating department shall:

(1) facilitate the participation of programs described in § 8–1001(d)(2) of this subtitle operated by the cooperating department or private agencies with which the cooperating department has a contract for the placement of children in out-of-home care; and

(2) include in the cooperating department's contract with a private program provisions requiring the program to collect and report to the cooperating department:

(i) child-specific demographic information; and

(ii) data necessary to evaluate changes in functioning of the child as provided in subsection (c) of this section.

(f) When reporting demographic information and data under subsection (e) of this section, a cooperating department:

(1) may not disclose personal identifiers; and

(2) shall ensure the confidentiality of the information about the children under its responsibility.

(g) On or before October 1 of each year, the Department of Human Services, in coordination with the other cooperating departments, shall submit a report to the Governor and, in accordance with § 2–1257 of the State Government Article, to the General Assembly on the progress of implementing the system for outcomes evaluation.

§8–1101.

(a) There is a State Medical Director for Children Receiving Child Welfare Services in the Department.

(b) The Department, in consultation with the Maryland Department of Health, shall appoint the State Medical Director for Children Receiving Child Welfare Services.

(c) The State Medical Director for Children Receiving Child Welfare Services shall:

- (1) be a physician licensed to practice medicine in the State;
- (2) have experience in providing medical care to children; and
- (3) be knowledgeable about the unique health needs of children in out-of-home placement and children who are victims of child abuse or neglect.

§8-1102.

(a) The State Medical Director for Children Receiving Child Welfare Services shall:

(1) collect data on the timeliness and effectiveness of the provision or procurement of health care services for children in the custody of the local departments;

(2) track health outcomes for children in out-of-home placement using the most recent Healthcare Effectiveness Data and Information Set (HEDIS) measures relevant to children including:

- (i) immunization status;
- (ii) lead screening;
- (iii) medical management of asthma;
- (iv) follow-up care for children prescribed ADHD medications;
- (v) depression screening and follow-up for adolescents;
- (vi) antidepressant medication management;
- (vii) follow-up after an emergency department visit or hospitalization for mental illness;
- (viii) metabolic monitoring and use of first-line psychosocial care for adolescents on antipsychotic medications;
- (ix) appropriate treatment for children with upper respiratory infections; and

(x) provision of comprehensive diabetes care;

(3) assess the competency, including the cultural competency, of health care providers who evaluate and treat abused and neglected children in the custody of a local department;

(4) (i) periodically assess the supply and diversity of health care services that evaluate and treat children in out-of-home placement, identify shortfalls, if any, and report them to the relevant local department, the Department, and the Maryland Department of Health; and

(ii) work with State and local health and child welfare officials, provider agencies, and advocates to expand the supply and diversity of health care services;

(5) work with State and local health and child welfare officials, provider agencies, and advocates to identify systemic problems affecting health care for children in out-of-home placement and develop solutions; and

(6) using practice guidelines developed by the American Academy of Pediatrics, the Helfer Society, and other expert organizations, ensure best-practice medical review and evaluation of cases of suspected child abuse or neglect.

(b) (1) Subject to paragraph (2) of this subsection, the State Medical Director for Children Receiving Child Welfare Services and all personnel under the direct supervision of the State Medical Director for Children Receiving Child Welfare Services shall have access to all confidential information and records available to, or in the possession of, a local department.

(2) If written consent is required by law, the State Medical Director for Children Receiving Child Welfare Services and personnel under the direct supervision of the State Medical Director for Children Receiving Child Welfare Services may have access to the information or records only after the local department has obtained written consent under § 1–212 of this article.

(c) (1) The State Medical Director for Children Receiving Child Welfare Services shall report annually to the General Assembly, in accordance with § 2–1257 of the State Government Article, on the current status of health care services for children in out-of-home placement in the State.

(2) A report made under paragraph (1) of this subsection shall be made available to the public on the Department's website.

§8–1103.

(a) The State Medical Director for Children Receiving Child Welfare Services, in consultation with the local departments, shall develop a Centralized Comprehensive Health Care Monitoring Program for children in out-of-home placement that will ensure the replication of centralized health care coordination and monitoring of services across the State.

(b) The Program shall comply with the Standard of Excellence for Health Care Services for Children in Out-of-Home Care published by the Child Welfare League of America.

(c) The Program shall provide the same level of services for mental health, behavioral health, disability-related health issues, physical health, and dental health.

§8–1201.

(a) For fiscal years 2021, 2022, 2023, and 2024, the Governor shall include in the State budget an appropriation of not less than:

(1) \$3,500,000 to the local management board for Baltimore City for the Baltimore Children and Youth Fund; and

(2) \$1,000,000 for the Baltimore City YouthWorks Summer Jobs program.

(b) (1) The funding required under this section shall be in addition to any State funding otherwise available to the entities specified in subsection (a) of this section.

(2) For fiscal years 2021, 2022, 2023, and 2024, the Governor shall identify in the annual budget as introduced how the funding required under this section is being used to supplement and not supplant the funding for each entity listed in subsection (a) of this section.

§8–1301.

(a) In this subtitle the following words have the meanings indicated.

(b) “Agency” includes:

(1) the Office of the Attorney General;

- (2) the Department of Budget and Management;
- (3) the Department of Disabilities;
- (4) the Maryland Department of Health;
- (5) the Department of Housing and Community Development;
- (6) the Department of Human Services;
- (7) the Department of Juvenile Services;
- (8) the Department of Natural Resources;
- (9) the Department of Planning;
- (10) the Department of Public Works;
- (11) the Department of State Police;
- (12) the State Department of Education;
- (13) the Department of Transportation; and
- (14) the Department of Aging.

(c) “Children” means individuals under the age of 14 years.

(d) “Commission” means the Commission on Trauma–Informed Care.

(e) “Older adult” means an individual at least 60 years old.

(f) “Trauma–informed care” has the meaning stated in § 10–701 of the Health – General Article.

(g) “Youth” means an individual at least 14 years old and under the age of 26 years.

§8–1302.

(a) There is a Commission on Trauma–Informed Care.

(b) The Commission is an independent commission that functions in the Department of Human Services.

§8–1303.

The purpose of the Commission is to coordinate a statewide initiative to prioritize the trauma–responsive and trauma–informed delivery of State services that impact children, youth, families, and older adults.

§8–1304.

(a) The Commission consists of the following members:

(1) two members of the Senate of Maryland, appointed by the President of the Senate;

(2) two members of the House of Delegates, appointed by the Speaker of the House;

(3) the Secretary of Budget and Management, or the Secretary’s designee;

(4) the Secretary of Disabilities, or the Secretary’s designee;

(5) the Secretary of Health, or the Secretary’s designee;

(6) the Secretary of Human Services, or the Secretary’s designee;

(7) the Secretary of Juvenile Services, or the Secretary’s designee;

(8) the Secretary of State Police, or the Secretary’s designee;

(9) the State Superintendent of Schools, or the Superintendent’s designee;

(10) the Executive Director of the State Council on Child Abuse and Neglect, or the Executive Director’s designee; and

(11) the following members, appointed by the Governor:

(i) two licensed mental health clinicians with expertise in trauma, including demonstrated experience and training in child and adolescent care and family care;

(ii) one licensed geriatric mental health clinician with expertise in trauma;

(iii) two members of the research community with expertise in trauma;

(iv) six representatives from community organizations, nonprofit organizations, or youth organizations with an expertise in trauma;

(v) one representative of the Office of Child Care Advisory Council;

(vi) one representative of the Maryland Network Against Domestic Violence;

(vii) one representative of an urban municipal government with expertise in trauma;

(viii) one representative of a rural municipal government with expertise in trauma; and

(ix) one representative of a suburban municipal government with expertise in trauma.

(b) (1) The term of an appointed member under this section is 4 years concurrent with the term of the Governor's term of office.

(2) A member who is appointed after the term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(3) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

§8-1305.

The Governor shall designate the chair of the Commission.

§8-1306.

The Commission shall determine operating procedures, including the establishment of subcommittees or workgroups that use the expertise of individuals who are not members of the Commission.

§8-1307.

The Department of Human Services shall provide staff for the Commission.

§8–1308.

- (a) A majority of members serving on the Commission is a quorum.
- (b) The Commission shall determine the times and places of its meetings.
- (c) A member of the Commission:

(1) may not receive compensation as a member of the Commission;
but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

§8–1309.

- (a) (1) The Commission shall:

(i) assist in the identification of any State program or service that impacts children, youth, families, and older adults;

(ii) assist in the development of a statewide strategy toward an organizational culture shift into a trauma–responsive State government;

(iii) establish metrics, in collaboration with the Maryland Department of Health, to evaluate and assess the progress of the statewide trauma–informed care initiative;

(iv) coordinate and develop with the Maryland Department of Health any formal or informal trauma–informed care training;

(v) disseminate information among agencies regarding best practices for preventing and mitigating the impact of trauma on children, youth, families, and older adults;

(vi) advise and assist the Governor in providing oversight and accountability in implementing the requirements of this subtitle;

(vii) submit a report using the Commission’s established evaluation and assessment metrics, as described in item (iii) of this paragraph, that includes an assessment of:

1. the implementation of trauma-informed care policies within each agency; and

2. the trauma-responsiveness of each agency; and

(viii) make recommendations regarding improvements to existing laws relating to children, youth, families, and older adults in the State.

(2) On or before June 30 each year, the Commission shall report its findings and recommendations to the Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly.

(b) (1) In this subsection, “Program” means the Adverse Childhood Experiences (ACEs) Aware Program.

(2) In consultation with the Maryland Department of Health, the Department of Human Services, and the Maryland Health Care Commission, the Commission shall:

(i) study developing a process and framework for implementing an Adverse Childhood Experiences (ACEs) Aware Program in the State; and

(ii) implement the Program.

(3) The purpose of the Program is to screen for adverse childhood experiences and toxic stress to provide targeted evidence-based interventions to support individual and family health, in order to improve individual and family well-being and reduce health care costs.

(4) As part of the study, the Commission shall:

(i) propose a process to set up training and an accreditation process for providers in the Program; and

(ii) explore the possibility of third-party reimbursement, including the State Medical Assistance Program, for screenings under the Program.

(5) On or before October 1 each year, beginning in 2022, the Commission shall report its findings and recommendations regarding the development and implementation of the Program to the Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly.

§8–1310.

(a) In this section, “formal training” means a didactic course or curriculum in trauma–informed care that is:

(1) developed by the U.S. Department of Health and Human Services or the Maryland Department of Health; and

(2) provided by the Maryland Department of Health or its designee in collaboration with the Commission.

(b) Each Commission member shall participate in at least one formal training each year.

(c) (1) Each agency head shall designate two staff members to:

(i) participate in at least one formal training each year;

(ii) collaborate with other agency designees in work sessions and other informal trainings as organized by the Maryland Department of Health;

(iii) serve as the principal advisors to the agency director and agency staff in trauma–responsiveness and trauma–informed care;

(iv) assess the agency for training and technical assistance needs related to trauma–responsiveness and trauma–informed care; and

(v) review and make appropriate recommendations to the agency director to align agency policies and practices with a trauma–informed approach.

(2) In the event of a vacancy in the position of one or both of the staff members designated under paragraph (1) of this subsection, the agency director shall, within 30 days of the vacancy, designate another staff member to carry out the duties of the staff member described in paragraph (1) of this subsection.

(d) The Maryland Department of Health shall provide technical advisory support to designated agency staff to assist the staff in performing the duties described in subsection (c)(1) of this section.

(e) On or before March 31 each year, each agency director shall submit to the Commission a progress report detailing the agency’s progress and compliance with subsection (c) of this section.

§9–101.

- (a) In this title the following words have the meanings indicated.
- (b) “Department” means the Department of Juvenile Services.
- (c) “Secretary” means the Secretary of Juvenile Services.

§9–201.

There is a Department of Juvenile Services established as a principal department of State government.

§9–202.

(a) (1) With the advice and consent of the Senate, the Governor shall appoint the Secretary of Juvenile Services.

(2) The Secretary is the head of the Department.

(b) Before taking office, the appointee shall take the oath required by Article I, § 9 of the Maryland Constitution.

(c) (1) The Secretary serves at the pleasure of the Governor and is responsible directly to the Governor.

(2) The Secretary shall advise the Governor on all matters assigned to the Department and is responsible for carrying out the Governor’s policies on those matters.

(d) The Secretary is entitled to the compensation provided in the State budget.

(e) The Secretary shall have a seal.

§9–203.

(a) The Secretary is responsible for the operation of the Department and shall establish guidelines and procedures to promote the orderly and efficient administration of the Department.

(b) The Secretary may establish, reorganize, or abolish areas of responsibility in the Department as necessary to fulfill the duties assigned to the Secretary.

§9–204.

(a) The Secretary shall carry out and enforce this title, the regulations of the Department, and any other provision of law that relates to the Secretary or the Department.

(b) (1) The Secretary may adopt regulations to carry out the provisions of law that are within the jurisdiction of the Secretary.

(2) The Secretary shall review and may revise the regulations of:

(i) each unit in the Department that is authorized by law to adopt regulations; and

(ii) the Department.

(c) The Secretary is responsible for the budget of the Department and for the budget of each unit in the Department.

(d) The Secretary may create any advisory council that the Secretary considers necessary and assign appropriate functions to it.

(e) (1) The Secretary is responsible for the coordination and direction of all planning that the office of the Secretary initiates.

(2) The Secretary shall keep fully apprised of plans, proposals, and projects of each unit in the Department and, except as expressly provided otherwise, may approve, disapprove, or modify any of them.

(f) (1) The Secretary shall develop a State Comprehensive Juvenile Services 3–Year Plan.

(2) The Plan shall:

(i) include an inventory of all in–day treatment programs and residential care programs and an accounting of the residence of all clients;

(ii) include an inventory of nonresidential treatment programs;

(iii) specify the needs of the various areas of services for clients, including alcohol and drug abuse rehabilitation services;

(iv) specify the needs of clients, including predelinquent diversion services programs;

(v) establish priorities for the different services needed;

(vi) set standards for the quality of residential services and outreach services;

(vii) include a program dedicated to reducing recidivism rates of clients;

(viii) include programs dedicated to diverting children from the juvenile justice system;

(ix) include programs developed for youth at the highest risk of becoming victims or perpetrators of gun violence;

(x) include programs developed specifically for individuals at least 10 years old and under the age of 15 years who are at the highest risk of becoming victims or perpetrators of gun violence;

(xi) include programs developed for youth involved in motor vehicle theft; and

(xii) include any other matters that the Secretary considers appropriate.

(3) The Plan shall be revised for each fiscal year and submitted, subject to § 2-1257 of the State Government Article, to the General Assembly by February 1 of each year.

(g) (1) The Secretary is responsible for the development, implementation, and maintenance of a comprehensive client information system, including an individual current record on each child, that is integrated in and accessible to the various units of the Department.

(2) The Secretary shall undertake efforts to link the system to the Maryland Department of Health and the Department of Human Services for the purpose of allowing the exchange of information on clients served by each department.

(3) Each employee using the information shall protect the confidentiality of client records.

(h) (1) Except as otherwise expressly provided by law, the Secretary may transfer, by regulation or written directive, any function, staff, or funds from any unit in the Department to the office of the Secretary or another unit in the Department.

(2) Any staff transferred to the office of the Secretary shall be provided space, equipment, and services by the unit from which the staff was transferred, unless the Secretary orders removal to another location for the proper and efficient functioning of that office.

(i) (1) On or before January 1 of each year, the Secretary shall report to the General Assembly, in accordance with § 2-1257 of the State Government Article, on the recidivism rates of children committed to the Department for placement in residential care.

(2) The report shall include:

(i) recidivism rates for all children committed to the Department for placement in residential care;

(ii) recidivism rates by region for all children committed to the Department for placement in residential care; and

(iii) recidivism rates for each residential care program in which a child committed to the Department is placed.

(3) The report shall include data from the prior 3 fiscal years.

(4) The report shall include recidivism rates that are calculated for 1 year and 3 year time frames.

§9-205.

Each unit in the Department shall report to the Secretary as provided in the regulations or written directives that the Secretary adopts.

§9-206.

(a) With the approval of the Governor, the Secretary may appoint three deputy secretaries as necessary.

(b) The deputy secretaries:

(1) serve at the pleasure of the Secretary; and

(2) are entitled to the compensation provided in the State budget.

(c) The deputy secretaries have the duties provided by law or delegated by the Secretary.

(d) The Secretary shall designate a deputy secretary to be the Acting Secretary when the Secretary is absent from the State or otherwise unavailable.

§9–207.

(a) In accordance with the State budget, the Secretary may employ a staff and retain consultants.

(b) (1) (i) The Secretary shall appoint:

1. any assistant secretary;
2. any director of an institution;
3. the superintendent of the youth centers; and
4. the managing director, deputy director, and director of detention at the Baltimore City Juvenile Justice Center.

(ii) An employee of the Department specified in subparagraph (i) of this paragraph:

1. is in the executive service or management service of the State Personnel Management System; and
2. serves at the pleasure of the Secretary.

(2) Each teacher who does not hold a certificate under Title 6, Subtitle 1 of the Education Article, principal, director of education, and supervisor of vocational education who is employed by an institution managed by the Department is in the management service of, or is a special appointment in, the State Personnel Management System.

(3) Unless otherwise provided by law, the Secretary shall appoint and remove all staff in accordance with the State Personnel and Pensions Article.

(c) (1) Unless the Secretary grants express permission, an employee of the Department who is subject to subsection (b)(1) of this section may not engage in other employment while employed by the Department.

(2) The Secretary may not unreasonably withhold express permission to engage in other employment.

(3) If the Secretary grants permission to engage in other employment, the employee shall disclose to the Secretary the source and amount of all income earned from that other employment.

(d) (1) The appointment or removal of staff of a unit in the Department is subject to the approval of the Secretary.

(2) The Secretary may delegate the power of approval established under paragraph (1) of this subsection to the head of the unit.

(e) The Department shall:

(1) adopt a code of conduct for staff of the Department; and

(2) require each private agency under contract with the Department to adopt a code of conduct for its staff that is in substantial compliance with the code of conduct for staff of the Department.

§9-208.

In cooperation with the Secretary of Budget and Management, the Secretary shall:

(1) set minimum salaries, qualifications, and standards of training and experience for the positions in the Department; and

(2) for employees who desire training in addition to in-service training and whose service records show merit, provide:

(i) educational subsidies, scholarships, and stipends; and

(ii) institutes, conferences, and classes.

§9-209.

(a) (1) On or before the first day of employment with the Department, the Department shall apply to the Criminal Justice Information System Central Repository in the Department of Public Safety and Correctional Services for a federal and State criminal history records check for each employee of the Department.

(2) The Criminal Justice Information System Central Repository shall provide the requested information in accordance with Title 10, Subtitle 2 of the Criminal Procedure Article.

(3) If criminal history record information is reported to the Criminal Justice Information System Central Repository after the date of the criminal history records check, the Criminal Justice Information System Central Repository shall provide to the Department and the employee a revised printed statement of the employee's criminal history record information.

(b) As part of the application for a criminal history records check, the Department shall submit to the Criminal Justice Information System Central Repository:

(1) a complete set of the employee's legible fingerprints taken on standard fingerprint cards;

(2) the mandatory processing fee required by the Federal Bureau of Investigation for a federal criminal history records check; and

(3) the fee authorized under § 10-221(b)(7) of the Criminal Procedure Article for access to Maryland criminal history records.

§9-210.

(a) The Attorney General is the legal adviser to the Department.

(b) The Attorney General shall assign to the Department the number of assistant Attorneys General that are authorized by law for the Department and, as provided in the State budget, any additional assistant Attorneys General necessary to give effective legal advice and counsel.

(c) (1) The Attorney General shall designate one of the assistant Attorneys General as counsel to the Department.

(2) The counsel to the Department may have no duty other than to give the legal aid, advice, and counsel required by the Secretary and any other official of the Department, to supervise the other assistant Attorneys General assigned to the Department, and to perform for the Department the duties that the Attorney General assigns.

(3) The counsel shall perform the duties specified in paragraph (2) of this subsection subject to the control and supervision of the Attorney General.

(4) After the Attorney General designates the counsel to the Department, the Attorney General may not reassign the counsel without consulting the Secretary.

§9-216.

(a) The Department is the central administrative department for:

(1) juvenile intake, detention authorization, community detention, investigation, probation, protective supervision, predelinquent diversion services, and aftercare services; and

(2) the State juvenile diagnostic, training, detention, and rehabilitation institutions.

(b) The Department shall:

(1) develop programs for predelinquent children whose behavior tends to lead to contact with law enforcement agencies;

(2) promote predelinquent programs, including greater utilization of youth services bureaus under § 9-234 of this subtitle, that provide services to divert children from the juvenile justice system;

(3) collaborate with local governments to encourage the use of predelinquent programs provided by youth services bureaus under § 9-234 of this subtitle in response to identified community needs; and

(4) provide technical assistance to local governments and youth services bureaus under § 9-234 of this subtitle to identify alternative funding sources for predelinquent programs.

§9-217.

The Department may:

(1) designate any public or private agency or organization in the State as its agent for the purposes of this title; and

(2) spend funds to aid that agent or to buy services from it or, if adequate services are not available in the State, to buy services from an agency or organization outside the State.

§9-218.

(a) (1) The Secretary may apply for, receive, and spend federal funds available for use in carrying out the powers and duties of the Secretary or the Department.

(2) The Department may:

(i) accept, manage, and dispose of federal funds and commodities; and

(ii) take advantage of any available federal program or grant or other public or private assistance that accomplishes or furthers the objectives of this title.

(b) (1) With the approval of the Secretary of Budget and Management, the Department shall accept, on behalf of the State, a conditional or unconditional gift or grant.

(2) The Department shall pay all funds collected under paragraph (1) of this subsection into a special fund of the State Treasury and use the special fund to carry out the provisions of this title.

(c) Except as provided in subsection (b) of this section or otherwise provided by law, the Secretary shall pay all money collected by the Department under this title into the General Fund of the State.

§9–219.

(a) (1) In this section, “confidential research record” means a record, report, statement, note, or other information that:

(i) is assembled or obtained for research or study by the Department or the Secretary; and

(ii) names or otherwise identifies a person.

(2) “Confidential research record” includes a record that was transferred to the custody of the Department by a predecessor agency.

(b) Each confidential research record shall remain in the custody and control of the Department.

(c) A confidential research record may be used only for the research and study for which it was assembled or obtained.

(d) A person may not disclose a confidential research record to any person who is not engaged in the research or study for which it was assembled or obtained.

(e) This section does not apply to or restrict the use or publication of any statistics, information, or other material that summarizes or refers to confidential records in the aggregate, without disclosing the identity of any person who is the subject of a confidential record.

§9–220.

The Department shall have a unit for research and development that shall:

(1) compile accurate statistics and reliable information on all aspects of the juvenile program of the State;

(2) monitor current developments in the field of juvenile services;

(3) assess existing programs and activities, including youth services bureaus;

(4) help develop new or improved means, including greater utilization of youth services bureaus under § 9-233 of this subtitle, to prevent juvenile offenses and control and treat juvenile offenders;

(5) if necessary, initiate studies to help the Secretary in general planning and program development for the Department; and

(6) for these and related purposes, use research and information available from all sources.

§9–221.

(a) To carry out the objectives of this title, the following State units shall cooperate fully with the Department:

(1) the State Department of Education;

(2) the Department of General Services;

(3) the Maryland Department of Health;

(4) the Department of Human Services;

- (5) the Maryland Department of Labor;
- (6) the Department of Public Safety and Correctional Services; and
- (7) each other agency needed to accomplish these objectives.

(b) (1) The Department shall cooperate with the Juvenile Justice Monitoring Unit of the Office of the Attorney General established under Title 6, Subtitle 4 of the State Government Article by:

(i) providing the Unit with access to all facilities, reports, and records relating to a child on request;

(ii) allowing the juvenile justice monitors to conduct interviews with staff, children, and any other individuals on request; and

(iii) submitting corrective action plans and incident reports to the Unit in response to findings and recommendations made by the juvenile justice monitors regarding a facility.

(2) (i) The Department shall respond to requests for information from a juvenile justice monitor concerning a facility within 30 days after the date of the request.

(ii) If the Department does not respond to a request for information, the monitor may conduct a reasonable investigation relating to the original request for information.

(c) The Department shall cooperate with the State Department of Education to establish educational programs as required under Title 22, Subtitle 3 of the Education Article.

§9-222.

(a) Title 3, Subtitle 8A of the Courts Article governs detention, adjudication, disposition, and place and period of commitment of children in need of supervision and delinquent children.

(b) The Department shall be subject to State finance and procurement laws under the State Finance and Procurement Article.

§9-223.

It is the policy of the State that the Department comply with the provisions of §§ 3-802 and 3-8A-02 of the Courts Article.

§9-224.

On or before October 1, 2025, and each October 1 thereafter, the Department shall report to the Senate Judicial Proceedings Committee and the House Judiciary Committee, in accordance with § 2-1257 of the State Government Article, on:

(1) efforts by the Department to promote predelinquent programs, including youth service bureaus;

(2) efforts by the Department to collaborate with and provide technical assistance to local governments regarding the establishment, use, and funding of youth service bureaus;

(3) an assessment of the programs and activities conducted by youth service bureaus; and

(4) any other efforts to prevent youth offenses.

§9-226.

(a) The Department may establish and operate the facilities that are necessary to properly diagnose, care for, educate, and rehabilitate children who need these services.

(b) The facilities described in subsection (a) of this section include:

(1) the Alfred D. Noyes Children's Center;

(2) the Baltimore City Juvenile Justice Center;

(3) the Charles H. Hickey, Jr. School;

(4) the Cheltenham Youth Facility;

(5) the Lower Eastern Shore Children's Center;

(6) the Thomas J. S. Waxter Children's Center;

(7) the Victor Cullen Center;

(8) the Western Maryland Children's Center;

(9) the Garrett Children's Center; and

(10) the youth centers.

§9-227.

(a) Each facility described in § 9-226 of this subtitle shall operate under the control and general management of the Department.

(b) The Department shall:

(1) subject to Title 3, Subtitles 8 and 8A of the Courts Article, adopt regulations that set:

(i) policies for detention authorization, community detention, admission, transfer, discharge, and aftercare supervision; and

(ii) standards of care, including provisions to administer any early, periodic screening diagnosis and treatment program that the Department approves for establishment under 42 U.S.C., § 1396d(a)(4)(B) and to treat appropriately any condition that the screening reveals;

(2) adopt regulations applicable to residential facilities it operates that:

(i) prohibit the use of locked door seclusion and restraints as punishment and describe the circumstances under which locked door seclusion and restraints may be used; and

(ii) prohibit abuse of a child; and

(3) adopt regulations that require each State residential program to provide:

(i) medical and mental health assessment services;

(ii) alcohol abuse and drug abuse assessment services;

(iii) either alcohol abuse and drug abuse referral services or an alcohol abuse and drug abuse treatment program that has been certified in accordance with the requirements of Title 8 of the Health – General Article; and

(iv) a safe, humane, and caring environment.

(c) (1) The Department shall adopt a policy to govern disciplinary actions and grievances in its facilities.

(2) The policy shall:

(i) require preparation of a written report of any disciplinary action taken against a child or of any grievance made by or on behalf of a child;

(ii) require that each written report be forwarded to and reviewed by the administrative head of the facility; and

(iii) require the Department to forward in a timely manner all reports of disciplinary actions, grievances, and grievance dispositions from each facility to the Juvenile Justice Monitoring Unit of the Office of the Attorney General established under Title 6, Subtitle 4 of the State Government Article.

(d) In each facility, the Department shall develop special programs that are designed to meet the particular needs of its residents.

(e) Subject to Title 3, Subtitles 8 and 8A of the Courts Article, the Department shall order any necessary changes in the policy, conduct, or management of a State residential program to provide adequate care for the children and adequate services to the courts.

§9-228.

Before the Department requests a bond issue from the General Assembly to build or renovate a facility, the Department shall consult on the proposed construction or renovation plans with the governing body of:

(1) the county where the facility is to be built or renovated; and

(2) each county to be served by the facility.

§9-229.

(a) The Department shall operate and manage the Baltimore City Juvenile Justice Center as a centralized regional juvenile intake, assessment, court, and detention facility for Baltimore City.

(b) The Baltimore City Juvenile Justice Center shall include:

(1) the Department;

- (2) the Juvenile Division of the Circuit Court for Baltimore City;
- (3) an office of the State's Attorney for Baltimore City;
- (4) an office of the Baltimore City Department of Social Services;
- (5) Baltimore City police services; and
- (6) courthouse security services of the Sheriff of Baltimore City.

(c) If a child who is delinquent or is alleged to have committed a delinquent act is taken into custody by a law enforcement officer and brought to the Baltimore City Juvenile Justice Center, the Department, in conjunction with Baltimore City police services, shall:

(1) for purposes of positive identification, obtain photographs and fingerprints and submit them to:

(i) the Criminal Justice Information System Central Repository; and

(ii) any other automated juvenile justice information system or repository approved by the Secretary;

(2) conduct a criminal and juvenile history records check; and

(3) conduct an automated search for outstanding warrants and writs of attachment.

(d) (1) After the processing of fingerprints, the Criminal Justice Information System Central Repository shall provide to the Department, in accordance with State and federal law, information concerning children taken into custody under subsection (c) of this section.

(2) Information concerning a child disseminated from the Criminal Justice Information System Central Repository is a police record under § 10-101(h) of the Criminal Procedure Article and may not be redisseminated except in accordance with § 3-8A-27(a) of the Courts Article.

(e) Subject to the authority of the Secretary:

(1) the managing director of the Baltimore City Juvenile Justice Center is its chief administrator; and

(2) the director of detention of the Baltimore City Juvenile Justice Center is its administrator of juvenile detention.

§9-231.

(a) The Department may place children in group homes and institutions operated by nonprofit or for-profit entities to provide for their care, diagnosis, training, education, and rehabilitation.

(b) (1) The Department shall reimburse the entities described in subsection (a) of this section for the cost of the services at appropriate monthly rates that the Department determines, as provided in the State budget.

(2) The Department may establish different reimbursement rates for homes and institutions that provide intermediate services and homes and institutions that provide full services.

(c) The Department may not place a child in a group home or other residential facility that is not operating in compliance with applicable State licensing laws.

§9-232.

The Department shall establish a program to help homes for runaway youths.

§9-233.

(a) In this section, “youth services bureau” means a community-based entity that is operated:

(1) to provide community-oriented delinquency prevention, youth suicide prevention, drug and alcohol abuse prevention, and youth development;

(2) to ameliorate conditions that contribute to delinquency, youth suicide, drug and alcohol abuse, and family disruption; and

(3) to function as an advocate of youth needs.

(b) (1) The Department shall adopt regulations that set eligibility guidelines for State funding of youth services bureaus under this section.

(2) The regulations shall require that each youth services bureau that receives State funding:

- (i) provide, at convenient hours:
 - 1. individual, family, or group counseling;
 - 2. referral and information services;
 - 3. crisis intervention, including intervention relating to youth suicide prevention;
 - 4. alcohol and drug abuse assessment and referral services by staff who have received substance abuse assessment and referral training from the Office of Education and Training for Addiction Services (OETAS) in the Maryland Department of Health or from any other entity that the Secretary determines to be qualified to provide substance abuse assessment and referral training;
 - 5. informal counseling; and
 - 6. in accordance with the needs of the community and subject to the availability of funds:
 - A. tutoring;
 - B. alternative leisure activities;
 - C. employment assistance;
 - D. community education, including training and information relating to youth suicide prevention;
 - E. aftercare services; and
 - F. other specialized services;
- (ii) subject to subsection (c)(2) of this section, provide the services described in item (i) of this paragraph free of charge or at a rate that its board of directors establishes, in consultation with the Department, that is based on the client's family income; and
- (iii) dispose of all information and records on each individual receiving services from the youth services bureau 5 years after services to the individual terminate.

(c) (1) A youth services bureau may retain any fees charged under subsection (b)(2)(ii) of this section.

(2) The fees authorized under subsection (b)(2)(ii) of this section do not apply to youth referred to a youth services bureau by court order.

(d) (1) The Department shall:

(i) monitor the operations of each youth services bureau that receives State funding;

(ii) evaluate annually the effectiveness of each youth services bureau; and

(iii) discontinue funding a youth services bureau that is ineffective or that, for 2 years, fails to meet the eligibility guidelines for State funding.

(2) The Department shall review and approve or disapprove an application for State funding of a youth services bureau or proposed youth services bureau.

(e) (1) (i) The State and the local government shall jointly fund an eligible youth services bureau.

(ii) The State shall provide 75% of the funding for an eligible youth services bureau, as provided in the State budget.

(2) At the times that the Department specifies, each eligible youth services bureau shall submit a proposed annual budget to the Department for review and approval.

(3) The proposed budget of the Department shall list the eligible youth services bureaus and estimate the amount of State funds to be allocated to each.

(4) (i) The local governing body that provides the matching funds for an eligible youth services bureau may choose to have the State funds for the youth services bureau paid directly to its private sponsor or to the local governing body.

(ii) Before the State funds are paid, the fiscal officer of the local government shall certify in writing the source of the matching funds provided by the local government.

§9-234.

(a) The General Assembly intends that:

(1) all children whose care is the responsibility of the State shall have similar protection for their health, their safety, and the quality of their care; and

(2) the regulations of State units that are charged with child care shall be comparable.

(b) The Department shall adopt regulations:

(1) to carry out §§ 9–235 and 9–236 of this subtitle; and

(2) that require each juvenile care facility to:

(i) 1. establish and implement a safety plan for the safety of juveniles under the care of the facility; or

2. implement a safety or emergency plan established for the facility for another purpose; and

(ii) revise the safety plan not less than every 5 years.

(c) A child care home or child care institution may not be required to obtain a license from more than one State unit.

(d) A State unit authorized to license child care homes or child care institutions may make a cooperative licensing arrangement with another State unit.
§9–235.

(a) Except as provided in subsection (b) of this section, a person shall be licensed by the Department as a child care home before the person may exercise care, custody, or control over a child who is alleged to be or is adjudicated delinquent or in need of supervision.

(b) This section does not apply to:

(1) a parent of the child;

(2) an individual related to the child by blood or marriage within 4 degrees of consanguinity under the civil law rule;

(3) a guardian of the child;

(4) a person who exercises temporary custody or control over the child at the request of a parent or guardian of the child and who is not required otherwise to be licensed;

(5) a person who has the care, custody, or control of the child through placement by a parent or grandparent of the child in contemplation of adoption, if the requirements of § 5-507(b)(2) and (c) of the Family Law Article are met;

(6) an institution that has a child care institution license under this subtitle or § 5-509 of the Family Law Article;

(7) an institution operated by a unit of the State or a political subdivision; or

(8) a foster care provider with whom the child is placed by:

(i) a licensed child placement agency;

(ii) a local department of social services;

(iii) the Secretary of Health;

(iv) the Department; or

(v) a court of competent jurisdiction.

§9-236.

(a) Except as otherwise provided in subsection (b) of this section, a person shall be licensed by the Department as a child care institution before the person may operate an institution for the care, custody, or control of a child alleged to be or adjudicated delinquent or in need of supervision.

(b) This section does not apply to:

(1) an institution or facility operated by a unit of the State or a political subdivision; or

(2) a child care home that has a license under this subtitle or § 5-508 of the Family Law Article.

§9-237.

(a) The Department shall adopt regulations that set standards for juvenile detention facilities operated by the Department and by private agencies under contract with the Department.

(b) The standards shall reflect the following central purposes of juvenile detention:

(1) to protect the public;

(2) to provide a safe, humane, and caring environment for children;
and

(3) to provide access to required services for children.

(c) The standards shall include provisions establishing:

(1) a policy that eliminates the unnecessary use of detention and that prioritizes diversion and appropriate nonsecure alternatives;

(2) criteria for the placement of a child in a particular juvenile detention facility;

(3) population limits for each juvenile detention facility that may not be exceeded except in emergency circumstances;

(4) a requirement that staffing ratios and levels of services be maintained during emergencies;

(5) specifications for the architectural structure of a juvenile detention facility;

(6) staff qualifications and training, including training in recognizing and reporting child abuse and neglect;

(7) the ratio of staff to children in a juvenile detention facility;

(8) the rights of children in a juvenile detention facility, including the right to privacy, visitors, telephone use, and mail delivery;

(9) prohibitions against the use of excessive force against a child;

(10) internal auditing and monitoring of programs and facilities in the juvenile services system;

(11) prohibitions against the use of physical restraints on an individual known to be in the third trimester of pregnancy or during labor, delivery, or postpartum recovery, including during all transports, unless a facility superintendent or the facility superintendent's designee determines that a physical restraint is necessary to protect the individual from harming herself or others or to prevent the individual's escape from custody; and

(12) a policy concerning a safety plan for the safety of juveniles detained in a facility, including:

(i) the means to implement the safety plan or a safety or emergency plan established for the facility for another purpose; and

(ii) a requirement that the safety plan be revised not less than every 5 years.

(d) The standards shall be consistent with this title and Title 3, Subtitle 8A of the Courts Article.

§9-238.1.

(a) The Department shall serve children in the juvenile services system with programming that:

(1) ensures the safety of the community and the children served;

(2) holds delinquent children accountable to victims and communities;

(3) assists children to develop competencies to become successful members of society;

(4) delivers services on a regional basis through at least four operational regions;

(5) (i) ensures that each committed facility owned by the Department serves no more than 48 children at one time; and

(ii) ensures that each committed facility licensed by the Department serves no more than 48 children at one time, unless the Secretary finds good cause for a committed facility licensed by the Department to serve more than 48 children at one time;

(6) uses detention and committed facilities that are operationally separate from each other and that do not share common program space, including dining halls and educational or recreational facilities; and

(7) provides females with a range and quality of services and programs to meet their specific needs, including:

- (i) diversion programs;
- (ii) community detention services and programs; and
- (iii) reentry services and programs.

(b) A region shall:

(1) include at least one secure facility used solely for children pending court disposition and children awaiting placement after disposition;

(2) except for specialized services as provided in subsection (c) of this section, include a number of committed facilities estimated to be necessary to diagnose, care for, train, educate, and properly rehabilitate every child from the region in the custody of the Department; and

(3) include a nonpublic facility only if the Department determines that the facility:

(i) has provided or will efficiently and effectively provide adequate care for the children placed in the facility; and

(ii) has demonstrated or will demonstrate a record of success based on standards promulgated by the Department.

(c) The Department may place a child into a committed facility outside the child's region if a determination is made by the Department that specialized services for the child require the placement in the best interests of the child.

§9-239.

By regulation, the Department shall set standards for nonsecure alternatives for the placement of a child committed under § 3-8A-19 of the Courts Article.

§9-240.

(a) (1) In this section the following words have the meanings indicated.

(2) “Step-down aftercare” means:

(i) a network of programs that provide education and rehabilitation; and

(ii) services and treatment to ease the transition of children from the custody of the Department to their homes and communities.

(3) “Step-down aftercare plan” means an individualized plan for each child in step-down aftercare that proposes specific assistance, guidance, treatment, services, and supervision that:

(i) prepares the child for reentry into the specific community to which the child will return;

(ii) ensures the delivery of prescribed services to the child in the community; and

(iii) monitors conduct in the community to ensure public safety.

(b) (1) A child discharged from a committed residential placement shall receive step-down aftercare for the period that the Department determines.

(2) A child in step-down aftercare shall receive:

(i) a step-down aftercare plan;

(ii) supervision by step-down aftercare staff in accordance with the step-down aftercare plan;

(iii) educational services; and

(iv) any other services necessary to implement the step-down aftercare plan.

(c) The step-down aftercare staff shall:

(1) prepare a step-down aftercare plan for each child assigned to the step-down aftercare program and file the plan with the Department;

(2) keep regular records concerning the progress of each child;

and (3) file with the Department a monthly progress report on each child;

(4) file with the Department an annual report on the outcome of step-down aftercare plans for the children in the step-down aftercare program, that includes to the extent possible:

- (i) information on the number of children who:
 - 1. are rearrested;
 - 2. are rearrested and charged with serious or violent offenses;
 - 3. are rearrested and waived to the adult system;
 - 4. are re-referred to the Department;
 - 5. are readjudicated and recommitted;
 - 6. graduate from high school or successfully complete a high school equivalency examination; and
 - 7. are employed; and
- (ii) other relevant information.

§9-240.1.

(a) (1) The Secretary shall establish a Program to attempt to provide a volunteer mentor for each child in the State who has spent at least 30 days in a committed placement.

(2) The Program shall be called “Maryland Rising”.

(b) The purpose of the Program is to provide individualized attention to a child:

(1) to decrease the child’s delinquent or violent behavior in the community; and

(2) to increase the child’s potential for becoming a productive, successful member of the community.

(c) (1) To carry out the purpose of the Program, the Department shall develop a statewide network of State agencies, community agencies, citizen action groups, social services providers, volunteer organizations, college student groups, and other groups who will recruit volunteer mentors for the Program.

(2) A mentor shall have frequent contact with the child and may provide the following services to the child:

- (i) informal counseling;
- (ii) tutoring;
- (iii) assisting the child with life skills training;
- (iv) working with the child's family or guardian;
- (v) interacting with the child's school or employer, if necessary; and

(vi) other individualized support services that help the child avoid negative behaviors and become a successful, productive member of the community.

(d) The Department may adopt regulations to implement this section.

§9-241.

(a) The Secretary shall establish programs for juvenile intake, predelinquent diversion services, community detention, investigation, probation, and aftercare services.

(b) (1) Except for predelinquent diversion services, the Secretary shall provide sufficient staff to operate the programs described in subsection (a) of this section.

(2) The staff of the Department is under the immediate direction and control of the Secretary.

§9-242.

The Secretary shall hold institutes, conferences, and other programs to familiarize the judiciary, the Baltimore City Social Services Commission and other boards of local departments of social services, citizens action groups, and other interested persons with the functions and programs of the Department.

§9-243.

(a) If requested by a juvenile court or by any other court in a proceeding that involves the interest of a minor, the Department shall provide the services described in this title.

(b) The Department shall provide the employees necessary for any services that a juvenile court orders.

(c) The Department shall cooperate with the juvenile court in carrying out the objectives of this title and Title 3, Subtitles 8 and 8A of the Courts Article.

§9-244.

(a) The Secretary shall:

(1) study the problem of the units of work that are involved in the juvenile courts; and

(2) establish a system for units of work.

(b) (1) On the basis of the comparative workload of any juvenile court, the Secretary shall provide the court with adequate staff and an adequate variety of staff.

(2) Unless the judges of the court consent, a juvenile court may not be assigned a smaller staff than authorized as of July 1, 1986.

(c) (1) Within the formula described in this section, a judge of any juvenile court may request the additional clerical and professional court service staff that the workload of the court requires.

(2) The Secretary shall consider and respond to a request under paragraph (1) of this subsection in accordance with §§ 9-241 and 9-243 of this subtitle.

§9-245.

(a) In this section, “foster parent” includes an individual who cares for a child on an emergency basis under a shelter care program.

(b) (1) The Department shall provide liability insurance for foster parents who care for children under foster parent programs.

(2) Subject to a reasonable deductible limit that the Department sets, the liability insurance shall cover:

(i) bodily injury and property damage that a foster child causes to the person or property of a person other than a foster parent; and

(ii) actions against a foster parent by a parent for any accidental injury to the foster child.

(c) (1) Subject to paragraph (2) of this subsection, the Secretary shall reimburse a foster parent for the costs of bodily injury or property damage that the foster child causes to the foster parent and that insurance does not cover, if the Secretary is satisfied that the actions of the foster parent did not contribute substantially to the bodily injury or property damage.

(2) (i) Reimbursement under this subsection may not exceed \$5,000.

(ii) Reimbursement exceeding \$2,000 requires the approval of the Board of Public Works.

§9-246.

(a) In this section, “fund” means a youth welfare fund.

(b) (1) There is a youth welfare fund in each facility of the Department of Juvenile Services.

(2) A fund shall be used for goods and services that benefit the general youth population in the facility.

(c) (1) Each fund is a special continuing, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

(2) Each fund consists of:

(i) profits derived from the sale of goods through the commissary operation and telephone and vending machine commissions for the facility; and

(ii) subject to paragraph (3) of this subsection, money received from other sources.

(3) Money from the General Fund of the State may not be transferred by budget amendment or other manner to a fund.

(d) (1) The Treasurer shall hold each fund separately, and the Comptroller shall account for each fund.

(2) Each fund is subject to an audit by the Office of Legislative Audits under § 2–1220 of the State Government Article.

(3) (i) Each fund shall be invested and reinvested in the same manner as other State funds.

(ii) Any investment earnings are not a part of the fund.

(e) The Comptroller shall pay out money from each fund as appropriated in the State budget.

§9–247.

(a) On or before December 1, 2024, and each December 1 thereafter, the Department shall report to the Commission on Juvenile Justice Reform and Emerging and Best Practices and, in accordance with § 2–1257 of the State Government Article, the General Assembly on:

(1) the number of juveniles under the Department’s supervision in the preceding year who:

(i) were nonfatally shot;

(ii) shot another individual; or

(iii) were victims of a homicide;

(2) the actions that the Department took after the incidents described in item (1) of this subsection, including the timeline of the actions;

(3) the age of each juvenile described in item (1) of this subsection;
and

(4) the county of residence of each juvenile described in item (1) of this subsection.

(b) The initial report submitted under this section shall include a description of any established process that the Department uses after an incident described in subsection (a)(1) of this section occurs.

§9-301.

This subtitle may be cited as the Interstate Compact for Juveniles.

§9-302.

Article I. Purpose.

(a) The compacting states to this Interstate Compact recognize that:

(1) each state is responsible for the proper supervision or return of juveniles, delinquents and status offenders who are on probation or parole and who have absconded, escaped, or run away from supervision and control and in so doing have endangered their own safety and the safety of others;

(2) each state is responsible for the safe return of juveniles who have run away from home and in doing so have left their state of residence; and

(3) Congress, by enacting the Crime Control Act, 4 U.S.C. Section 112 (1965), has authorized and encouraged compacts for cooperative efforts and mutual assistance in the prevention of crime.

(b) It is the purpose of this Compact, through means of joint and cooperative action among the compacting states:

(1) to ensure that the adjudicated juveniles and status offenders subject to this Compact are provided adequate supervision and services in the receiving state as ordered by the adjudicating judge or parole authority in the sending state;

(2) to ensure that the public safety interests of the citizens, including the victims of juvenile offenders, in both the sending and receiving states are adequately protected;

(3) to return juveniles who have run away, absconded, or escaped from supervision or control or have been accused of an offense to the state requesting their return;

(4) to make contracts for the cooperative institutionalization in public facilities in member states for delinquent youth needing special services;

- (5) to provide for the effective tracking and supervision of juveniles;
 - (6) to equitably allocate the costs, benefits, and obligations of the compacting states;
 - (7) to establish procedures to manage the movement between states of juvenile offenders released to the community under the jurisdiction of courts, juvenile departments, or any other criminal or juvenile justice agency which has jurisdiction over juvenile offenders;
 - (8) to insure immediate notice to jurisdictions where defined offenders are authorized to travel or to relocate across state lines;
 - (9) to establish procedures to resolve pending charges (detainers) against juvenile offenders prior to transfer or release to the community under the terms of this Compact;
 - (10) to establish a system of uniform data collection on information pertaining to juveniles subject to this Compact that allows access by authorized juvenile justice and criminal justice officials, and regular reporting of compact activities to heads of state executive, judicial, and legislative branches and juvenile and criminal justice administrators;
 - (11) to monitor compliance with rules governing interstate movement of juveniles and initiate interventions to address and correct noncompliance;
 - (12) to coordinate training and education regarding the regulation of interstate movement of juveniles for officials involved in such activity; and
 - (13) to coordinate the implementation and operation of the Compact with the Interstate Compact for the Placement of Children, the Interstate Compact for Adult Offender Supervision, and other compacts affecting juveniles particularly in those cases where concurrent or overlapping supervision issues arise.
- (c) It is the policy of the compacting states that the activities conducted by the Interstate Commission created herein are the formation of public policies and are therefore public business. The compacting states shall cooperate and observe their individual and collective duties and responsibilities for the prompt return and acceptance of juveniles subject to the provisions of this Compact. The provisions of this Compact shall be reasonably and liberally construed to accomplish the purposes and policies of the Compact.

§9–303.

Article II. Definitions.

(a) As used in this subtitle the following words have the meanings indicated, unless the context clearly requires a different construction.

(b) “Bylaws” means those bylaws established by the Interstate Commission for its governance, or for directing or controlling its actions or conduct.

(c) “Compact Administrator” means the individual in each compacting state appointed pursuant to the terms of this Compact responsible for the administration and management of the state’s supervision and transfer of juveniles subject to the terms of this Compact, the rules adopted by the Interstate Commission, and policies adopted by the State Council under this Compact.

(d) “Compacting state” means any state which has enacted the enabling legislation for this Compact.

(e) “Commissioner” means the voting representative of each compacting state appointed pursuant to Article III of this Compact.

(f) “Court” means any court having jurisdiction over delinquent, neglected, or dependent children.

(g) “Deputy compact administrator” means the individual, if any, in each compacting state appointed to act on behalf of a Compact Administrator pursuant to the terms of this Compact responsible for the administration and management of the state’s supervision and transfer of juveniles subject to the terms of this Compact, the rules adopted by the Interstate Commission, and policies adopted by the State Council under this Compact.

(h) “Interstate Commission” means the Interstate Commission for Juveniles created by Article III of this Compact.

(i) (1) “Juvenile” means any person defined as a juvenile in any member state or by the rules of the Interstate Commission.

(2) “Juvenile” includes:

(i) an accused delinquent or person charged with an offense that, if committed by an adult, would be a criminal offense;

(ii) an adjudicated delinquent or person found to have committed an offense that, if committed by an adult, would be a criminal offense;

(iii) an accused status offender or person charged with an offense that would not be a criminal offense if committed by an adult;

(iv) an adjudicated status offender or person found to have committed an offense that would not be a criminal offense if committed by an adult; or

(v) a nonoffender or person in need of supervision who has not been accused or adjudicated a status offender or delinquent.

(j) “Noncompacting state” means any state which has not enacted the enabling legislation for this Compact.

(k) “Probation or parole” means any kind of supervision or conditional release of juveniles authorized under the laws of the compacting states.

(l) (1) “Rule” means a written statement by the Interstate Commission promulgated pursuant to Article VI of this Compact that:

(i) is of general applicability;

(ii) implements, interprets, or prescribes a policy or provision of the Compact, or an organizational, procedural, or practice requirement of the Commission; and

(iii) has the force and effect of statutory law in a compacting state.

(2) “Rule” includes the amendment, repeal, or suspension of an existing rule.

(m) “State” means a state of the United States, the District of Columbia or its designee, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and the Northern Marianas Islands.

§9–304.

Article III. Interstate Commission for Juveniles.

(a) The compacting states hereby create the “Interstate Commission for Juveniles.” The Commission shall be a body corporate and joint agency of the compacting states. The Commission shall have all the responsibilities, powers, and duties set forth herein, and such additional powers as may be conferred upon it by

subsequent action of the respective legislatures of the compacting states in accordance with the terms of this Compact.

(b) (1) The Interstate Commission shall consist of commissioners appointed by the appropriate appointing authority in each state pursuant to the rules and requirements of each compacting state and in consultation with the State Council for Interstate Juvenile Supervision created hereunder. The commissioner shall be the Compact Administrator, deputy compact administrator, or designee from that state who shall serve on the Interstate Commission in such capacity under or pursuant to the applicable law of the compacting state.

(2) In addition to the commissioners who are the voting representatives of each state, the Interstate Commission shall include individuals who are not commissioners, but who are members of interested organizations. Such noncommissioner members must include a member of the national organizations of governors, legislators, state chief justices, attorneys general, Interstate Compact for Adult Offender Supervision, Interstate Compact for the Placement of Children, juvenile justice and juvenile corrections officials, and crime victims. All noncommissioner members of the Interstate Commission shall be ex officio (nonvoting) members. The Interstate Commission may provide in its bylaws for such additional ex officio (nonvoting) members, including members of other national organizations, in such numbers as shall be determined by the Commission.

(c) Each compacting state represented at any meeting of the Commission is entitled to one vote. A majority of the compacting states shall constitute a quorum for the transaction of business, unless a larger quorum is required by the bylaws of the Interstate Commission. The Commission shall meet at least once each calendar year. The chairperson may call additional meetings and, upon the request of a simple majority of the compacting states, shall call additional meetings. Public notice shall be given of all meetings and meetings shall be open to the public.

(d) The Interstate Commission shall establish an executive committee, which shall include Commission officers, members, and others as determined by the bylaws. The executive committee shall have the power to act on behalf of the Interstate Commission during periods when the Interstate Commission is not in session, with the exception of rulemaking and/or amendment to the Compact.

(e) The executive committee shall:

(1) oversee the day-to-day activities of the administration of the Compact managed by an executive director and Interstate Commission staff;

(2) administer enforcement and compliance with the provisions of the Compact, its bylaws, and rules; and

(3) perform such other duties as directed by the Interstate Commission or set forth in the bylaws.

(f) Each member of the Interstate Commission shall have the right and power to cast a vote to which that compacting state is entitled and to participate in the business and affairs of the Interstate Commission. A member shall vote in person and shall not delegate a vote to another compacting state. However, a commissioner, in consultation with the state council, shall appoint another authorized representative, in the absence of the commissioner from that state, to cast a vote on behalf of the compacting state at a specified meeting. The bylaws may provide for members' participation in meetings by telephone or other means of telecommunication or electronic communication.

(g) The Interstate Commission's bylaws shall establish conditions and procedures under which the Interstate Commission shall make its information and official records available to the public for inspection or copying. The Interstate Commission may exempt from disclosure any information or official records to the extent they would adversely affect personal privacy rights or proprietary interests.

(h) Public notice shall be given of all meetings and all meetings shall be open to the public, except as set forth in the rules or as otherwise provided in the Compact. The Interstate Commission and any of its committees may close a meeting to the public where it determines by two-thirds vote that an open meeting would be likely to:

(1) relate solely to the Interstate Commission's internal personnel practices and procedures;

(2) disclose matters specifically exempted from disclosure by statute;

(3) disclose trade secrets or commercial or financial information which is privileged or confidential;

(4) involve accusing any person of a crime, or formally censuring any person;

(5) disclose information of a personal nature when disclosure would constitute a clearly unwarranted invasion of personal privacy;

(6) disclose investigative records compiled for law enforcement purposes;

(7) disclose information contained in or related to examination, operating, or condition reports prepared by, or on behalf of or for the use of, the Interstate Commission with respect to a regulated person or entity for the purpose of regulation or supervision of such person or entity;

(8) disclose information, the premature disclosure of which would significantly endanger the stability of a regulated person or entity; or

(9) specifically relate to the Interstate Commission's issuance of a subpoena, or its participation in a civil action or other legal proceeding.

(i) For every meeting closed pursuant to this provision, the Interstate Commission's legal counsel shall publicly certify that, in the legal counsel's opinion, the meeting may be closed to the public, and shall reference each relevant exemptive provision. The Interstate Commission shall keep minutes which shall fully and clearly describe all matters discussed in any meeting and shall provide a full and accurate summary of any actions taken, and the reasons therefore, including a description of each of the views expressed on any item and the record of any roll call vote (reflected in the vote of each member on the question). All documents considered in connection with any action shall be identified in such minutes.

(j) The Interstate Commission shall collect standardized data concerning the interstate movement of juveniles as directed through its rules which shall specify the data to be collected, the means of collection and data exchange, and reporting requirements. Such methods of data collection, exchange, and reporting shall insofar as is reasonably possible conform to up-to-date technology and coordinate its information functions with the appropriate repository of records.

§9-305.

Article IV. Powers and Duties of the Interstate Commission.

(a) The Interstate Commission shall have the following powers and duties:

(1) to provide for dispute resolution among compacting states;

(2) to promulgate rules which shall have the force and effect of statutory law and shall be binding in the compacting states to the extent and in the manner provided in this Compact;

(3) to oversee, supervise, and coordinate the interstate movement of juveniles subject to the terms of this Compact and any bylaws adopted and rules promulgated by the Interstate Commission;

(4) to enforce compliance with the Compact provisions, the rules promulgated by the Interstate Commission, and the bylaws, using all necessary and proper means, including but not limited to, the use of judicial process;

(5) to establish and maintain offices which shall be located within one or more of the compacting states;

(6) to purchase and maintain insurance and bonds;

(7) to borrow, accept, hire, or contract for services of personnel;

(8) to establish and appoint committees and hire staff which it deems necessary for the carrying out of its functions including, but not limited to, an executive committee as required by Article III which shall have the power to act on behalf of the Interstate Commission in carrying out its powers and duties hereunder;

(9) to elect or appoint such officers, attorneys, employees, agents, or consultants, and to fix their compensation, define their duties, and determine their qualifications; and to establish the Interstate Commission's personnel policies and programs relating to, among other things, conflicts of interest, rates of compensation, and qualifications of personnel;

(10) to accept any and all donations and grants of money, equipment, supplies, materials, and services, and to receive, utilize, and dispose of the same;

(11) to lease, purchase, accept contributions or donations of, or otherwise to own, hold, improve, or use any property, real, personal, or mixed;

(12) to sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property, real, personal, or mixed;

(13) to establish a budget and make expenditures and levy dues as provided in Article VIII of this Compact;

(14) to sue and be sued;

(15) to adopt a seal and bylaws governing the management and operation of the Interstate Commission;

(16) to perform such functions as may be necessary or appropriate to achieve the purposes of this Compact;

(17) to report annually to the legislatures, governors, judiciary, and state councils of the compacting states concerning the activities of the Interstate

Commission during the preceding year. Such reports shall also include any recommendations that may have been adopted by the Interstate Commission;

(18) to coordinate education, training, and public awareness regarding the interstate movement of juveniles for officials involved in such activity; and

(19) to establish uniform standards of the reporting, collecting, and exchanging of data.

(b) The Interstate Commission shall maintain its corporate books and records in accordance with the bylaws.

§9–306.

Article V. Organization and Operation of the Interstate Commission.

(a) The Interstate Commission shall, by a majority of the members present and voting, within 12 months after the first Interstate Commission meeting, adopt bylaws to govern its conduct as may be necessary or appropriate to carry out the purposes of the Compact, including, but not limited to:

(1) establishing the fiscal year of the Interstate Commission;

(2) establishing an executive committee and such other committees as may be necessary;

(3) providing for the establishment of committees governing any general or specific delegation of any authority or function of the Interstate Commission;

(4) providing reasonable procedures for calling and conducting meetings of the Interstate Commission, and ensuring reasonable notice of each such meeting;

(5) establishing the titles and responsibilities of the officers of the Interstate Commission;

(6) providing a mechanism for concluding the operations of the Interstate Commission and the return of any surplus funds that may exist upon the termination of the Compact after the payment and/or reserving of all of its debts and obligations;

(7) providing “start-up” rules for initial administration of the Compact; and

(8) establishing standards and procedures for compliance and technical assistance in carrying out the Compact.

(b) (1) The Interstate Commission shall, by a majority of the members, elect annually from among its members a chairperson and a vice chairperson, each of whom shall have such authority and duties as may be specified in the bylaws. The chairperson or, in the chairperson's absence or disability, the vice chairperson shall preside at all meetings of the Interstate Commission.

(2) The officers so elected shall serve without compensation or remuneration from the Interstate Commission; provided that, subject to the availability of budgeted funds, the officers shall be reimbursed for any ordinary and necessary costs and expenses incurred by them in the performance of their duties and responsibilities as officers of the Interstate Commission.

(3) The Interstate Commission shall, through its executive committee, appoint or retain an executive director for such period, upon such terms and conditions and for such compensation as the Interstate Commission may deem appropriate. The executive director shall serve as secretary to the Interstate Commission, but shall not be a member and shall hire and supervise such other staff as may be authorized by the Interstate Commission.

(c) (1) The Interstate Commission's executive director and employees shall be immune from suit and liability, either personally or in their official capacity, for any claim for damage to or loss of property or personal injury or other civil liability caused or arising out of or relating to any actual or alleged act, error, or omission that occurred, or that such person had a reasonable basis for believing occurred within the scope of Commission employment, duties, or responsibilities; provided, that any such person shall not be protected from suit or liability for any damage, loss, injury, or liability caused by the intentional or willful and wanton misconduct of any such person.

(2) The liability of any commissioner, or the employee or agent of a commissioner, acting within the scope of such person's employment or duties for acts, errors, or omissions occurring within such person's state may not exceed the limits of liability set forth under the Constitution and laws of that state for state officials, employees, and agents. Nothing in this subsection shall be construed to protect any such person from suit or liability for any damage, loss, injury, or liability caused by the intentional or willful and wanton misconduct of any such person.

(3) The Interstate Commission shall defend the executive director or the employees or representatives of the Interstate Commission and, subject to the approval of the Attorney General of the state represented by any commissioner of a

compacting state, shall defend such commissioner or the commissioner's representatives or employees in any civil action seeking to impose liability arising out of any actual or alleged act, error, or omission that occurred within the scope of Interstate Commission employment, duties, or responsibilities, or that the defendant had a reasonable basis for believing occurred within the scope of Interstate Commission employment, duties, or responsibilities; provided, that the actual or alleged act, error, or omission did not result from intentional or willful and wanton misconduct on the part of such person.

(4) The Interstate Commission shall indemnify and hold the commissioner of a compacting state, or the commissioner's representatives or employees, or the Interstate Commission's representatives or employees, harmless in the amount of any settlement or judgment obtained against such persons arising out of any actual or alleged act, error, or omission that occurred within the scope of Interstate Commission employment, duties, or responsibilities, or that such persons had a reasonable basis for believing occurred within the scope of Interstate Commission employment, duties, or responsibilities; provided, that the actual or alleged act, error, or omission did not result from intentional or willful and wanton misconduct on the part of such persons.

§9-307.

Article VI. Rulemaking Functions of the Interstate Commission.

(a) The Interstate Commission shall promulgate and publish rules in order to effectively and efficiently achieve the purposes of the Compact.

(b) Rulemaking shall occur pursuant to the criteria set forth in this article and the bylaws and rules adopted pursuant thereto. Such rulemaking shall substantially conform to the principles of the "Model State Administrative Procedures Act," 1981 Act, Uniform Laws Annotated, Vol. 15, p.1 (2000), or such other administrative procedures act, as the Interstate Commission deems appropriate consistent with due process requirements under the U.S. Constitution as now or hereafter interpreted by the U.S. Supreme Court. All rules and amendments shall become binding as of the date specified, as published with the final version of the rule as approved by the Commission.

(c) When promulgating a rule, the Interstate Commission shall, at a minimum:

(1) publish the proposed rule's entire text stating the reason for that proposed rule;

(2) allow and invite persons to submit written data, facts, opinions, and arguments, which information shall be added to the record, and be made publicly available;

(3) provide an opportunity for an informal hearing if petitioned by 10 or more persons; and

(4) promulgate a final rule and its effective date, if appropriate, based on input from state or local officials or interested parties.

(d) Not later than 60 days after a rule is promulgated, any interested person may file a petition in the United States District Court for the District of Columbia or in the federal district court where the Interstate Commission's principal office is located for judicial review of such rule. If the court finds that the Interstate Commission's action is not supported by substantial evidence, (as defined in the Model State Administrative Procedures Act) in the rulemaking record, the court shall hold the rule unlawful and set it aside.

(e) If a majority of the legislatures of the compacting states rejects a rule, those states may, by enactment of a statute or resolution in the same manner used to adopt the Compact, cause that such rule shall have no further force and effect in any compacting state.

(f) The existing rules governing the operation of the Interstate Compact on Juveniles superseded by this Act shall be null and void 12 months after the first meeting of the Interstate Commission created hereunder.

(g) Upon determination by the Interstate Commission that an emergency exists, it may promulgate an emergency rule which shall become effective immediately upon adoption, provided that the usual rulemaking procedures provided hereunder shall be retroactively applied to said rule as soon as reasonably possible, but no later than 90 days after the effective date of the emergency rule.

§9–308.

Article VII. Oversight, Enforcement, and Dispute Resolution by the Interstate Commission.

(a) (1) The Interstate Commission shall oversee the administration and operations of the interstate movement of juveniles subject to this Compact in the compacting states and shall monitor such activities being administered in noncompacting states which may significantly affect compacting states.

(2) The courts and executive agencies in each compacting state shall enforce this Compact and shall take all actions necessary and appropriate to effectuate the Compact's purposes and intent. The provisions of this Compact and the rules promulgated hereunder shall be received by all the judges, public officers, commissions, and departments of the state government as evidence of the authorized statute and administrative rules. All courts shall take judicial notice of the Compact and the rules. In any judicial or administrative proceeding in a compacting state pertaining to the subject matter of this Compact which may affect the powers, responsibilities, or actions of the Interstate Commission, the Interstate Commission shall be entitled to receive all service of process in any such proceeding, and shall have standing to intervene in the proceeding for all purposes.

(b) (1) The compacting states shall report to the Interstate Commission on all issues and activities necessary for the administration of the Compact as well as issues and activities pertaining to compliance with the provisions of the Compact and its bylaws and rules.

(2) The Interstate Commission shall attempt, upon the request of a compacting state, to resolve any disputes or other issues which are subject to the Compact and which may arise among compacting states and between compacting and noncompacting states.

(3) The Commission shall promulgate a rule providing for both mediation and binding dispute resolution for disputes among the compacting states.

(c) The Interstate Commission, in the reasonable exercise of its discretion, shall enforce the provisions and rules of this Compact using any or all means set forth in Article XI of this Compact.

§9-309.

Article VIII. Finance.

(a) The Interstate Commission shall pay or provide for the payment of the reasonable expenses of its establishment, organization, and ongoing activities.

(b) The Interstate Commission shall levy on and collect an annual assessment from each compacting state to cover the cost of the internal operations and activities of the Interstate Commission and its staff which must be in a total amount sufficient to cover the Interstate Commission's annual budget as approved each year. The aggregate annual assessment amount shall be allocated based upon a formula to be determined by the Interstate Commission, taking into consideration the population of each compacting state and the volume of interstate movement of

juveniles in each compacting state and shall promulgate a rule binding upon all compacting states which governs said assessment.

(c) The Interstate Commission shall not incur any obligations of any kind prior to securing the funds adequate to meet the same; nor shall the Interstate Commission pledge the credit of any of the compacting states, except by and with the authority of the compacting state.

(d) The Interstate Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Interstate Commission shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the Interstate Commission shall be audited yearly by a certified or licensed public accountant and the report of the audit shall be included in and become part of the annual report of the Interstate Commission.

§9–310.

Article IX. The State Council.

(a) Each member state shall create a State Council for Interstate Juvenile Supervision. While each state may determine the membership of its own state council, its membership must include at least one representative from the legislative, judicial, and executive branches of government, victims' groups, and the Compact Administrator, deputy compact administrator, or designee.

(b) Each compacting state retains the right to determine the qualifications of the Compact Administrator or deputy compact administrator.

(c) Each state council shall advise and may exercise oversight and advocacy concerning that state's participation in Interstate Commission activities and other duties as may be determined by that state, including but not limited to, development of policy concerning operations and procedures of the Compact within that state.

§9–311.

Article X. Compacting States, Effective Date and Amendment.

(a) Any state is eligible to become a compacting state.

(b) The Compact shall become effective and binding upon legislative enactment of the Compact into law by no less than 35 of the states. The initial effective date shall be the later of July 1, 2004, or upon enactment into law by the 35th jurisdiction. Thereafter it shall become effective and binding as to any other

compacting state upon enactment of the Compact into law by that state. The governors of nonmember states or their designees shall be invited to participate in the activities of the Interstate Commission on a nonvoting basis prior to adoption of the Compact by all states and territories of the United States.

(c) The Interstate Commission may propose amendments to the Compact for enactment by the compacting states. No amendment shall become effective and binding upon the Interstate Commission and the compacting states unless and until it is enacted into law by unanimous consent of the compacting states.

§9–312.

Article XI. Withdrawal, Default, Termination, and Judicial Enforcement.

(a) (1) Once effective, the Compact shall continue in force and remain binding upon each and every compacting state; provided that a compacting state may withdraw from the Compact by specifically repealing the statute which enacted the Compact into law.

(2) The effective date of withdrawal is the effective date of the repeal.

(3) The withdrawing state shall immediately notify the chairperson of the Interstate Commission in writing upon the introduction of legislation repealing this Compact in the withdrawing state. The Interstate Commission shall notify the other compacting states of the withdrawing state's intent to withdraw within 60 days of its receipt thereof.

(4) The withdrawing state is responsible for all assessments, obligations, and liabilities incurred through the effective date of withdrawal, including any obligations, the performance of which extend beyond the effective date of withdrawal.

(5) Reinstatement following withdrawal of any compacting state shall occur upon the withdrawing state reenacting the Compact or upon such later date as determined by the Interstate Commission.

(b) (1) If the Interstate Commission determines that any compacting state has at any time defaulted in the performance of any of its obligations or responsibilities under this Compact, or the bylaws or duly promulgated rules, the Interstate Commission may impose any or all of the following penalties:

(i) remedial training and technical assistance as directed by the Interstate Commission;

(ii) alternative dispute resolution;

(iii) fines, fees, and costs in such amounts as are deemed to be reasonable as fixed by the Interstate Commission; or

(iv) suspension or termination of membership in the Compact.

(2) (i) Suspension shall be imposed only after all other reasonable means of securing compliance under the bylaws and rules have been exhausted and the Interstate Commission has determined the offending state is in default.

(ii) Immediate notice of suspension shall be given by the Interstate Commission to the governor, the chief justice or the chief judicial officer of the state, the majority and minority leaders of the defaulting state's legislature, and the State Council.

(3) The grounds for default include, but are not limited to, failure of a compacting state to perform such obligations or responsibilities imposed upon it by this Compact, the bylaws, or duly promulgated rules and any other grounds designated in Commission bylaws and rules.

(4) The Interstate Commission shall immediately notify the defaulting state in writing of the penalty imposed by the Interstate Commission and of the default pending a cure of the default. The Commission shall stipulate the conditions and the time period within which the defaulting state must cure its default. If the defaulting state fails to cure the default within the time period specified by the Commission, the defaulting state shall be terminated from the Compact upon an affirmative vote of a majority of the compacting states and all rights, privileges, and benefits conferred by this Compact shall be terminated from the effective date of termination. Within 60 days of the effective date of termination of a defaulting state, the Commission shall notify the governor, the chief justice or chief judicial officer, the majority and minority leaders of the defaulting state's legislature, and the State Council of such termination.

(5) The defaulting state is responsible for all assessments, obligations, and liabilities incurred through the effective date of termination including any obligations, the performance of which extends beyond the effective date of termination.

(6) The Interstate Commission shall not bear any costs relating to the defaulting state unless otherwise mutually agreed upon in writing between the Interstate Commission and the defaulting state.

(7) Reinstatement following termination of any compacting state requires both a reenactment of the Compact by the defaulting state and the approval of the Interstate Commission pursuant to the rules.

(c) The Interstate Commission may, by majority vote of the members, initiate legal action in the United States District Court for the District of Columbia or, at the discretion of the Interstate Commission, in the federal district where the Interstate Commission has its offices, to enforce compliance with the provisions of the Compact, its duly promulgated rules and bylaws, against any compacting state in default. In the event judicial enforcement is necessary, the prevailing party shall be awarded all costs of such litigation including reasonable attorney's fees.

(d) (1) The Compact dissolves effective upon the date of the withdrawal or default of the compacting state, which reduces membership in the Compact to one compacting state.

(2) Upon dissolution of this Compact, the Compact becomes null and void and shall be of no further force or effect, and the business and affairs of the Interstate Commission shall be concluded and any surplus funds shall be distributed in accordance with the bylaws.

§9–313.

Article XII. Severability and Construction.

(a) The provisions of this Compact shall be severable, and if any phrase, clause, sentence, or provision is deemed unenforceable, the remaining provisions of the Compact shall be enforceable.

(b) The provisions of this Compact shall be liberally construed to effectuate its purposes.

§9–314.

Article XIII. Binding Effect of Compact and Other Laws.

(a) (1) Nothing in this subtitle prevents the enforcement of any other law of a compacting state that is not inconsistent with this Compact.

(2) All compacting states' laws other than state constitutions and other interstate compacts conflicting with this Compact are superseded to the extent of the conflict.

(b) (1) All lawful actions of the Interstate Commission, including all rules and bylaws promulgated by the Interstate Commission, are binding upon the compacting states.

(2) All agreements between the Interstate Commission and the compacting states are binding in accordance with their terms.

(3) Upon the request of a party to a conflict over meaning or interpretation of Interstate Commission actions, and upon a majority vote of the compacting states, the Interstate Commission may issue advisory opinions regarding such meaning or interpretation.

(4) In the event any provision of this Compact exceeds the constitutional limits imposed on the legislature of any compacting state, the obligations, duties, powers, or jurisdiction sought to be conferred by such provision upon the Interstate Commission shall be ineffective and such obligations, duties, powers, or jurisdiction shall remain in the compacting state and shall be exercised by the agency thereof to which such obligations, duties, powers, or jurisdiction are delegated by law in effect at the time this Compact becomes effective.

§9-401.

(a) In this subtitle the following words have the meanings indicated.

(b) “Juvenile facility” means a property used for a juvenile program that is:

(1) operated under the authority of:

(i) a county or municipal corporation, or both;

(ii) a for profit organization; or

(iii) a nonprofit organization; and

(2) (i) wholly owned by the entity described in paragraph (1) of this subsection; or

(ii) leased by the entity if:

1. the lease is for a minimum term of 30 years after completion of the project or gives the lessee the right of purchase; and

2. the lessor consents to the recording of a notice of the State's right of recovery under § 9-405 of this subtitle in the land records of the county in which the facility is located.

(c) "Juvenile program" means a:

(1) program that:

(i) 1. is a group home or institution described under § 9-231 of this title; or

2. is a home for runaway youths described under § 9-232 of this title; and

(ii) provides residential services to youth placed by the Department; or

(2) nonresidential program that under contract to the State provides educational, vocational, recreational, counseling, or other day services to youth.

§9-402.

(a) A county, municipal corporation, for profit organization, or nonprofit organization sponsoring a project involving the planning, design, construction, conversion, acquisition, renovation, and equipping of a juvenile facility in the State may apply to the Department for a grant under this subtitle.

(b) (1) An application shall be filed with the Department in the form the Department requires.

(2) The applicant shall file with the Department a statement that includes:

(i) a list of the personnel employed or to be employed at the juvenile facility;

(ii) all compensation and other expenses paid or to be paid to the personnel;

(iii) all other expenses incurred or to be incurred in operating the juvenile facility; and

(iv) a schedule of rates charged or to be charged for services provided at the juvenile facility.

(c) If the Secretary approves the project and the project plans, the Secretary shall promptly:

- (1) report the application to the Board of Public Works; and
- (2) recommend that the Board make funds available as provided in this subtitle.

(d) The amount of the State grant for a project shall be determined after considering:

- (1) all eligible applications;
- (2) the total of unallocated State funds available when the application is received; and
- (3) the priorities of area need that the Department establishes.

§9-403.

(a) The Board of Public Works shall:

- (1) make allocations of funds available for the Juvenile Services Facilities Capital Program in accordance with this subtitle; and
- (2) certify the allocations to the Comptroller and the Treasurer.

(b) After the Board certifies the allocations, the Treasurer shall make payments to or on behalf of an applicant, when needed, for the project.

§9-404.

(a) (1) A State grant may be used only to plan, design, construct, convert, acquire, renovate, and equip a juvenile facility, including related reports, plans, specifications, site improvements, surveys, and programs.

(2) Any available federal or other grant shall be applied first to the cost of planning, design, construction, conversion, acquisition, renovation, or equipping of a juvenile facility.

(3) A State grant may not exceed 50% of the cost of eligible work remaining unpaid after all federal and other grants have been applied.

(b) (1) A State grant may not be used:

(i) to further sectarian religious instruction;

(ii) in connection with the design, acquisition, or construction of a building used or to be used as a place of sectarian religious worship or instruction; or

(iii) in connection with a program or department of divinity for a religious denomination.

(2) On request of the Board of Public Works, an applicant shall submit evidence satisfactory to the Board that a grant is not being used and has not been used for a purpose prohibited under this section.

§9-405.

(a) Before any State funds are paid for an approved project, the Department shall cause a notice of the State's right of recovery to be recorded in the land records of the county in which the property is located.

(b) The recording of the notice:

(1) does not create a lien against the property; but

(2) constitutes notice to any potential transferee, potential creditor, or other interested person that the State may obtain a lien under this subtitle.

§9-406.

(a) The State may recover grant funds paid under this subtitle if, within 30 years after completion of a project, the project property:

(1) is sold or transferred to a person that:

(i) would not qualify as an applicant under this subtitle; or

(ii) the Board of Public Works does not approve as a transferee;

or

(2) ceases to be a juvenile facility.

(b) The State may recover from the:

- (1) transferor;
- (2) transferee; or
- (3) owner of a property that has ceased to be a juvenile facility.

(c) The State is entitled to recover the sum of:

(1) an amount that equals the value of the project property at the time of the recovery multiplied by a fraction:

(i) the numerator of which is the amount of the State funds for the project; and

(ii) the denominator of which is the total eligible cost of the project; and

(2) all costs and reasonable attorney's fees incurred in the recovery proceedings.

(d) The Board of Public Works may waive the State's right of recovery for good cause.

§9-407.

(a) (1) If a default described in § 9-406(a) of this subtitle is alleged, the Secretary of the Board of Public Works may file a civil action under this subtitle in the circuit court of the county in which the property is located against the owner of the property and any other interested parties, including any transferor.

(2) The initial filing shall include affidavits stating facts on which the allegations of default are based and a detailed justification of the amount claimed.

(b) (1) If the court determines from the State's initial filing that there is probable cause to believe that a default described in § 9-406(a) of this subtitle has occurred, the court shall authorize a temporary lien on the property pending full determination of the State's claim.

(2) The temporary lien shall be in the amount of the State's claim, plus any additional amount estimated to be necessary to cover the costs and reasonable attorney's fees incurred by the State, or another amount that the court determines is reasonable.

(c) (1) The temporary lien takes effect:

(i) on the date of the court order authorizing the lien if, within 10 days, the Secretary of the Board of Public Works records a notice of temporary lien in the land records of the county in which the property is located; or

(ii) if the Secretary fails to record the notice within 10 days, on the date the notice of temporary lien is recorded.

(2) While the temporary lien is in effect, the owner or any person who acquired an interest in the property after the State first made funds available under this subtitle may not take an action that would affect the title to the property or institute proceedings to enforce a security interest or other similar rights in the property, without the prior written consent of the State.

(d) (1) The owner or any other interested party may obtain release of the temporary lien at any time by filing with the court a bond securing the payment in full of the amount described in subsection (b)(2) of this section.

(2) The owner or other interested party may cause the release to be recorded in the land records of the county in which the property is located.

§9-408.

(a) Proceedings to determine the State's right to recover and the amount of its recovery under this subtitle have priority over other civil proceedings in the circuit court.

(b) (1) After a full adversary proceeding, if the court finds that a default described in § 9-406(a) of this subtitle has occurred, the court shall issue a final judgment for the amount the court finds to be recoverable by the State.

(2) All parties involved in the default, including the owner of the property, shall be held jointly and severally liable to the State for the amount of the judgment.

(3) If the court does not find that a default described in § 9-406(a) of this subtitle has occurred or if the court's judgment is paid in full to the State within 30 days after the court's final order, any temporary lien shall be released immediately and the Secretary of the Board of Public Works shall cause the release to be recorded in the land records of the county in which the property is located.

(4) (i) If the judgment remains unpaid for more than 30 days after the court's final order, the amount shall be a lien on the property.

(ii) Unless the State provides otherwise in a written subordination agreement, the lien is superior to a lien or other interest of any mortgagee, pledgee, purchaser, or judgment creditor whose interest became perfected against third persons after the State awarded a grant.

(c) (1) A lien under this section takes effect on the later of:

(i) the 31st day after the court's final order if the Secretary of the Board of Public Works records a notice of lien in the land records of the county in which the property is located on or before the 41st day after the final order; or

(ii) the date a notice of lien is recorded.

(2) (i) When the lien takes effect, any temporary lien is automatically and fully released.

(ii) The recorded notice of the lien constitutes notice of the release of the temporary lien.

(d) A lien under this section may be enforced and foreclosed in accordance with the Maryland Rules, except that the State or any agent appointed by the State to sell the property does not need to file a bond.

(e) (1) The owner or any other interested party may obtain release of a lien under this section by paying to the State the full amount of the judgment entered by the circuit court, and any interest that has accrued from the date of judgment.

(2) On payment in full, the Secretary of the Board of Public Works shall cause a release to be recorded in the land records of the county in which the property is located.

§9-409.

All funds recovered under this subtitle shall be deposited in the Annuity Bond Fund and applied to the debt service requirements of the State.

§9-410.

(a) (1) The Secretary shall adopt regulations to carry out this subtitle.

(2) The regulations shall require each juvenile facility to submit certified financial statements annually for at least the term of the bonds used to finance any project at that juvenile facility.

- (3) The regulations may require the submission of other reports.
- (b) The Board of Public Works may adopt regulations for:
 - (1) receiving applications;
 - (2) considering applications; and
 - (3) disbursing funds to or on behalf of applicants.

§9–501.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Board” means the Juvenile Services Education Board.
- (c) “Residential facility” means any facility listed in § 9–226 of this title.
- (d) “Superintendent” means the Juvenile Services Education Program Superintendent.

§9–502.

- (a) There is a Juvenile Services Education Board within the Department.
- (b) Subject to the provisions of this section, the Board is an independent unit within the Department.
- (c)
 - (1) The Board shall be included as a unit within the Department for purposes of the Department’s annual operating budget.
 - (2) The programs overseen by the Board shall be included in the Board’s budget.
- (d)
 - (1) Subject to paragraph (2) of this subsection, the following support services for the Board shall be provided by existing units in the Department and the cost of any necessary support provided to the Board should be included in the budgets of those units:
 - (i) information and technology services;
 - (ii) procurement services;
 - (iii) fiscal services;

- (iv) capital planning and capital budgeting;
- (v) human resources;
- (vi) facility and office maintenance;
- (vii) research and program evaluation; and
- (viii) investigations and monitoring.

(2) (i) The Superintendent shall have exclusive control of the day-to-day operation of juvenile education services.

(ii) Decisions on the provision of education, including decisions to hire, fire, and assign staff, shall be made exclusively by the Board or the Superintendent, subject to appropriations in the State budget, and the Department has no power to deny or modify an education decision made by the Board or the Superintendent.

(e) The Board and the Department shall, in accordance with this section, jointly negotiate a memorandum of understanding carefully delineating the duties of each in the provision of juvenile education services.

§9-503.

(a) The Board consists of the following members:

- (1) the Secretary;
- (2) the Secretary of Higher Education, or the Secretary's designee;
- (3) the State Superintendent of Schools, or the State Superintendent's designee;
- (4) a representative of the Public School Superintendents' Association of Maryland, appointed by the Governor with the advice and consent of the Senate;
- (5) the Attorney General of the State, or the Attorney General's designee;
- (6) one educator employed by the State who is engaged in the education of juveniles residing in a residential facility; and

(7) five members appointed by the Governor with the advice and consent of the Senate.

(b) (1) The candidate who receives the highest number of votes in an election by the educators employed by the Department shall be the educator member.

(2) The term of the educator member is 4 years.

(3) At the end of a term, the educator member continues to serve until a successor is elected and qualifies.

(4) The Department shall adopt regulations to conduct the election of the educator member.

(5) The educator member may not vote on any matter that relates to appeals to the State Board of Education under § 6–202 of the Education Article.

(c) (1) To the extent practicable, the appointed members of the Board shall reflect the diversity of the population of juveniles in the State.

(2) The appointed members of the Board shall possess a high level of knowledge and expertise in at least one of the following areas:

- (i) teaching or educational administration;
- (ii) prior service on the State Board of Education or a county board of education;
- (iii) social work;
- (iv) services for individuals with disabilities;
- (v) working with institutionalized youth;
- (vi) mental or behavioral health services;
- (vii) civil rights law or advocacy;
- (viii) digital learning or online administration; or
- (ix) higher education administration.

(d) (1) The term of an appointed member is 4 years.

(2) The terms of appointed members are staggered as required by the terms provided for members of the Board on June 1, 2025.

(3) At the end of a term, an appointed member continues to serve until a successor is appointed and qualifies.

(4) An appointed member who is appointed after a term begins serves only for the remainder of the term and until a successor is appointed and qualifies.

(5) Subject to paragraph (6) of this subsection, an appointed member is eligible for reappointment but may not serve more than two consecutive terms.

(6) A member appointed after a term begins is eligible for reappointment to two consecutive full terms.

(7) To the extent practicable, the Governor shall fill any vacancy for an appointed member on the Board within 60 days of the vacancy.

(e) The Governor may remove an appointed member only for cause.

(f) The Board shall elect from among its members a chair and a vice chair.

(g) Any action by the Board shall require:

(1) a quorum of a majority of the voting members then serving; and

(2) the affirmative vote of a majority of the voting members then serving.

(h) Each member of the Board is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(i) The Department shall staff the Board.

§9-504.

(a) Beginning July 1, 2022, the Board shall oversee and approve all educational services to all juveniles who are in a residential facility.

(b) The Board shall:

(1) develop, recommend, and approve for every residential facility an educational training program that:

(i) meets the special needs and circumstances of the juveniles in the residential facility; and

(ii) is accredited by an approved accrediting agency;

(2) in consultation with the Juvenile Justice Monitoring Unit and the Department, develop minimum standards and a reporting structure to measure educational outcomes and assess implementation of the Juvenile Services Education Program;

(3) review a quality assurance report developed by the Department each quarter; and

(4) conduct a performance review of the Superintendent at least once every 4 years.

(c) The Board shall approve postsecondary education programs, including vocational and online programs, that meet the needs of the juveniles in a residential facility.

(d) The Department may adopt regulations to carry out the requirements of this section.

§9-505.

(a) (1) The Board shall meet publicly in the State at least 10 times per year and, except as provided in paragraph (2) of this subsection, not more than once per month at the times determined by:

(i) a majority of the members then serving;

(ii) the chair of the Board; or

(iii) the Secretary.

(2) A special meeting of the Board that does not count toward the monthly limit may be called by:

(i) a majority of the members then serving;

(ii) the chair of the Board; or

(iii) the Secretary.

(b) A majority of the members then serving constitutes a quorum.

(c) The Board shall:

(1) maintain minutes of its meetings and any other records that it considers necessary;

(2) on request, provide information regarding its budget, activities, and programs; and

(3) allow time for public comment at each of its meetings.

§9-506.

(a) The Board shall appoint a Juvenile Services Education Program Superintendent.

(b) The Superintendent shall:

(1) implement and administer the educational programs approved by the Board;

(2) oversee the education of every juvenile in a residential facility;

(3) meet with and advise the Board about educational programs and outcomes for juveniles;

(4) select, organize, and direct the staff of the Juvenile Services Education Program;

(5) ensure that the policies and decisions of the Board are carried out;

(6) coordinate with the Department to ensure that the operation of juvenile educational services are integrated with the noneducational operations of the Department; and

(7) perform any other duties assigned by the Board.

(c) The Superintendent:

(1) is entitled to the salary provided in the State budget; and

(2) serves at the pleasure of the Board.

(d) The Superintendent:

(1) must be an experienced and competent educator;

(2) must be a graduate of an accredited college or university;

(3) must have at least 2 years of special academic and professional graduate preparation in an accredited college or university;

(4) must have at least 7 years of experience in teaching and administration; and

(5) may not be a current member of the Board or have been a member of the Board at any time during the year immediately preceding the appointment.

(e) The Superintendent may hire additional staff, as provided in the State budget, to provide and administer educational services within the Department.

§9-601.

(a) In this subtitle the following words have the meanings indicated.

(b) “Board” has the meaning stated in § 9-501 of this title.

(c) “Facility” means a building or buildings and related physical infrastructure at a geographically distinct location at which the Department operates a program.

(d) “Memorandum of understanding” means the memorandum of understanding between the Board and the Department required under § 9-502 of this title.

(e) “Residential facility” has the meaning stated in § 9-501 of this title.

(f) “Superintendent” means the Juvenile Services Education Program Superintendent.

§9-602.

There is a Juvenile Services Education Program within the Department.

§9-603.

(a) (1) Beginning July 1, 2022, the Department and the Board, subject to the memorandum of understanding, jointly shall have the authority and responsibility for implementing the juvenile services educational programs in the State.

(2) The Superintendent shall provide and oversee educational services to all juveniles in a residential facility.

(b) The Superintendent shall implement for each residential facility an educational program as approved by the Board that:

(1) meets the special needs and circumstances of the juveniles in the residential facility; and

(2) is accredited by an approved accrediting agency.

(c) (1) The Department, subject to the memorandum of understanding, shall employ any staff necessary to carry out the Juvenile Services Education Program as provided in the State budget.

(2) Educational staff in the Department shall be subject to the career ladder and salary provisions under Title 6, Subtitle 10 of the Education Article.

(3) Notwithstanding any other provisions of law, each teacher in the Juvenile Services Education Program who is employed by the Department is in the professional service in the State Personnel Management System.

(d) The Department shall adopt regulations to carry out the requirements of this section.

(e) The Board may authorize the Department to contract with a nonprofit private party or a county board of education to provide educational services for juveniles in a residential facility.

(f) For fiscal year 2023 and each fiscal year thereafter, the Governor shall include in the annual budget bill an appropriation in an amount sufficient to meet the requirements of this subtitle.

§9-604.

(a) (1) The Department shall notify a juvenile in custody of the juvenile's educational rights.

(2) A juvenile in the custody of the Department who is enrolled in a public school at the time the juvenile is taken into custody may not be disenrolled from that school until after disposition of the juvenile's case.

(3) The public school in which a juvenile under paragraph (2) of this subsection is enrolled shall provide the Department with the educational materials necessary for the juvenile to remain current with the juvenile's educational program at the school in which the juvenile is enrolled.

(4) (i) In consultation with the Board and county boards of education, the Superintendent with the aid of the Department shall develop and implement a procedure to transfer a copy of a juvenile's educational records from the school in which the juvenile is enrolled to a residential facility in which the juvenile is placed.

(ii) The educational records transferred in accordance with this paragraph shall include a copy of:

1. an individualized education program;
2. a 504 plan;
3. records from an English for Speakers of Other Languages (ESOL) program; and
4. any other relevant documents and information.

(b) The Superintendent with the aid of the Department, in consultation with county boards of education, shall develop and implement a procedure for the re-enrollment of a juvenile in a residential facility before the juvenile is released from the custody of the Department.

(c) The Superintendent shall develop an educational plan for each school-age juvenile in the custody of the Department for more than 4 weeks that:

- (1) is designed to meet the juvenile's individual needs; and
- (2) ensures that, to the extent practicable, the juvenile is able to seamlessly reintegrate into the juvenile's home school.

(d) (1) The Superintendent shall offer a minimum of 2.5 hours of a postsecondary education program per weekday to juveniles in the custody of the Department who have:

(i) graduated from high school; or

(ii) obtained a high school diploma by examination in accordance with § 11–808 of the Labor and Employment Article.

(2) The Board may authorize the Department to contract with a nonprofit private party, community college, or any other institution of postsecondary education in the State to provide the services required by this subsection.

(e) Each county board of education may waive all high school graduation requirements, including required coursework, for a juvenile who is committed to the custody of the Department and is subsequently transferred to the local school system while in grade 11 or 12.

§9–605.

(a) In this section, “basic daily cost” means the average amount spent by a county board of education from county and State funds for the public education of a nondisabled child divided by the number of actual school days required for a public school under § 7–103 of the Education Article.

(b) A county board of education shall reimburse the Department for the basic daily cost for each child who was domiciled in the county prior to placement with the Department if the child:

(1) is in a facility or residential facility;

(2) is in the custody of the Department for 15 consecutive days or more;

(3) does not meet the criteria for shared State and local payment of educational costs as provided in §§ 8–406 and 8–415 of the Education Article; and

(4) was included in the full-time equivalent enrollment of the county as calculated under § 5–201 of the Education Article.

§9–606.

(a) (1) On or before December 1, 2022, and each December 1 thereafter, the Superintendent with the aid of the Department shall submit a report to the Governor and, in accordance with § 2–1257 of the State Government Article, the General Assembly on the aggregate educational outcomes of the programs required by this subtitle at each residential facility.

(2) The Superintendent's report shall include:

- (i) student outcomes;
- (ii) external organizational partnerships; and
- (iii) transitions between enrollment in public school and the custody of the Department.

(3) The Superintendent shall report the information required under paragraph (2) of this subsection in the aggregate and disaggregated by:

- (i) race;
- (ii) ethnicity;
- (iii) gender;
- (iv) English proficiency status;
- (v) disability status; and
- (vi) familial income.

(b) The Board shall be subject to:

- (1) investigation by the Maryland Office of the Inspector General for Education; and
- (2) oversight and monitoring by the State Department of Education and State Board of Education.

§9-607.

(a) (1) On or before January 1, 2024, the Department shall contract with a public or private entity to conduct an empirical evaluation of the Board's, the Superintendent's, and the Department's policies and practices regarding the educational services provided to juveniles in residential facilities.

(2) In conducting the study required under this subsection, the entity with which the Department contracts shall review the effectiveness of the Board's, the Superintendent's, and the Department's current policies and practices, including:

- (i) student educational outcomes;

(ii) whether the educational plans required under § 9–604(c) of this subtitle are meeting juvenile needs;

(iii) student disciplinary outcomes;

(iv) how efficiently students transition between enrollment in public school and the custody of the Department, including:

1. how well educational records are transferred between the Department and county boards;

2. how efficiently juveniles are re-enrolled in public school after being released from the custody of the Department; and

3. how well the education the juvenile receives while under the custody of the Department matches with the education received in the juvenile’s public school;

(v) the quality of the curriculum;

(vi) how conducive the educational setting is to learning; and

(vii) access to mental health services.

(3) The entity with which the Department contracts shall, after completing its review, develop recommendations to improve the education delivered under this subtitle.

(b) On or before October 1, 2026, the entity with which the Department contracts shall report its findings and recommendations to the Department, the Governor, and, in accordance with § 2–1257 of the State Government Article, the General Assembly.

§9–608.

(a) In this section, “Office” has the meaning stated in § 8–401 of the State Government Article.

(b) The Office shall conduct an evaluation of the Board and the Superintendent, in accordance with § 8–404 of the State Government Article, on or before:

(1) July 1, 2027; and

(2) July 1, 2030.

§9-609.

(a) (1) In this section the following words have the meanings indicated.

(2) “Local public school employer” means a county board of education or the Baltimore City Board of School Commissioners.

(3) “Locally employed educational professional” means an individual who is employed by:

(i) a local public school employer in a position for which professional standards are established by the State Board of Education and the Professional Standards and Teacher Education Board; or

(ii) a county public library system in the position of librarian or public library associate.

(b) (1) A locally employed educational professional who transfers to the Juvenile Services Education Program shall be given credit as a State employee for the individual’s years of service as a locally employed educational professional for the purpose of establishing the individual’s leave accrual rates.

(2) (i) Subject to subparagraph (ii)1 of this paragraph, a locally employed educational professional who transfers directly from a position with a local public school employer to the Juvenile Services Education Program with no period of intervening employment and no lapse in employment greater than 90 days shall receive accumulated leave in the amount verified by the individual’s local public school employer as the individual’s accumulated leave balances at the time the individual left the local public school employer and for which the individual was not otherwise compensated.

(ii) A locally employed educational professional who transfers to the Juvenile Services Education Program in accordance with subparagraph (i) of this paragraph shall be:

1. entitled to transfer all leave balances, even if the balances exceed the amount of leave an employee of the Juvenile Services Education Program is authorized to retain; and

2. subject to the leave accumulation and carry over requirements that otherwise apply to State employees when the individual begins employment in the Juvenile Services Education Program.

§10–101. IN EFFECT

(a) In this title the following words have the meanings indicated.

(b) “Area agency” means the local agency that the Department designates in accordance with the Older Americans Act of 1965 to administer the delivery of a comprehensive and coordinated plan of social and other services and activities for seniors in a planning and service area.

(c) “Community for a Lifetime” means a community certified under § 10–804 of this title.

(d) “Congregate housing services” means services provided in an apartment building that promote independent living for an eligible individual.

(e) “Department” means the Department of Aging.

(f) “Interagency Committee” means the unit established in § 10–301 of this title to oversee the coordination and consolidation of services for seniors in the State.

(g) “Planning and service area” means an area of the State that the Department designates in accordance with the Older Americans Act of 1965 for the planning and administration of social, health, and other services for seniors.

(h) “Secretary” means the Secretary of Aging.

§10–101. ** TAKES EFFECT JULY 1, 2026 PER CHAPTERS 33 AND 34 OF 2025
**

(a) In this title the following words have the meanings indicated.

(b) “Area agency on aging” means the local agency that the Department designates in accordance with the Older Americans Act of 1965 to administer the delivery of a comprehensive and coordinated plan of social and other services and activities for older adults in a planning and service area.

(c) “Community for a Lifetime” means a community certified under § 10–804 of this title.

(d) “Department” means the Department of Aging.

(e) “Planning and service area” means an area of the State that the Department designates in accordance with the Older Americans Act of 1965 for the planning and administration of social, health, and other services for older adults.

(f) “Secretary” means the Secretary of Aging.

§10–201.

There is a Department of Aging established as a principal department of the State government.

§10–202.

(a) (1) With the advice and consent of the Senate, the Governor shall appoint the Secretary of Aging.

(2) The Secretary is the head of the Department.

(b) Before taking office, the appointee shall take the oath required by Article I, § 9 of the Maryland Constitution.

(c) (1) The Secretary serves at the pleasure of the Governor and is responsible directly to the Governor.

(2) The Secretary shall advise the Governor on all matters assigned to the Department and is responsible for carrying out the Governor’s policies on those matters.

(d) The Secretary is entitled to the compensation provided in the State budget.

§10–203.

(a) The Secretary is responsible for the operation of the Department and shall establish guidelines and procedures to promote the orderly and efficient operation of the Department.

(b) The Secretary may establish, reorganize, or abolish areas of responsibility in the Department as necessary to fulfill the duties assigned to the Secretary.

§10–204.

(a) The Secretary shall administer the programs and activities that the federal government delegates to the State under the Older Americans Act of 1965 that are not otherwise committed by law to another unit of State government.

(b) The Secretary:

(1) is a member of the Governor's Executive Council; and

(2) shall cooperate with and receive the cooperation of State, federal, and local governmental units to carry out the purposes of this title.

(c) The Secretary shall:

(1) evaluate the service needs of seniors in the State;

(2) determine the extent to which existing public and private programs meet the needs of seniors;

(3) establish priorities for meeting the needs of seniors;

(4) coordinate, subject to existing law, assess and evaluate, and educate the public and professionals about all State and local programs and services, both public and private, that relate and are important to the well-being of seniors in the State, including programs and services in the areas of:

(i) income maintenance;

(ii) public health;

(iii) mental health;

(iv) housing and urban development;

(v) employment;

(vi) education;

(vii) recreation; and

(viii) rehabilitation of seniors with physical or mental disabilities; and

(5) develop a statewide plan incorporating local plans for a comprehensive and coordinated system of health, social, and community services for seniors, including housing and institutional and noninstitutional care.

(d) The Secretary shall:

(1) represent the interests of seniors by serving as an advocate at all levels of government;

(2) consult with and advise the secretaries of the principal departments of State government about the programs and services for seniors that are the primary responsibility of those departments;

(3) consult with the Commission on Aging on all matters pertaining to programs for seniors;

(4) provide consultation and technical assistance to communities and civic groups developing local services for seniors;

(5) maintain a clearinghouse of information related to the interests of seniors; and

(6) review and recommend policies to the Governor on publicly funded plans and programs that affect seniors.

(e) The Secretary may adopt regulations to carry out the provisions of law that are within the jurisdiction of the Secretary.

§10-205.

(a) The Secretary shall prepare and submit a budget for the Department.

(b) The Secretary may accept and use any State or federal funds for the purposes specified in this title.

(c) The Secretary may accept and use any federal or private grant funds if:

(1) the grant is for purposes that will benefit Maryland's older adults;
and

(2) the grant funds are accepted and accounted for in accordance with the State Finance and Procurement Article.

§10-206.

(a) On or before January 1 each year, the Secretary shall report to the Governor and, subject to § 2-1257 of the State Government Article, to the General Assembly.

(b) The report required under subsection (a) of this section shall include:

(1) with the advice and recommendation of the Commission on Aging:

(i) a description of the senior citizen activities centers in each county;

(ii) the allocation and use of funds made available for senior citizen activities centers;

(iii) the results of any studies; and

(iv) any recommendations for legislation; and

(2) information regarding the operation and performance of accessible housing services counseling provided by the Aging and Disability Resource Center Program.

§10-207.

The Secretary shall appoint a deputy secretary.

§10-208.

(a) There is a Commission on Aging in the Department.

(b) (1) The Commission consists of 13 members appointed by the Governor as follows:

(i) 1 shall be a member of the Senate of Maryland, who may not vote;

(ii) 1 shall be a member of the Maryland House of Delegates, who may not vote; and

(iii) 11 shall be selected to reflect the geographic diversity of the State and because of their interest in the needs of seniors.

(2) At least 7 members shall be at least 55 years old.

(c) (1) The term of a member of the Commission is 4 years.

(2) The terms of members appointed under subsection (b)(1)(iii) of this section are staggered as required by the terms provided for members of the Commission on October 1, 2007.

(3) A member of the Commission appointed under subsection (b)(1)(iii) of this section may not serve more than two consecutive terms.

(4) At the end of a term, a member continues to serve until a successor is appointed and qualifies.

(5) A member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(d) From among the members of the Commission, the Governor shall designate a chair.

(e) A member of the Commission:

(1) may not receive compensation as a member of the Commission;
but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations as provided in the State budget.

(f) The Commission shall:

(1) exercise the powers and perform the duties specified in this title;

(2) review:

(i) ongoing statewide programs and activities for seniors; and

(ii) new statewide programs for seniors before the programs are implemented; and

(3) make recommendations to the Secretary about statewide programs and activities for seniors.

§10-209. IN EFFECT

** IN EFFECT UNTIL JULY 1, 2026 PER CHAPTERS 33 AND 34 OF 2025
**

(a) (1) The Secretary shall develop congregate housing services programs for seniors in conjunction with:

- (i) public or private for profit or nonprofit corporations; or
- (ii) State or federal units.

(2) Congregate housing services shall include congregate meals, housekeeping, and personal services.

(b) (1) An individual is eligible for congregate housing services if the individual is at least 62 years old and has temporary or periodic difficulty with one or more essential activities of daily living, such as feeding, bathing, grooming, dressing, or transferring.

(2) The spouse of an individual described in paragraph (1) of this subsection is eligible for congregate housing services if the spouse is at least 55 years old and has temporary or periodic difficulty with one or more essential activities of daily living, such as feeding, bathing, grooming, dressing, or transferring.

(c) The Secretary shall:

(1) make maximum use of rent and other subsidies available from federal and State sources;

(2) provide for subsidies necessary from State general funds to assist low-income seniors to reside in congregate housing as an alternative to more costly institutional care that is not required;

(3) find sponsors or managers for congregate housing services programs;

(4) assist developers in formulating design concepts and meeting program needs; and

(5) when necessary, provide subsidies for congregate meals, housekeeping, and personal services in congregate housing services programs and develop eligibility requirements for the subsidies.

(d) The Secretary shall adopt regulations to:

(1) govern the certification and operation of congregate housing services programs; and

(2) provide for investigations of criminal records of congregate housing services providers and employees under subsection (e) of this section.

(e) The Secretary is authorized to conduct federal and State criminal background investigations of providers of congregate housing services programs and their employees.

(f) (1) A congregate housing services program must be certified by the Secretary.

(2) The Secretary shall review the compliance of congregate housing services programs with the regulations governing their certification and operation.

(3) Before the Secretary may certify or renew the certification of a provider of congregate housing services for seniors with Alzheimer's disease and related disorders, the provider shall have an in-service education program that includes instruction on dementia and the techniques necessary to manage patients with physical, intellectual, and behavioral manifestations of dementia.

§10-210. IN EFFECT

** IN EFFECT UNTIL JULY 1, 2026 PER CHAPTERS 33 AND 34 OF 2025
**

(a) The Secretary may impose a civil money penalty against a provider of congregate housing services for a violation:

(1) that results in conditions presenting an imminent danger or a substantial probability of death or serious physical harm to a resident of congregate housing;

(2) of a resident's rights as specified in regulations adopted under this title; or

(3) of a State or local fire safety law.

(b) Before imposing a penalty under this section, the Department shall send a notice of violation to the provider that states:

(1) when the provider must submit a plan of correction that is acceptable to the Department;

and (2) when each identified violation must be substantially corrected;

(3) that a civil money penalty may be imposed for failure to:

- (i) submit an acceptable plan of correction; or
- (ii) correct an identified violation.

(c) (1) After the time for correcting a violation has ended, the Department shall reinspect the facility to determine whether the violation has been corrected.

(2) After the reinspection, the Secretary may:

- (i) extend the time to correct the violation; or
- (ii) impose a civil money penalty under subsection (d) of this section.

(d) (1) The Secretary may impose a civil money penalty not exceeding \$20 per violation per resident for each day that a violation remains uncorrected after the time set for correction under subsection (b)(2) of this section.

(2) A penalty imposed under this section may not exceed \$1,000 per violation or \$5,000 in total.

(e) (1) The Secretary shall provide written notice of a civil money penalty to the provider.

(2) The notice shall:

- (i) be served on the provider by certified mail; and
- (ii) state:
 - 1. each penalty imposed;
 - 2. the regulation or provision violated;
 - 3. the amount of the penalty;

4. the provider's right to request a reduction of the penalty; and

5. how to file an administrative appeal of the penalty.

(f) (1) A provider of congregate housing services may request a reduction of a civil money penalty.

(2) A request for a reduction shall:

(i) be made in writing within 10 days after the provider receives the notice of the civil money penalty; and

(ii) state the reasons for the request.

(3) A request for a reduction of a civil money penalty does not affect the accrual of the penalties under subsection (d) of this section.

(4) Within 14 days after receiving the request for reduction, the Department shall hold an informal conference with the provider on the issue of whether to reduce the civil money penalty.

(5) In deciding whether to reduce the penalty, the Secretary shall consider:

(i) the provider's history of violations;

(ii) the provider's current and past diligence in correcting violations; and

(iii) other factors that the Secretary considers appropriate.

(6) The Secretary shall issue a written determination granting or denying the request for a reduction of a civil money penalty that states the reasons for the determination.

(7) As a condition of reducing a penalty, the Secretary shall require correction of all violations.

(g) If a civil money penalty is imposed under this section, the provider has the right to appeal from the order in accordance with Title 10, Subtitle 2 of the State Government Article.

(h) The Secretary may impose a penalty of three times the amount set forth in subsection (d) of this section on a provider of congregate housing services if a penalty was imposed on the provider for the same violation during the 2 years before the date on which the notice of violation was issued.

(i) (1) An order imposing a civil money penalty is final when the provider has exhausted all opportunities to contest the penalty under subsection (f) or (g) of this section.

(2) A provider shall pay all penalties to the Department within 10 days after the provider receives a final order imposing a penalty.

(3) If a provider does not comply with this section, the Department may file a civil action to recover the penalty.

§10–211. IN EFFECT

** IN EFFECT UNTIL JULY 1, 2026 PER CHAPTERS 33 AND 34 OF 2025
**

(a) In this section, “assisted living program” has the meaning stated in § 19–1801 of the Health – General Article.

(b) The Secretary shall develop assisted living programs for seniors in conjunction with:

(1) public or private for profit or nonprofit corporations; or

(2) State or federal units.

(c) (1) The Secretary shall:

(i) make maximum use of rent and other subsidies available from federal and State sources; and

(ii) provide for and set, by regulation, the amount of subsidies necessary from State general funds to assist low-income seniors to reside in assisted living programs as an alternative to more costly institutional care that is not required.

(2) Subsidies under paragraph (1)(ii) of this subsection may include, when necessary and in accordance with available funds, monthly subsidies for residents of assisted living programs whose adjusted gross annual income is less than their cost of care for assisted living services.

(3) When necessary and in accordance with available funds, the Secretary shall provide subsidies for congregate meals, housekeeping, and personal services for assisted living programs and develop eligibility requirements for these subsidies.

(4) The Secretary shall adopt regulations to govern eligibility requirements for subsidies.

(d) The Secretary shall:

(1) find sponsors for assisted living programs; and

(2) assist developers in formulating design concepts and meeting program needs.

(e) The Secretary shall review the compliance of assisted living programs with the regulations that the Secretary of Health adopts for licensing these programs to operate in the State.

§10-214.

(a) (1) In this section the following words have the meanings indicated.

(2) “Nursing home” means comprehensive care facilities and extended care facilities.

(3) “Unclaimed deceased nursing home resident” means a resident of a nursing home:

(i) who has not prearranged and prepaid for the disposal of the resident’s body; and

(ii) for whom no person has claimed the body and assumed funeral or burial responsibility on the death of the resident.

(b) The Secretary shall adopt regulations establishing guidelines for nursing home administrators regarding funeral and burial arrangements for unclaimed deceased nursing home residents:

(1) consistent with § 5-406 of the Health - General Article; and

(2) with the cooperation of the State Anatomy Board.

(c) A nursing home administrator shall:

(1) immediately notify the Department of the death of an unclaimed deceased nursing home resident; and

(2) obtain the approval of the Department before burying or making funeral arrangements for the unclaimed deceased nursing home resident.

§10-301. IN EFFECT

There is an Interagency Committee on Aging Services in the Executive Department.

§10-301. ** TAKES EFFECT JULY 1, 2026 PER CHAPTERS 33 AND 34 OF 2025
**

(a) The Department may enter into agreements and contracts, adopt regulations, and adopt policies and procedures to implement and coordinate services to older adults under this title.

(b) The Department may collaborate with county agencies, area agencies on aging, nonprofit organizations, or other persons that establish local interagency committees.

§10-302. IN EFFECT

(a) The Interagency Committee consists of the following members:

(1) the Secretary of Aging;

(2) the Secretary of Disabilities;

(3) the Secretary of Health;

(4) the Secretary of Housing and Community Development;

(5) the Secretary of Human Services;

(6) the Secretary of Labor;

(7) the Secretary of Transportation;

(8) the Secretary of Veterans and Military Families;

(9) the Director of the Governor's Office of the Deaf and Hard of Hearing;

(10) the Chair of the Commission on Aging;

(11) a representative from an area agency appointed by the Governor from a list submitted by the Maryland Association of Area Agencies on Aging; and

(12) a member of the public appointed by the Governor.

(b) (1) The term of a member appointed by the Governor under subsection (a)(11) or (12) of this section is 2 years.

(2) A member appointed by the Governor under subsection (a)(11) or (12) of this section may not be reappointed for more than 2 additional terms.

§10-302. ** TAKES EFFECT JULY 1, 2026 PER CHAPTERS 33 AND 34 OF 2025 **

(a) The Department shall establish, coordinate, and supervise a program to provide single points of entry within each planning and service area.

(b) Each area agency on aging shall operate a single point of entry program to assess the needs of older adults and their caregivers and provide appropriate services.

(c) The following services shall be provided through a single point of entry:

(1) providing current information on available programs, services, or benefits;

(2) determining the service needs of each older adult who requests service;

(3) processing requests for service from older adults;

(4) through widely publicized local outreach facilities and communications systems, providing access to available public and private programs and services for older adults, including:

(i) transportation services;

(ii) health and nutrition services;

- (iii) financial assistance;
- (iv) social services;
- (v) educational services;
- (vi) services available through volunteer organizations or private agencies;
- (vii) appropriate housing arrangements;
- (viii) health insurance counseling;
- (ix) employment and volunteer opportunities;
- (x) respite care services; and
- (xi) other programs, information, counseling, or benefits for older adults;

(5) monitoring the outcome of requests for service or information; and

(6) arranging with other agencies for individual assessment to determine the service needs of older adults in need of long-term services and supports.

(d) To the extent possible, each single point of entry shall be:

(1) located in a senior citizen center; and

(2) available for access at least 5 days a week.

(e) Area agencies on aging shall make agreements with nonprofit organizations or other persons as needed and provide staff on a regular basis at the single points of entry to:

(1) provide information and services to older adults; and

(2) administer agency programs.

§10-303. IN EFFECT

The Governor shall appoint the chair of the Interagency Committee from among the members listed in § 10-302(a)(1) through (7) of this subtitle.

§10-303. ** TAKES EFFECT JULY 1, 2026 PER CHAPTERS 33 AND 34 OF 2025
**

Each planning and service area shall have a telephone information and referral service that is available on a 24-hour basis.

§10-304. IN EFFECT

(a) The Department shall develop, coordinate, and administer with area agencies on aging or other persons a system to provide services to older adults in need of long-term services and supports to allow older adults to age in a location selected by the older adult with appropriate services, supports, and housing opportunities.

(b) The services may include:

(1) integrated screening and evaluation;

(2) development of an individual plan of care;

(3) in-home services such as home repair or other home modifications, shopping assistance, homemaking, chore services, personal care, meal delivery or preparation, transportation services, health services, and other supportive services;

(4) community-based services such as day care, food and other meal coordination, and other efforts to assist older adults or adult caregivers;

(5) a subsidy for the costs of an assisted living program as defined in § 19-1801 of the Health – General Article;

(6) any other service that may mitigate the risk of impact to, or improve resilience of, housing or services of older adults by natural, technological, or human-made threats and hazards, including climate change; and

(7) any other service authorized by the Department.

(c) To be eligible to participate in the system, a county, area agency on aging, nonprofit organization, or any other person shall comply with Department standards.

§10-304. ** TAKES EFFECT JULY 1, 2026 PER CHAPTERS 33 AND 34 OF 2025
**

(a) The Department shall develop, coordinate, and administer with area agencies on aging or other persons a system to provide services to older adults in need of long-term services and supports to allow older adults to age in a location selected by the older adult with appropriate services, supports, and housing opportunities.

(b) The services may include:

(1) integrated screening and evaluation;

(2) development of an individual plan of care;

(3) in-home services such as home repair or other home modifications, shopping assistance, homemaking, chore services, personal care, meal delivery or preparation, transportation services, health services, and other supportive services;

(4) community-based services such as day care, food and other meal coordination, and other efforts to assist older adults or adult caregivers;

(5) a subsidy for the costs of an assisted living program as defined in § 19-1801 of the Health – General Article;

(6) any other service that may mitigate the risk of impact to, or improve resilience of, housing or services of older adults by natural, technological, or human-made threats and hazards, including climate change; and

(7) any other service authorized by the Department.

(c) To be eligible to participate in the system, a county, area agency on aging, nonprofit organization, or any other person shall comply with Department standards.

§10-305. IN EFFECT

** IN EFFECT UNTIL JULY 1, 2026 PER CHAPTERS 33 AND 34 OF 2025
**

(a) The Interagency Committee shall meet at least quarterly.

(b) The chair shall designate at least one meeting each year as an executive meeting.

(c) A member of the Interagency Committee may send a designee to represent the member at any meeting that is not an executive meeting.

§10-306. IN EFFECT

** IN EFFECT UNTIL JULY 1, 2026 PER CHAPTERS 33 AND 34 OF 2025
**

(a) (1) The Interagency Committee shall develop and update annually a plan for providing coordinated health services, social services, transportation, housing, and employment services to seniors in the State consistent with the priorities that the Department establishes.

(2) If the members of the Interagency Committee cannot agree on a plan, the chair shall refer the matter to the Governor for resolution.

(b) The Interagency Committee shall establish interagency agreements and adopt regulations to:

(1) implement and coordinate services to seniors consistent with the plan developed under subsection (a) of this section;

(2) maximize the sharing of resources among units of State government for services to seniors;

(3) consolidate planning and evaluation efforts at the State and local levels; and

(4) coordinate and expedite the delivery of services to seniors by providing technical assistance to local agencies.

(c) (1) The Interagency Committee shall assist county agencies to establish local interagency committees composed of:

(i) the directors of the local health department, local department of social services, and area agency; and

(ii) officials from housing, transportation, mental health, employment, and economic development agencies.

(2) Local interagency committees shall coordinate and expedite the delivery of services to seniors at the local level.

§10-307. IN EFFECT

** IN EFFECT UNTIL JULY 1, 2026 PER CHAPTERS 33 AND 34 OF 2025
**

(a) (1) The Interagency Committee shall establish and coordinate a program to provide single points of entry within each planning and service area.

(2) The Department shall supervise the program for the Interagency Committee.

(b) Each area agency shall operate a single point of entry program to assess the needs of seniors and their caregivers and provide appropriate services.

(c) The following services shall be provided through a single point of entry:

(1) providing current information on available programs, services, or benefits;

(2) determining the service needs of each senior who requests service;

(3) processing requests for service from seniors;

(4) through widely publicized local outreach facilities and communications systems, providing access to available public and private programs and services for seniors, including:

(i) transportation services;

(ii) health and nutrition services;

(iii) financial assistance;

(iv) social services;

(v) educational services;

(vi) services available through volunteer organizations or private agencies;

(vii) appropriate housing arrangements;

(viii) health insurance counseling;

(ix) employment and volunteer opportunities;

- (x) respite care services; and
 - (xi) other programs, information, counseling, or benefits for seniors;
- (5) monitoring the outcome of requests for service or information; and
- (6) arranging with other agencies for individual assessment to determine the service needs of a frail or health-impaired senior.
- (d) To the extent possible, each single point of entry shall be:
 - (1) located in a senior citizen center; and
 - (2) available for access at least 5 days a week.
- (e) Local interagency committees on services to seniors shall make agreements among themselves and with other agencies to provide staff on a regular basis at the single points of entry to:
 - (1) provide information and services to seniors; and
 - (2) administer agency programs.

§10-308. IN EFFECT

** IN EFFECT UNTIL JULY 1, 2026 PER CHAPTERS 33 AND 34 OF 2025
**

Each planning and service area shall have a telephone information and referral service that is available on a 24-hour basis.

§10-309. IN EFFECT

** IN EFFECT UNTIL JULY 1, 2026 PER CHAPTERS 33 AND 34 OF 2025
**

- (a) (1) The Interagency Committee shall:
 - (i) develop a system to provide services to frail or health-impaired seniors at risk of institutionalization; and
 - (ii) coordinate the system among the agencies represented on the Interagency Committee.

(2) The Department shall administer the system for the Interagency Committee.

(b) The services shall include:

(1) integrated screening and evaluation;

(2) development of an individual plan of care;

(3) in-home services such as minor home repair, shopping assistance, homemaking, personal care, meal delivery or preparation, supportive services to group or shared living arrangements, transportation services, and health services; and

(4) community services such as day care, congregate meals, and other programs to assist seniors or adult caregivers in providing care for seniors.

(c) To be eligible to participate in the system, a county or counties shall establish a community-based plan that:

(1) is developed by a local or regional committee composed of:

(i) the directors of the local health department, local department of social services, and area agency; and

(ii) officials of other relevant agencies, such as local housing, transportation, employment, and economic development officials;

(2) is consistent with the plan developed under § 10-306(a) of this subtitle;

(3) specifies administrative arrangements to evaluate and develop care plans for frail or health-impaired seniors;

(4) encourages further coordination of service delivery;

(5) fosters individual contributions for services provided;

(6) fosters the development of innovative service delivery;

(7) fosters the development of services in conjunction with the private sector; and

(8) fosters community involvement through the use of volunteers.

(d) The Interagency Committee, through the Department, shall work with local health departments, local departments of social services, area agencies, and local housing, transportation, economic development, and employment development officials to develop:

(1) a system to designate case managers to secure and manage necessary services for each frail or health-impaired senior in need; and

(2) guidelines to establish local or regional committees to coordinate the services system to implement this section.

§10-310. IN EFFECT

** IN EFFECT UNTIL JULY 1, 2026 PER CHAPTERS 33 AND 34 OF 2025
**

Subject to § 2-1257 of the State Government Article, the Interagency Committee shall present a report before each legislative session to the General Assembly on:

(1) the plan developed under § 10-306(a) of this subtitle;

(2) the activities of the Interagency Committee; and

(3) the status of services to seniors in the State.

§10-401.

(a) In this subtitle the following words have the meanings indicated.

(b) “Assisted living program” has the meaning stated in § 19-1801 of the Health - General Article.

(c) “Certified financial statement” means a complete audit prepared and certified by an independent certified public accountant.

(d) “Continuing care” means:

(1) continuing care in a retirement community; or

(2) continuing care at home.

(e) “Continuing care agreement” means an agreement between a provider and a subscriber to provide continuing care.

(f) (1) “Continuing care at home” means providing medical, nursing, or other health related services directly or by contractual arrangement:

(i) to an individual who is at least 60 years of age and not related by blood or marriage to the provider;

(ii) for the life of the individual or for a period exceeding 1 year;
and

(iii) under a written agreement that requires a transfer of assets or an entrance fee notwithstanding periodic charges.

(2) “Continuing care at home” includes providing assistance with the physical maintenance of the individual’s dwelling.

(g) “Continuing care in a retirement community” means providing shelter and providing either medical and nursing or other health related services or making the services readily accessible through the provider or an affiliate of the provider, whether or not the services are specifically offered in the written agreement for shelter:

(1) to an individual who is at least 60 years of age and not related by blood or marriage to the provider;

(2) for the life of the individual or for a period exceeding 1 year; and

(3) under one or more written agreements that require a transfer of assets or an entrance fee notwithstanding periodic charges.

(h) (1) “Contractual entrance fee refund” means a repayment of all or part of a subscriber’s entrance fee to the subscriber or the subscriber’s estate or designated beneficiary, as required by the terms of the continuing care agreement.

(2) “Contractual entrance fee refund” does not include a payment required under § 10-446 or § 10-448 of this subtitle.

(i) “Conversion” means converting a physical plant that provides housing or shelter into a facility if:

(1) the residential accommodations exist before a statement of intent is filed under § 10-409(b) of this subtitle; and

(2) at least 60% of the available residential accommodations of the facility owner were occupied during the two fiscal years prior to the filing of a statement of intent.

(j) “Deposit” means a portion of an entrance fee.

(k) (1) “Entrance fee” means a sum of money or other consideration paid initially or in deferred payments, that:

(i) assures a subscriber continuing care for the life of the subscriber or for a period exceeding 1 year; and

(ii) is at least three times the weighted average of the monthly cost of the periodic fees charged for independent living and assisted living units.

(2) “Entrance fee” includes a fee of similar form and application, regardless of title.

(3) “Entrance fee” does not include a surcharge.

(l) (1) “Expansion” means any single new capital addition to an existing facility that meets either of the following criteria:

(i) if independent or assisted living units are to be constructed, the number of units to be constructed is less than or equal to 25% of the number of existing independent and assisted living units; or

(ii) if independent or assisted living units are not to be constructed, the total projected cost exceeds the sum of:

1. 10% of the total operating expenses, less depreciation, amortization, and interest expense of the facility as shown on the certified financial statement for the most recent fiscal year for which a certified financial statement is available; and

2. the amount of the existing reserves properly allocable to, and allocated for, the expansion.

(2) “Expansion” does not include renovation and normal repair and maintenance.

(m) “Facility” means a physical plant in which continuing care in a retirement community is provided in accordance with this subtitle.

(n) “Financial difficulty” means current or impending financial conditions that impair or may impair the ability of a provider to meet existing or future obligations.

(o) “Governing body” means a board of directors, board of trustees, or similar group that ultimately directs the affairs of a provider, but whose members are not required to have an equity interest in the provider.

(p) (1) “Health related services” means services that are needed by a subscriber to maintain the subscriber’s health.

(2) “Health related services” includes:

(i) priority admission to a nursing home or assisted living program; and

(ii) except for the provision of meals, assistance with the activities of daily living.

(q) “Person” includes a governmental entity or unit.

(r) “Processing fee” means a fee imposed by a provider for determining the financial, mental, and physical eligibility of an applicant for entrance into a facility.

(s) “Provider” means a person who:

(1) undertakes to provide continuing care; and

(2) is:

(i) the owner or operator of a facility; or

(ii) an applicant for or the holder of a preliminary, initial, or renewal certificate of registration.

(t) “Records” means information maintained by a provider for the proper operation of a facility under this subtitle.

(u) (1) “Renovation” means any single capital improvement to, or replacement of, all or part of an existing facility that will not increase the number of independent or assisted living units and for which the total projected cost exceeds the sum of:

(i) 20% of the total operating expenses, less depreciation, amortization, and interest expense of the facility as shown on the certified financial statement for the most recent fiscal year for which a certified financial statement is available; and

(ii) the amount of existing reserves properly allocable to, and allocated for, the renovation.

(2) “Renovation” does not include normal repair or maintenance.

(v) “Subscriber” means an individual for whom a continuing care agreement is purchased.

(w) (1) “Surcharge” means a separate and additional charge that:

(i) is imposed simultaneously with the entrance fee; and

(ii) may be required of some, but not all, subscribers because of a condition or circumstance that applies only to those subscribers.

(2) “Surcharge” does not include a second person entrance fee.

§10–402.

(a) (1) A continuing care at home provider is subject to each provision of this subtitle except Part II and §§ 10–446 and 10–448.

(2) A continuing care in a retirement community provider is subject to each provision of this subtitle except Part VI.

(b) (1) A continuing care operation that is subject to the provisions of this subtitle is not subject to:

(i) the Maryland Health Maintenance Organization Act under Title 19, Subtitle 7 of the Health – General Article;

(ii) except for § 15–603 of the Insurance Article, the Insurance Article;

(iii) Title 8 of the Real Property Article;

(iv) any county or municipal landlord–tenant law; or

(v) § 19–310.1 of the Health – General Article.

(2) If a provider contractually utilizes the services of a licensed home health agency or residential service agency and is not itself directly providing the type of services provided by a home health agency or residential service agency, the provider is not subject to Title 19, Subtitles 4 and 4A of the Health – General Article.

(3) Except as provided in paragraphs (1) and (2) of this subsection, a continuing care at home provider is subject to all other applicable licensing or certification requirements of State law.

(c) This subtitle does not apply to an agreement that is regulated as insurance under the Insurance Article.

(d) A provider that offers assisted living program services as part of a continuum of care in accordance with a continuing care agreement may:

(1) execute a separate assisted living resident agreement and a separate assisted living disclosure statement; or

(2) meet the requirements of §§ 10–425(c) and 10–444(e) of this subtitle.

(e) The liability of a provider to the Maryland Department of Health under § 15–603 of the Insurance Article shall be limited to the amount of the refund that would be due to the subscriber if the subscriber were dismissed under § 10–448 of this subtitle at the time of enrollment in services provided by or paid wholly or partly by the Maryland Department of Health.

§10–403.

(a) The Department shall:

(1) administer this subtitle;

(2) prepare and furnish all forms necessary or desirable under this subtitle;

(3) establish and collect reasonable filing fees to carry out this subtitle;

(4) adopt regulations necessary to enforce this subtitle; and

(5) prepare and distribute relevant public information and educational materials designed to advise individuals, institutions, and organizations of their rights and responsibilities under this subtitle.

(b) (1) Except as provided in paragraph (2) of this subsection, the Department shall make available to interested persons any information required to be provided to the Department under this subtitle and publicize the availability of the information.

(2) (i) A feasibility study filed under § 10-408 of this subtitle may not be disclosed until the Department issues an initial certificate of registration for the project.

(ii) Information required to be provided under § 10-434(b)(2) of this subtitle shall be disclosed only to the extent required under the Public Information Act.

§10-404.

Medical and nursing services and other health related services may be covered by an entrance fee or periodic charges or, at the option of the subscriber, may be purchased for an additional fee.

§10-405.

(a) In this section, "Fund" means the Continuing Care Fund.

(b) There is a Continuing Care Fund.

(c) The purpose of the Fund is to defray the costs of administering this subtitle.

(d) The Department of Aging shall administer the Fund.

(e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(f) The Fund consists of:

(1) all fees collected under this subtitle;

(2) money appropriated in the State budget to the Fund;

(3) investment earnings of the Fund; and

(4) any other money from any other source accepted for the benefit of the Fund.

(g) The Fund may be used only for the purposes specified in this subtitle.

(h) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any investment earnings of the Fund shall be paid into the Fund.

(i) Expenditures from the Fund may be made only in accordance with the State budget.

(j) Money expended from the Fund for administering this subtitle is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for administering this subtitle.

§10-407.

This part applies only to continuing care in a retirement community operations.

§10-408.

(a) A provider shall comply with the applicable provisions of §§ 10-409 through 10-415 of this subtitle before the provider may:

- (1) offer continuing care in a retirement community;
- (2) enter into or renew continuing care agreements;
- (3) begin construction of a new facility;
- (4) begin construction of an expansion to or renovation of an existing facility; or
- (5) collect deposits for continuing care in this State.

(b) (1) A new capital addition to a facility that will result in the construction of a number of independent and assisted living units that is greater than

25% of the number of existing units is considered new development and is subject to §§ 10-409 through 10-411 of this subtitle.

(2) A new capital addition to a facility that does not involve the construction of independent or assisted living units and that does not meet the standard of § 10-401(l)(1)(ii) of this subtitle is not subject to review by the Department under §§ 10-409 through 10-415 of this subtitle.

(3) A capital improvement or replacement that does not meet the standard of § 10-401(w) of this subtitle is not subject to review by the Department under §§ 10-409 through 10-415 of this subtitle.

(c) A provider that has more than one facility offering continuing care shall make a separate application for each facility for preliminary, initial, and renewal certificates of registration.

§10-409.

(a) A provider may not collect deposits for continuing care or begin construction of a new facility until the Department approves a feasibility study.

(b) A person who intends to submit a feasibility study under subsection (c) of this section shall file with the Department a statement of intent to provide continuing care at least 30 days before the person submits the feasibility study to the Department.

(c) A feasibility study shall:

(1) be filed in a form satisfactory to the Department; and

(2) include at least the following information:

(i) a statement of the purpose of the proposed construction or conversion;

(ii) documentation of the financial resources of the provider;

(iii) a statement of the capital expenditures necessary to accomplish the project and the plan for acquiring the necessary capital;

(iv) a plan demonstrating the financial feasibility of the proposed project, including future funding sources;

(v) a study that demonstrates the market for the project;

- (vi) an actuarial forecast reviewed by a qualified actuary;
- (vii) a statement of the planned fee structure, including any proposed escalator or other automatic adjustment provision;
- (viii) a description of the facility proposed to be used or being used for continuing care;
- (ix) a copy of the proposed escrow and deposit agreements; and
- (x) the form and substance of any proposed advertisement, advertising campaign, or promotional material for the facility that is available at the time of filing.

(d) The Department may approve a feasibility study if the Department determines that:

- (1) the number of comprehensive care or assisted living beds in the facility for which licenses are required by the Maryland Department of Health is not inconsistent with the State health plan;
- (2) a reasonable financial plan has been submitted for developing and operating the project;
- (3) a market for the facility appears to exist;
- (4) a recognized authority prepared the feasibility study;
- (5) the actuarial forecast supports the projections for the project;
- (6) the Department has approved the escrow agreement and deposit agreement; and
- (7) the approved escrow agreement is executed by the provider and the financial institution.

§10-410.

- (a) A provider may collect deposits from prospective subscribers if:
 - (1) the Department has approved the provider's feasibility study; and
 - (2) funds collected are maintained in an escrow account.

(b) Each deposit agreement shall comply with the requirements of subsection (c) or (d) of this section.

(c) If a deposit agreement is used for a deposit on a unit for which the provider has not received written approval to withdraw deposits, the deposit agreement shall:

(1) state that all deposits and entrance fees will be held in escrow until:

- (i) an initial certificate of registration for the unit is issued;
- (ii) construction is completed;
- (iii) a certificate of occupancy, or its equivalent, is issued by the local jurisdiction; and
- (iv) the provider has the appropriate licenses or certificates from the Maryland Department of Health, the Maryland Health Care Commission, and the Department;

(2) describe the disposition of any interest earned on deposits and entrance fees;

(3) state the amount of any processing fee and whether it will be refunded if the deposit agreement is canceled; and

(4) describe the disposition of the deposit if the deposit agreement is canceled before the continuing care agreement is executed.

(d) If a deposit agreement is used for a deposit on a unit for which the provider has received written approval to withdraw deposits, the deposit agreement shall:

(1) state that the provider may use all deposits and entrance fees at any time; or

(2) describe any applicable limitations on the use of deposits and entrance fees.

§10-411.

(a) A provider may not enter into a continuing care agreement until the Department issues a preliminary certificate of registration.

(b) An application for a preliminary certificate of registration shall be filed in a form satisfactory to the Department.

(c) An application shall include at least the following information:

(1) the name and address of the facility and the name and address of any affiliate, parent, or subsidiary;

(2) the organizational structure and management of the provider, including:

(i) for a corporation or limited liability company, its name, the state in which it is incorporated or formed, and the name of the chief executive officer;

(ii) for a partnership, the names of the general partners, the state governing its formation, and the name of the primary individual responsible for managing it;

(iii) for an unincorporated association, the names of the members, the state governing its activities, and the name of the primary individual responsible for managing it;

(iv) for a partnership that has a corporation or limited liability company as one or more of its general partners, the name of each corporation or limited liability company, the state in which it is incorporated or formed, and the name of the chief executive officer;

(v) for a trust, the name of the trustee, the names of the owners of beneficial interests in the trust, the state governing it, and the name of the primary individual responsible for overseeing its activities;

(vi) the name and occupation of each officer, director, trustee, managing or general partner, and each person with a 10% or greater financial equity or beneficial interest in the provider and a description of the person's financial interest in or occupation with the provider;

(vii) the name and address of any entity in which a person identified in item (vi) of this paragraph has a 10% or greater financial interest and that is anticipated to provide goods, premises, or services with a value of \$10,000 or more to the facility or provider in a fiscal year and a description of the goods,

premises, or services and their anticipated cost to the facility or provider, which need not include salary, wage, or benefit information of employees of the provider; and

(viii) a statement whether the provider is qualified, or intends to qualify, as a tax-exempt organization under the Internal Revenue Code;

(3) a copy of the corporate charter, partnership agreement, articles of association, membership agreement, trust agreement, or similar instrument or agreement governing the legal organization of the provider;

(4) (i) a certified financial statement of the provider for as many of the most recent fiscal years, not exceeding 3 years, for which certified financial statements are obtainable under generally accepted accounting principles; and

(ii) if the provider's fiscal year ended more than 90 days before the date the application is filed, an income statement, which need not be certified, covering the period between the end of the fiscal year and a date not more than 90 days before the date the application is filed;

(5) a statement of any affiliation with a religious, charitable, or other nonprofit organization, the extent of the affiliation, and the extent, if any, to which the affiliate organization will be responsible for the provider's financial and contractual obligations;

(6) a copy of the proposed continuing care agreement;

(7) a copy of any priority admission agreements between the provider and any health care provider for health related services;

(8) a statement of the current fee structure, including escalator or other automatic adjustment provisions;

(9) a statement of the role of any publicly funded benefit or insurance program in the financing of care;

(10) the form and substance of any advertisement, advertising campaign, or other promotional material for the facility that has not been previously submitted to the Department; and

(11) other reasonable and pertinent information that the Department requires.

(d) The Department shall issue a preliminary certificate of registration to a provider if:

(1) the feasibility study has been approved; and

(2) the Department determines that:

(i) the proposed continuing care agreement meets the requirements of §§ 10–444, 10–445, 10–446, and 10–448 of this subtitle;

(ii) all of the financial and organizational materials required to be submitted under subsection (c) of this section have been submitted to the Department; and

(iii) the form and substance of all advertisements, advertising campaigns, and other promotional materials submitted are not deceptive, misleading, or likely to mislead.

(e) If a preliminary certificate of registration is not issued within 6 months after the feasibility study is approved, or a longer time allowed by the Department for good cause shown, the provider shall refund all deposits and stop marketing continuing care under that application.

(f) A provider that plans to advertise before an initial certificate of registration is issued under § 10–412 of this subtitle shall submit to the Department the form and substance of any advertisement, advertising campaign, or other promotional material before it may be used.

§10–412.

(a) A provider may not provide continuing care until the Department issues an initial certificate of registration.

(b) An application for an initial certificate of registration shall be filed in a form satisfactory to the Department.

(c) An application shall include at least the following information:

(1) for a project other than a conversion, verification that continuing care agreements have been executed with subscribers for at least 65% of the independent living units and at least 10% of the total entrance fee for each contracted unit has been collected;

(2) for a conversion project, verification that at least 80% of the accommodations in the project that are not licensed as assisted living or comprehensive care beds are occupied or reserved in accordance with:

- (i) leases;
 - (ii) continuing care agreements executed with subscribers who have paid a deposit that:
 - 1. equals at least 10% of the total entrance fee; and
 - 2. has been deposited by the provider under an escrow agreement approved by the Department; or
 - (iii) other appropriate contractual arrangements;
- (3) verification that the provider has received a written commitment for permanent long-term financing; and
- (4) if construction financing is required, verification that the provider has applied for the financing.
- (d)
 - (1) If requested by the permanent financing lender, the Department may issue a letter stating that the requirements of subsection (c)(1) of this section have been met.
 - (2) If requested by the construction lender, the Department may issue a letter stating that:
 - (i) the requirements of subsection (c)(1) and (3) of this section have been met; and
 - (ii) the initial certificate of registration will be issued on the closing of the construction loan.
- (e)
 - (1) The Department shall issue an initial certificate of registration to a provider if the Department determines that:
 - (i) the provider has a preliminary certificate of registration;
 - (ii) the provider has submitted the required documents;
 - (iii) the form and substance of all advertisements, advertising campaigns, and other promotional materials submitted are not deceptive, misleading, or likely to mislead;

(iv) for a project other than a conversion, continuing care agreements have been executed with subscribers for at least 65% of the independent living units and at least 10% of the entrance fee has been paid as a deposit for each contracted unit;

(v) for a conversion project, at least 80% of the accommodations in the project that are not licensed as assisted living or comprehensive care beds are occupied or reserved in accordance with:

1. leases;
2. continuing care agreements executed with subscribers who have paid a deposit that:
 - A. equals at least 10% of the total entrance fee; and
 - B. has been deposited by the provider under an escrow agreement approved by the Department; or
3. other appropriate contractual arrangements;

(vi) if construction financing is required, closing on the financing has occurred; and

(vii) the provider has a commitment for permanent long-term financing.

(2) The Department may issue the initial certificate of registration for a period not exceeding 18 months.

(f) A deposit held in escrow may not be used until:

- (1) an initial certificate of registration has been issued;
- (2) construction is completed;
- (3) the provider has a certificate of occupancy or the equivalent from the appropriate local jurisdiction; and
- (4) the provider has the appropriate licenses or certificates from the Maryland Department of Health or the Department.

(g) If an initial certificate of registration is not issued within 24 months after the issuance of a preliminary certificate of registration, or a longer time allowed

by the Department for good cause shown, the provider shall refund all deposits and stop offering continuing care under that application.

§10-413.

(a) (1) Each year, within 120 days after the end of a provider's fiscal year, the provider shall file an application for a renewal certificate of registration in a form satisfactory to the Department.

(2) A renewal application shall contain:

(i) any additions or changes to the information required by §§ 10-408 through 10-410 of this subtitle;

(ii) an audited financial statement for the preceding fiscal year prepared in accordance with an audit guide that the Department adopts;

(iii) an operating budget for the current fiscal year and a projected operating budget for the next fiscal year;

(iv) a cash flow projection for the current fiscal year and the next 2 fiscal years;

(v) a projection of the life expectancy and the number of residents who will require nursing home care;

(vi) an actuarial study reviewed by a qualified actuary and submitted every 3 years, unless the provider is exempted from the requirement for an actuarial study by regulations adopted by the Department exempting categories of providers that the Department determines have substantially limited long-term care liability exposure;

(vii) the form and substance of any proposed advertisement, advertising campaign, or other promotional material not previously submitted to the Department; and

(viii) any further information that the Department requires.

(b) (1) The Department may charge a late fee if the application and accompanying information are not received by the Department within 120 days after the end of the provider's fiscal year.

(2) Failure to file the required information within 90 days after the due date is a violation of this subtitle.

(c) The Department shall issue a renewal certificate of registration if the Department determines that:

- (1) the required documents have been filed;
- (2) any revised continuing care agreements meet the requirements of this subtitle;
- (3) if the provider has been found to be in financial difficulty, the provider has complied with Part VII of this subtitle;
- (4) when appropriate, the facility has been licensed or certified by the Maryland Department of Health or the Department; and
- (5) the form and substance of all advertisements, advertising campaigns, and other promotional materials submitted to the Department are not deceptive, misleading, or likely to mislead.

§10-414.

(a) A provider may not begin construction of a renovation until the provider receives written approval from the Department.

(b) (1) A provider shall file with the Department a request for approval for each renovation.

(2) At least 30 days before filing the request, the provider shall submit to the Department a written statement of intent to file a request for approval of a renovation.

(3) A request for approval of a renovation shall be in a form satisfactory to the Department.

(4) A request for approval shall include:

- (i) a statement of the purpose of and need for the renovation;
- (ii) a financial plan that demonstrates to the satisfaction of the Department that the renovation will not have an unreasonably adverse effect on the financial ability of the provider to provide continuing care in accordance with its continuing care agreements and this subtitle at the facility to be renovated and at the provider's other facilities in the State; and

(iii) any other information that the Department requires.

(c) The Department shall approve a renovation if the Department determines that the proposed renovation will not have an unreasonably adverse effect on the financial ability of the provider to provide continuing care in accordance with its continuing care agreements and this subtitle.

§10-415.

(a) A provider may not begin construction of an expansion until the provider receives written approval from the Department.

(b) (1) A provider shall file with the Department a request for approval for each expansion.

(2) At least 30 days before filing the request, the provider shall submit to the Department a written statement of intent to file a request for approval of an expansion.

(3) A request for approval of an expansion shall be in a form satisfactory to the Department.

(4) A request for approval shall include:

(i) a statement of the purpose of and need for the expansion;

(ii) if the expansion involves living units, a plan that demonstrates to the satisfaction of the Department that a market exists for the additional living units;

(iii) a financial plan that demonstrates to the satisfaction of the Department that the expansion will not have an unreasonably adverse effect on the financial ability of the provider to provide continuing care in accordance with its continuing care agreements and this subtitle at the facility to be expanded and at the provider's other facilities in the State; and

(iv) any other information that the Department requires.

(c) The Department shall approve an expansion and, if appropriate, issue a new certificate of registration if the Department determines that the proposed expansion will not have an unreasonably adverse effect on the financial ability of the provider to provide continuing care in accordance with its continuing care agreements and this subtitle.

§10–416.

- (a) For cause, the Department may:
 - (1) deny a feasibility study approval; or
 - (2) deny, suspend, or revoke a preliminary, initial, or renewal certificate of registration.
- (b) (1) Grounds for a denial, suspension, or revocation include:
 - (i) violation of this subtitle;
 - (ii) violation of a regulation the Department adopts under this subtitle;
 - (iii) misrepresentation; or
 - (iv) submission of a false financial statement.
- (2) The Department shall set forth in writing its reasons for a denial, suspension, or revocation.
- (c) Title 10, Subtitle 2 of the State Government Article governs the appeal of a denial, revocation, or suspension.

§10–419.

In this part, “net operating expenses” means the total operating expenses at each facility of a provider, less depreciation, amortization, unusual and infrequent expenses, changes in the obligation to provide future services, and changes in the fair market value of interest rate swap agreements not involving an exchange of funds.

§10–420.

- (a) Interest expenses may be excluded from the calculation of net operating expenses for a fiscal year, if the provider funded a debt service reserve or other interest reserve under requirements imposed by a financial institution or under applicable financing documents, to the extent the reserve fund included amounts to cover interest for that fiscal year.
- (b) (1) Except as otherwise provided in this part, a provider shall set aside for each facility subject to this subtitle operating reserves that:

(i) before January 1, 2023, equal 15% of the facility's net operating expenses for the most recent fiscal year for which a certified financial statement is available; and

(ii) beginning January 1, 2023, equal 25% of the facility's net operating expenses for the most recent fiscal year for which a certified financial statement is available.

(2) The provider shall keep the operating reserves in a reasonably liquid form in the judgment of the provider.

(3) Beginning January 1, 2014, the assets held by the provider as the operating reserves required under this subsection:

(i) except as provided in paragraph (4) of this subsection, shall be unrestricted cash and investments; and

(ii) may not:

1. be met with a line of credit; or

2. except as provided in paragraph (4) of this subsection, be hypothecated, pledged as collateral, or otherwise encumbered by the provider in any manner.

(4) Beginning January 1, 2014, the assets held by the provider as the operating reserves may be encumbered if:

(i) the assets are encumbered by contractual obligations undertaken before January 1, 2014, that have not materially changed since January 1, 2014; or

(ii) the assets are encumbered as part of a general security pledge of assets or similar collateralization that is part of the provider's long-term capital debt covenants included in the provider's long-term debt indenture or similar financial instrument but which remain available to the provider to pay operating expenses without substantial restrictions or limitations.

(c) (1) A provider shall meet the requirements of subsection (b) of this section within 10 full fiscal years after the date of its initial certificate of registration.

(2) A provider shall set aside at least 10% of the reserves required under subsection (b) of this section at the end of each fiscal year after the date of its

initial certificate of registration, up to a total of 100% at the end of the 10th fiscal year.

(3) The Department may allow a provider to modify the minimum rate required under paragraph (2) of this subsection or extend the time to meet the requirements of subsection (b) of this section if the modification is necessary to maintain the financial viability of the facility.

§10-421.

(a) (1) A provider shall compute operating reserves for each facility as of the end of the facility's most recent fiscal year.

(2) When a provider files an application for a renewal certificate of registration, the provider shall show compliance with operating reserve requirements by including with the application:

(i) a letter to the Department from a certified public accountant that states the amount set aside; or

(ii) a certified financial statement that states the amount set aside.

(b) A provider may apply toward the operating reserves required by § 10-420(b) of this subtitle any reserves, except debt service reserves, that are maintained under applicable financing document requirements if the reserves are available to the provider to meet the facility's operating expenses.

(c) For the purpose of computing a provider's operating reserves, investments held to the credit of the reserves shall be calculated at their market value as of the end of the provider's most recent fiscal year for which a certified financial statement is available.

§10-422.

(a) A provider shall notify the Department in writing immediately on the withdrawal of any amount from the funds available to satisfy the operating reserves required by § 10-420(b) of this subtitle.

(b) Within 30 days after making a withdrawal described in subsection (a) of this section, the provider shall submit to the Department a written plan for restoring the reserves to the level required by § 10-420(b) of this subtitle.

§10-423.

(a) For a facility that has not been the subject of a conversion and that has residents who are not parties to continuing care agreements, the provider shall calculate the amount of operating reserves required under § 10–420 of this subtitle based on the pro rata proportion of the net operating expenses as specified under subsection (b) of this section.

(b) The pro rata proportion of the net operating expenses equals the number of units in the facility for which the Department has issued a certificate of registration divided by the total number of accommodations in the facility multiplied by the net operating expenses for the most recent fiscal year for which a certified financial statement is available.

§10–424.

(a) (1) A provider shall give without cost a disclosure statement for each facility for which the provider holds a preliminary, initial, or renewal certificate of registration:

(i) to a prospective subscriber before the earlier of payment of any part of the entrance fee or execution of a continuing care agreement; and

(ii) annually to any subscriber who requests a disclosure statement.

(2) A provider shall submit its initial disclosure statement to the Department for review at least 45 days before giving the statement to any prospective subscriber.

(b) (1) A provider shall revise the disclosure statement annually and file it with the Department within 120 days after the end of the provider's fiscal year.

(2) The Department shall review the disclosure statement solely to ensure compliance with § 10–425 of this subtitle.

(c) (1) An amended disclosure statement is subject to each requirement of this subtitle.

(2) A provider shall file an amended disclosure statement with the Department when it is delivered to a subscriber or prospective subscriber.

(d) A provider shall post the most recent disclosure statement on the provider's website.

§10-425.

(a) A disclosure statement shall include:

- (1) a table of contents;
- (2) the name, address, and description of the facility and the identity of the owner or owners of the facility and the land on which it is located;
- (3) the name and address of the provider and of any parent or subsidiary;
- (4) the organizational structure and management of the provider, including:
 - (i) for a corporation or limited liability company, its name, the state in which it is incorporated or formed, and the name of the chief executive officer;
 - (ii) for a partnership, the names of the general partners, the state governing its formation, and the name of the primary individual responsible for managing it;
 - (iii) for an unincorporated association, the names of the members, the state governing its activities, and the name of the primary individual responsible for managing it;
 - (iv) for a partnership that has a corporation or limited liability company as one or more of its general partners, the name of each corporation or limited liability company, the state in which it is incorporated or formed, and the name of the chief executive officer;
 - (v) for a trust, the name of the trustee, the names of the owners of beneficial interests in the trust, the state governing it, and the name of the primary individual responsible for overseeing its activities; and
 - (vi) a statement whether the provider is qualified, or intends to qualify, as a tax-exempt organization under the Internal Revenue Code;
- (5) the name and occupation of each officer, director, trustee, managing or general partner, and each person with a 10% or greater equity or beneficial interest in the provider, and a description of the person's financial interest in or occupation with the provider;

(6) the name and address of any entity in which a person identified in item (5) of this subsection has a 10% or greater financial interest and that is anticipated to provide goods, premises, or services with a value of \$10,000 or more to the facility or provider in a fiscal year and a description of the goods, premises, or services and their anticipated cost to the facility or provider, which need not include salary, wage, or benefit information of employees of the provider;

(7) a description of any matter in which an individual identified in item (5) of this subsection:

(i) has been convicted of a felony or pleaded nolo contendere to a felony charge, if the felony involved fraud, embezzlement, fraudulent conversion, or misappropriation of property;

(ii) has been held liable or enjoined in a civil action by final judgment, if the civil action involved fraud, embezzlement, fraudulent conversion, or misappropriation as a fiduciary;

(iii) has been subject to an effective injunctive or restrictive order of a court of record in an action that arose out of or related to business activity or health care, including an action that affected a license to operate a facility or service for senior, impaired, or dependent persons; or

(iv) in the past 10 years, had a state or federal license or permit suspended or revoked because a governmental unit brought an action that arose out of or related to business activity or health care, including an action that affected a license to operate a facility or service for senior, impaired, or dependent persons;

(8) a description of the provider's form of governance and the composition of its governing body, and a statement that the provider will satisfy the requirements of §§ 10–426 and 10–427 of this subtitle;

(9) if the provider has a governing body, a description of the process used by the provider to:

(i) select a subscriber member of its governing body; and

(ii) satisfy the requirements of § 10–427(a) of this subtitle.

(10) a statement of any affiliation of the provider with a religious, charitable, or other nonprofit organization, and the extent of the organization's responsibility for the financial and contractual obligations of the provider;

(11) if the facility will be managed on a day-to-day basis by a person other than an individual who is directly employed by the provider, the name of the proposed manager or management company and a description of the business experience of the manager or company in operating or managing similar facilities;

(12) a copy of the most recent certified financial statement obtainable under generally accepted accounting principles;

(13) a description of the long-term financing for the facility;

(14) a cash flow forecast for the current and the next two fiscal years;

(15) a description of any activity related to a renovation, expansion, or new development during the preceding fiscal year or proposed for the current fiscal year;

(16) a description of:

(i) the steps that have been or will be taken to comply with the operating reserve requirements under § 10-420(b) of this subtitle; and

(ii) the provider's investment policy related to the required reserves, including how often and by whom the reserve fund investment is reviewed;

(17) a description of the financial arrangements that the provider has made, if any, to address the renewal and replacement of the buildings and improvements at the facility, such as the establishment of a renewal and replacement fund;

(18) if the facility has not reached 85% occupancy of its independent living units, a summary of the feasibility study;

(19) if applicable, a description of the conditions under which the provider may be issued an initial certificate of registration and may use escrowed deposits;

(20) a description of all basic fees, including entrance fees, fees for health related services, and periodic fees that the provider collects from subscribers, and the amount and frequency of any fee changes during the previous 5 years or, if the facility has been in operation less than 5 years, for each year of operation;

(21) a summary of the basic services provided or proposed to be provided at the facility under the continuing care agreement, including the extent to which health related services are provided, that clearly states which services are

indicated in the agreement as included in the basic fee and which services are or will be made available at or by the facility at an extra charge;

(22) if applicable, a statement that it is the provider's policy to impose a surcharge on some, but not all, subscribers because of a condition or circumstance that applies only to those subscribers and that the surcharge is not part of the entrance fee refund required under § 10-448 of this subtitle;

(23) a description of the role of any resident association;

(24) a description of the internal grievance procedure;

(25) if the provider offers a continuing care agreement that promises a contractual entrance fee refund after occupancy, a statement whether the portion of the entrance fee to be refunded is held in trust or escrow for the subscriber after occupancy, and if so held, a description of where and how the funds are held;

(26) if the provider offers an extensive agreement, the following statement: "If you have a long-term care insurance policy, request your advisors to review the policy and the continuing care agreement to determine whether there are potential areas of duplication or areas where benefits can be coordinated.";

(27) a statement that the provider will amend its disclosure statement whenever the provider or the Department considers an amendment necessary to prevent the disclosure statement from containing:

(i) a material misstatement of a fact required by this section to be stated in the disclosure statement; or

(ii) an omission of a material fact required by this section to be stated in the disclosure statement; and

(28) any other material information about the facility or the provider that the Department requires or that the provider wishes to include.

(b) The disclosure statement shall contain a cover page that states, in a prominent location and type face:

(1) the date of the disclosure statement; and

(2) that the issuance of a certificate of registration does not:

(i) constitute approval, recommendation, or endorsement of the facility by the Department; or

(ii) evidence or attest to the accuracy or completeness of the information in the disclosure statement.

(c) (1) This subsection applies to a provider that:

(i) has a continuing care agreement that includes a provision to provide assisted living program services; and

(ii) does not execute a separate assisted living agreement.

(2) In addition to any other requirement of this section, the disclosure statement shall contain the following information about the assisted living program:

(i) the name and address and a description of each facility that the provider operates;

(ii) a statement regarding the relationship of the provider to other providers or services if the relationship affects the care of the resident;

(iii) a description of any special programming, staffing, and training provided by the program for individuals with particular needs or conditions such as cognitive impairment;

(iv) notice of:

1. the availability of locks for storage;

2. the availability of locks for the subscriber's room;

3. the security procedures that the provider will implement to protect the subscriber and the subscriber's property; and

4. the provider's right, if any, to enter a subscriber's room;

(v) a statement of the obligations of the provider, the subscriber, or the subscriber's agent for:

1. arranging or overseeing medical care;

2. monitoring the subscriber's health status;

3. purchasing or renting essential or desired equipment and supplies; and

4. ascertaining the cost of and purchasing durable medical equipment;

(vi) an explanation of the assisted living program's complaint or grievance procedure; and

(vii) notice of any material changes in the assisted living program.

(3) The provider shall:

(i) give to each subscriber annually and without cost revisions to the disclosure statement provisions under paragraph (2) of this subsection;

(ii) ensure that each subscriber or the subscriber's agent initials the revised disclosure statement to acknowledge the revisions; and

(iii) make copies of the initialed disclosure statements available for inspection by the Maryland Department of Health under Title 19, Subtitle 18 of the Health – General Article.

§10–426.

(a) At least quarterly, each provider shall hold a meeting open to all of the provider's subscribers.

(b) At the meetings, an authorized officer of the provider shall:

(1) summarize the provider's operations, significant changes from the previous year, and goals and objectives for the next year; and

(2) answer subscribers' questions.

(c) At the last quarterly meeting of the year, an authorized officer of the provider shall provide an aggregated, deidentified summary of internal grievances submitted under § 10–428 of this subtitle.

§10–427.

(a) (1) If a provider has a governing body, at least one of the provider's subscribers shall be a full and regular member of the governing body.

(2) If the provider owns or operates more than three facilities in the State, the governing body shall include at least one of the provider's subscribers for every three facilities in the State.

(3) (i) If the governing body has only one subscriber, the governing body shall authorize the appointment of an alternate subscriber to serve as a regular member of the governing body if the regular subscriber is unable to fulfill the subscriber's duties.

(ii) The alternate subscriber may:

1. attend all meetings of the governing body; and
2. vote only if the regular subscriber is unable to fulfill the subscriber's duties as a regular member of the governing body.

(4) Subject to paragraph (5) of this subsection, a regular or alternate member of the governing body who is selected to meet the requirements of this subsection shall be a subscriber at a facility in the State and be selected according to the same general written standards and criteria used to select other members of the governing body.

(5) The governing body shall confer with the resident association at each of the provider's facilities before the subscriber or alternate subscriber officially joins the governing body.

(6) (i) A subscriber member or alternate subscriber member of a governing body may report on nonconfidential deliberations, actions, and policies of the governing body to the resident association.

(ii) The governing body in its sole but reasonable discretion shall determine whether a matter is confidential.

(7) The Secretary may waive the requirements of this subsection for a provider in the process of decertifying as a provider, if the Secretary determines that there are no subscribers willing and able to serve on the governing body.

(b) (1) If a provider does not have a governing body, the provider shall appoint a select committee of its officers or partners to meet at least quarterly with the resident association at each of its facilities to address concerns of the subscribers and to ensure that the opinions of subscribers are relayed to all officers or partners of the provider.

(2) If a facility does not have a resident association, the committee shall meet with a reasonable number of representatives, not required to exceed fifteen, that the subscribers elect.

(c) As determined by the provider's governing body, the provider shall make available to subscribers either the nonconfidential portions of the minutes of each meeting of the governing body or a summary of the nonconfidential portions of the minutes, within 1 month of approval of the minutes.

§10-428.

(a) A provider shall establish an internal grievance procedure to address a subscriber's grievance.

(b) The internal grievance procedure shall at least:

(1) allow a subscriber or group of subscribers collectively to submit a written grievance to the provider;

(2) require the provider to send a written acknowledgment to the subscriber or group of subscribers within 5 days after receipt of the written grievance;

(3) require the provider to assign personnel to investigate the grievance;

(4) give a subscriber or group of subscribers who file a written grievance the right to meet with management of the provider within 30 days after receipt of the written grievance to present the grievance; and

(5) require the provider to respond in writing within 45 days after receipt of the written grievance regarding the investigation and resolution of the grievance.

(c) (1) Within 30 days after the conclusion of an internal grievance procedure established under this section, a subscriber, group of subscribers, or provider may seek mediation through one of the Community Mediation Centers in the State or another mediation provider.

(2) If a provider, subscriber, or group of subscribers seeks mediation under paragraph (1) of this subsection, the mediation shall be nonbinding.

(d) (1) On an annual basis, the Department shall collect from each provider information about internal grievances filed for each of the provider's facilities, including:

- (i) the number of internal grievances filed;
- (ii) the aggregated, deidentified summary of internal grievances;
- (iii) whether a grievance went to mediation and the outcome of the mediation; and
- (iv) the final disposition of each filed grievance.

(2) On or before December 1 each year, the Department shall report to the Senate Finance Committee and the House Health and Government Operations Committee, in accordance with § 2-1257 of the State Government Article, on the data received from each provider under paragraph (1) of this subsection.

§10-429.

A provider shall make readily available to its subscribers for review at the facility:

- (1) copies of all materials that the provider submits to the Department that are required to be disclosed under the Public Information Act; and
- (2) a copy of the most recent finalized budget of the facility.

§10-430.

All marketing materials, including disclosure statements, that state that part or all of the entrance fee is or may be refundable shall include a conspicuous disclaimer that states at least the following: “Carefully read the continuing care agreement for the conditions that must be satisfied before the provider is required to pay the entrance fee refund.”.

§10-432.

(a) (1) Subsection (b)(2) of this section does not apply to a transfer of ownership or control of a person that owns or controls a facility, if:

- (i) the transfer is part of a business reorganization; and
- (ii) the same person or persons holding the right to control or holding a majority of ownership before the business reorganization will retain,

directly or indirectly, the right to control or a majority of ownership, respectively, after the business reorganization.

(2) The provider shall notify the Department and the facility's subscribers 30 days before any reorganization described in paragraph (1) of this subsection.

(b) Unless the Department approves the sale or transfer in accordance with §§ 10-433 through 10-435 of this subtitle:

(1) except for the grant of a mortgage or deed of trust to an unrelated third party, a provider that holds a preliminary, initial, or renewal certificate of registration may not sell or otherwise transfer, directly or indirectly, ownership of a facility or any ownership interest in a facility; and

(2) a person with an ownership interest in or a right to control the provider, through governing body appointments or contractual or similar arrangements, may not sell or otherwise transfer, directly or indirectly, the right to control or more than 50% of the ownership of a person that owns or controls a facility.

(c) Any series of sales or other transfers described in subsection (b) of this section that occur in a 12-month period shall be aggregated for purposes of this section and §§ 10-433 through 10-435 of this subtitle.

§10-433.

(a) (1) At least 90 days before the proposed effective date of a sale or other transfer, a provider subject to § 10-432(b) of this subtitle shall file with the Department a statement of intent to transfer ownership or control.

(2) At least 65 days before the proposed effective date of the sale or other transfer, a provider subject to § 10-432(b) of this subtitle and any proposed new provider shall give written notice of the proposed sale or other transfer, including notice of the place and time of the meeting required by § 10-434(b) of this subtitle, to the subscribers of the affected facility and the Department.

(b) (1) The written notice to the Department required under subsection (a)(2) of this section shall include:

(i) the name and address of the existing provider and any proposed new provider and the office of each to which comments may be sent under § 10-434 of this subtitle;

(ii) the name and address of the affected facility;

(iii) the organizational structure and management of the provider and the facility after the proposed sale or other transfer is completed, including:

1. if the provider is to be a corporation or limited liability company, its name, its state of incorporation or formation, and the name of the chief executive officer;

2. if the provider is to be a partnership, the names of the general partners, the state governing its formation, and the name of the primary individual responsible for managing it;

3. if the provider is to be an unincorporated association, the names of the members, the state governing its activities, and the name of the primary individual responsible for managing it;

4. if the provider is to be a trust, the trustee's name, the names of the owners of beneficial interests in the trust, the state that governs it, and the name of the primary individual responsible for overseeing its activities;

5. if the provider is to be a partnership that has a corporation or limited liability company as one or more of its general partners, the name of each corporation or limited liability company, its state of incorporation or formation, and the name of its chief executive officer; and

6. the name and occupation of each officer, director, trustee, general partner, principal, and each person who will have a 10% or greater equity or beneficial interest in the provider or in a person that owns or controls the provider;

(iv) a copy of the corporate charter, partnership agreement, articles of association, membership agreement, or trust agreement that will govern the legal organization of the provider after the sale or transfer;

(v) a statement of any affiliation with a religious, charitable, or other nonprofit organization after the proposed sale or transfer and the extent, if any, of the affiliate organization's responsibility for the financial and contractual obligations of the provider;

(vi) the name and address of any business or professional entity in which a person identified in item (iii)6 of this paragraph has a 10% or greater financial interest and that is likely to provide goods, premises, or services with a

value of \$10,000 or more a year to the facility or provider after the sale or transfer, and a description of the goods, premises, or services;

(vii) the name of the proposed manager or management company that will manage the day-to-day operations of the facility after the sale or other transfer, and a description of the business experience of the manager or company in operating or managing similar facilities;

(viii) a description of any matter in which a person identified in item (iii)6 of this paragraph:

1. has been convicted of a felony or pleaded nolo contendere to a felony charge, if the felony involved fraud, embezzlement, fraudulent conversion, or misappropriation of property;

2. has been held liable or enjoined in a civil action by final judgment, if the civil action involved fraud, embezzlement, fraudulent conversion, or misappropriation as a fiduciary;

3. was subject to an effective injunctive or restrictive order of a court of record in an action that arose out of or related to business activity or health care, including an action that affected a license to operate a facility or service for senior, impaired, or dependent persons; or

4. within the past 10 years, had a state or federal license or permit suspended or revoked because of an action brought by a governmental unit arising out of or relating to business activity or health care, including actions affecting a license to operate a facility or service for senior, impaired, or dependent persons;

(ix) a financial plan provided by the entity that will be the provider after the proposed sale or other transfer is completed in a form reasonably acceptable to the Department that demonstrates the projected effects of the sale or transfer on the financial operations of the provider and the facility, including any obligations of the provider to make payments in connection with the sale or transfer from the financial resources of the provider or the facility; and

(x) a statement by the entity that will be the provider after the proposed sale or transfer is completed that demonstrates that the sale or transfer is not likely to have an unreasonably adverse effect on:

1. the provider's financial stability; or

2. the provider's capacity to perform its continuing care agreement obligations to subscribers.

(2) In addition to the information required to be provided under paragraph (1) of this subsection, a provider subject to § 10–432(b) of this subtitle and any proposed new provider shall provide to the Department any other information that the Department requires to evaluate the proposed transaction.

(3) On request, the existing provider and any proposed new provider shall give to a subscriber of the affected facility the information included in the written notice to the Department under paragraph (1) of this subsection.

§10–434.

(a) Within 15 days after the notice required under § 10–433(a)(2) of this subtitle is given, subscribers may submit to the existing provider, any proposed new provider, and the Department written questions and comments about the proposed sale or transfer.

(b) (1) Within 25 days after the notice required under § 10–433(a)(2) of this subtitle is given, representatives of the existing provider and any proposed new provider shall hold a meeting with not more than 15 representatives chosen by the subscribers of the affected facility to discuss the proposed sale or transfer.

(2) The subscriber representatives shall give their names and addresses to the existing provider, any proposed new provider, and the Department.

(3) Representatives of the Department may attend the meeting.

(c) Within 10 days after the meeting required under subsection (b) of this section, subscribers may submit to the existing provider, any proposed new provider, and the Department additional written comments about the proposed sale or transfer.

§10–435.

(a) (1) After reviewing the information required by §§ 10-433 and 10-434 of this subtitle, the Department shall determine whether the sale or transfer satisfies the standard for approval set forth in subsection (b) of this section.

(2) The Department shall make the determination within 50 days after the date of the notice required under § 10-433(a)(2) of this subtitle unless extended by the Department for good cause.

(3) The Department shall notify the existing provider, any proposed new provider, and the subscriber representatives in writing of the determination and the reasons for it and, if applicable, that the Department intends to transfer the certificate of registration to the new provider.

(b) The Department shall approve a sale or other transfer of ownership or control unless the Department determines that the sale or transfer is likely to have an unreasonably adverse effect on:

(1) the financial stability of the provider; or

(2) the capacity of the provider to perform continuing care agreement obligations to subscribers.

(c) (1) In accordance with Title 10, Subtitle 2 of the State Government Article, the provider may appeal the Department's decision on the proposed sale or transfer.

(2) A person other than the provider may not appeal the Department's decision or be a party in interest to the proceedings.

(3) The Department shall give prompt notice of any appeal and of any decision issued in the appeal to the subscriber representatives.

(d) A sale or other transfer of ownership or control subject to this section and §§ 10-432 through 10-434 of this subtitle may not be completed until 15 days after the later of:

(1) the day the Department issues the notice required under subsection (a)(3) of this section of its decision to approve the sale or transfer; or

(2) if an appeal is taken under subsection (c) of this section, the day the administrative law judge issues a decision to allow the sale or transfer.

§10-436.

(a) This section does not apply to:

(1) a transaction undertaken under a contractual obligation in effect on October 1, 1996;

(2) a transaction made in the ordinary course of business of operating a facility;

(3) a refund under a contract entered into in the ordinary course of business;

(4) a transfer of cash, securities, or other investment property in connection with an ordinary investment transaction;

(5) a grant of a mortgage, deed of trust, or security interest to an unrelated third party;

(6) a transaction involving an easement, right-of-way, road widening, or similar conveyance for the benefit of a public body or a utility;

(7) a transaction made for an expansion or renovation; or

(8) any other sale, transfer, or other disposition exempted by the Department by regulation.

(b) (1) A provider that holds a preliminary, initial, or renewal certificate of registration may not sell, transfer, or otherwise dispose of more than 10% of its total assets in any 12-month period unless the Department approves the sale, transfer, or disposition in accordance with §§ 10-437 and 10-438 of this subtitle.

(2) A provider may not sell, transfer, or otherwise dispose of assets equal to or less than 10% of its total assets if the sale, transfer, or disposition is likely, according to standards set by regulation, to have an unreasonably adverse effect on:

(i) the financial stability of the provider; or

(ii) the capacity of the provider to perform its obligations under its continuing care agreements.

(3) Determinations of total assets shall be based on the provider's latest certified financial statements available at the time the sale, transfer, or other disposition is made.

§10-437.

(a) A provider subject to § 10-436(b)(1) of this subtitle shall:

(1) at least 60 days before the sale, transfer, or other disposition, file with the Department a statement of intent to sell, transfer, or otherwise dispose of assets; and

(2) at least 30 days before the sale, transfer, or other disposition, give written notice to the Department of the proposed sale, transfer, or other disposition of assets.

(b) The statement of intent required to be filed with the Department under subsection (a)(1) of this section shall include:

(1) identification of each asset to be sold, transferred, or otherwise disposed of;

(2) if the provider is subject to § 10-436(b)(1) of this subtitle because of a series of sales, transfers, or other dispositions that have exceeded cumulatively 10% of its total assets, identification of each asset that has been sold, transferred, or disposed of; and

(3) the reason for the sale, transfer, or other disposition identified in item (1) of this subsection.

(c) The notice to the Department required under subsection (a)(2) of this section shall include:

(1) a statement that demonstrates that the proposed sale, transfer, or other disposition is not likely to have an unreasonably adverse effect on:

(i) the financial stability of the provider; or

(ii) the capacity of the provider to perform its obligations under its continuing care agreements; and

(2) any other information that the Department requires.

§10-438.

(a) (1) After reviewing the information required by § 10-437 of this subtitle, the Department shall determine whether the sale, transfer, or other disposition satisfies the standard for approval set forth in subsection (b) of this section.

(2) The Department shall make its determination and notify the provider in writing within 25 days after the date of the notice required by § 10-437(a)(2) of this subtitle, unless extended by the Department for good cause.

(3) If the Department does not approve the proposed sale, transfer, or other disposition, the Department shall include the reasons for its determination in the written notice to the provider.

(b) The Department shall approve the sale, transfer, or other disposition of assets unless it determines that the sale, transfer, or disposition is likely to have an unreasonably adverse effect on:

(1) the financial stability of the provider; or

(2) the capacity of the provider to perform its obligations under its continuing care agreements.

(c) (1) By regulation, the Department shall adopt reasonable objective financial standards for a proposed sale, transfer, or other disposition of assets.

(2) If the Department determines that the provider has met the objective financial standards, the Department shall approve the proposed sale, transfer, or other disposition of assets.

(3) If the Department determines that the provider has not met the objective financial standards, the Department may approve a proposed sale, transfer, or other disposition of assets if it satisfies the requirements set forth in subsection (b) of this section.

(d) (1) In accordance with Title 10, Subtitle 2 of the State Government Article, the provider may appeal the Department's decision on the proposed sale, transfer, or other disposition of assets.

(2) A person other than the provider may not appeal the Department's decision or be a party in interest to the proceedings.

(e) A sale, transfer, or other disposition of assets subject to this part may not be completed until 5 days after the later of:

(1) the day the Department issues the notice required under subsection (a)(2) of this section of its decision to approve the sale, transfer, or other disposition; or

(2) if an appeal is taken under subsection (d) of this section, the day the administrative law judge issues a decision to allow the sale, transfer, or other disposition of assets.

§10-439.

A provider whose facility has been the subject of a conversion may not terminate or fail to renew a lease for an accommodation in order to enter into a continuing care agreement for that accommodation.

§10-440.

(a) A provider may not remove a record or asset of the provider related to the operation of a facility or the provision of services under a continuing care agreement from the State unless the Department consents in writing.

(b) Consent shall be based on the provider's submission of satisfactory evidence that the removal:

(1) will facilitate and make the operations of the provider more economical; and

(2) will not diminish the service or protection to be given to the provider's subscribers in the State.

§10-441.

(a) The Department may:

(1) inspect a facility that offers continuing care;

(2) examine the facility's books and records; and

(3) audit or observe a service provided under a continuing care agreement.

(b) If all or part of a facility is subject to licensure by the Maryland Department of Health, the Department shall coordinate its inspections under this section with the Maryland Department of Health to avoid duplication.

§10-443.

The provisions of Part IV of this subtitle are in addition to, and not in lieu of, other applicable laws.

§10-444.

(a) Except as provided in subsection (b)(25) of this section, a requirement of this section does not apply to any continuing care agreement entered into before the effective date of the requirement.

(b) In a form acceptable to the Department, each continuing care agreement shall:

(1) show the total consideration paid by the subscriber for continuing care, including the value of all property transferred, donations, entrance fees, subscriptions, monthly fees, and any other fees paid or payable by or on behalf of a subscriber;

(2) specify all services that are to be provided by the provider to each subscriber, such as food, shelter, medical care, nursing care, or other health related services, including in detail all items that each subscriber will receive, and whether the items will be provided for life or for a designated time period;

(3) designate the classes of subscribers according to types of payment plans;

(4) subject to subsection (c) of this section, describe the procedures to be followed by the provider when the provider temporarily or permanently changes the subscriber's accommodations within the facility or transfers the subscriber to another health facility;

(5) describe the policies that will be implemented if the subscriber becomes unable to pay the monthly fees;

(6) state the policy of the provider concerning changes in accommodations and the procedure to implement that policy if the number of persons occupying an individual unit changes;

(7) provide in clear and understandable language, in boldface type, and in the largest type used in the body of the agreement:

(i) the terms governing the refund of any portion of the entrance fee if the provider discharges the subscriber or the subscriber cancels the agreement; and

(ii) whether monthly fees, if charged, will be subject to periodic increases;

(8) state the terms under which an agreement is canceled by the death of the subscriber;

(9) provide that charges for care paid in advance in a lump sum may not be increased or changed for the duration of the agreed-upon care;

(10) state that the provider represents that the subscriber has received, at least two weeks before signing the agreement:

(i) the current version of the written rules of the provider;

(ii) the continuing care agreement form, with the attachments, exhibits, and addenda; and

(iii) the current disclosure statement, with the attachments, exhibits, and addenda;

(11) describe the living quarters;

(12) if applicable, state the conditions under which a subscriber may assign a unit for the use of another individual;

(13) state the provider's religious or charitable affiliations and the extent, if any, to which the affiliate organization is responsible for the provider's financial and contractual obligations;

(14) state the subscriber's and provider's respective rights and obligations concerning:

(i) use of the facility; and

(ii) any real and personal property of the subscriber placed in the provider's custody;

(15) state that subscribers have the right to organize and operate a subscriber association at the facility and to meet privately to conduct business;

(16) state that there is an internal grievance procedure to address a subscriber's grievance;

(17) state the fee adjustments, if any, that will be made if the subscriber is voluntarily absent from the facility for an extended period of time;

(18) specify the circumstances, if any, under which the subscriber will be required to apply for Medicaid, Medicare, public assistance, or any public benefit program and whether the facility participates in Medicare or medical assistance;

(19) state that the subscriber received a copy of the latest certified financial statement at least two weeks before signing the agreement and that the subscriber has reviewed the statement;

(20) state that the subscriber acknowledges reviewing all of the terms of the entrance fee refund clauses and provisions contained in the continuing care agreement;

(21) provide that, on request, the provider will make available to the subscriber any certified financial statement submitted to the Department;

(22) if applicable, describe the conditions under which the provider may be issued an initial certificate of registration and the conditions under which the provider may use escrowed deposits, and state the amount of the subscriber's deposit;

(23) state that fees collected by a provider under the terms of a continuing care agreement may only be used for purposes set forth in the agreement;

(24) include one of the following model statements or a substantially similar statement:

(i) "The provider agrees that, for as long as the subscriber's continuing care agreement remains in effect, the provider shall only use fees paid by the subscribers of the community for purposes directly related to the construction, operation, maintenance, or improvement of the community.";

(ii) "The provider does not currently use fees paid by subscribers of the community for purposes other than those directly related to the construction, operation, maintenance, or improvement of the community, but the provider reserves the future right to use fees paid by subscribers of the community for purposes unrelated to the construction, operation, maintenance, or improvement of the community."; or

(iii) "The provider may use fees paid by subscribers of the community for purposes unrelated to the construction, operation, maintenance, or improvement of the community, including for the furtherance of the provider's corporate mission, to distribute profits, or to benefit an affiliated community.";

(25) allow a subscriber to designate a beneficiary to receive any refundable portion of the entrance fee that is owed due to the death of the subscriber on or after the date of occupancy, if the designation is:

(i) in writing;

(ii) witnessed by at least two competent witnesses;

(iii) not contingent; and

(iv) specified in percentages and accounts for 100% of the refund due;

(26) state the funeral and burial services, if any, that the provider will provide;

(27) contain a table of contents;

(28) if the provider offers a continuing care agreement that promises a contractual entrance fee refund after occupancy, state whether the portion of the entrance fee to be refunded is held in trust or escrow for the subscriber after occupancy, and if so held, state where and how the funds are held;

(29) if the payment of a contractual entrance fee refund after occupancy is conditioned on the reoccupancy or recontracting of the subscriber's unit, state that the provider agrees to make reasonable efforts to satisfy the condition; and

(30) contain the following statement in boldface type and in the largest type used in the agreement: "A preliminary certificate of registration or certificate of registration is not an endorsement or guarantee of this facility by the State of Maryland. The Maryland Department of Aging urges you to consult with an attorney and a suitable financial advisor before signing any documents."

(c) A subscriber's accommodations may be changed only to protect the health or safety of the subscriber or the general and economic welfare of other residents.

(d) A continuing care agreement may contain, in a form acceptable to the Department, any other appropriate provision to effectuate the purpose of the agreement.

(e) (1) This subsection applies if:

(i) a provider's continuing care agreement includes a provision to provide assisted living program services; and

(ii) the provider does not execute a separate assisted living agreement.

(2) In addition to any other requirement of this section, the continuing care agreement shall include the following provisions concerning the assisted living program:

(i) a statement of the level of care that the assisted living program is licensed to offer;

(ii) a description of the procedures to be followed by the provider for notifying the subscriber of the level of care the subscriber needs if the subscriber transfers to an assisted living program;

(iii) a statement indicating the options available to a subscriber if the subscriber's level of care, after admission to an assisted living program, exceeds the level of care for which the provider is licensed;

(iv) based on a sample list of assisted living program services that the Maryland Department of Health maintains, a statement of which services are provided by the assisted living program and which services are not;

(v) a statement of the obligations of the provider and the subscriber or the subscriber's agent for handling the subscriber's finances;

(vi) a statement of the obligations of the provider and the subscriber or the subscriber's agent for disposition of the subscriber's property on the subscriber's discharge or death; and

(vii) the applicable rate structure and payment provisions covering:

1. all rates to be charged to the subscriber, including:
 - A. service packages;
 - B. fee-for-service rates; and
 - C. any other nonservice-related charges;
2. criteria to be used for imposing additional charges to provide additional services, if the subscriber's service and care needs change;
3. payment arrangements and fees, if known, for third-party services not covered by the continuing care agreement, but arranged for by the subscriber, the subscriber's agent, or the assisted living program;

4. identification of the persons responsible to pay all fees and charges and a clear indication of whether the person's responsibility is or is not limited to the extent of the subscriber's funds;

5. a provision for notice at least 45 days before any rate increase, except for an increase necessitated by a change in the subscriber's medical condition; and

6. fair and reasonable billing and payment policies.

§10-445.

(a) (1) (i) If a provider's feasibility study has been approved under § 10-409 of this subtitle, the Department, within 120 days after receipt of a continuing care agreement or any other related agreement submitted by a provider, shall determine whether the agreement complies with the requirements of this subtitle.

(ii) At any time during the review process, the Department may submit comments to or request additional information from the provider to determine whether the agreement complies with the requirements of this subtitle and other applicable law.

(iii) If the Department submits comments or a request for additional information under subparagraph (ii) of this paragraph, the 120-day review period under subparagraph (i) of this paragraph is suspended.

(iv) On receipt of any requested information or modifications to the agreement necessitated by the Department's comments under subparagraph (iii) of this paragraph, the Department, within the number of days remaining in the 120-day review period, shall:

1. complete its review to determine whether the agreement meets the requirements of this subtitle and other applicable law identified by the Department in accordance with subparagraph (ii) of this paragraph; and

2. approve or disapprove the agreement.

(v) 1. If the Department does not approve the agreement, the Department shall notify the provider in writing, including citations to the specific provisions of law that the Department determined were not complied with in the agreement.

2. A provider may appeal the disapproval of an agreement under subparagraph (iv) of this paragraph under the provisions of Title 10, Subtitle 2 of the State Government Article.

(2) If the Department does not act within 120 days, the agreement is deemed approved.

(b) The provider shall maintain the continuing care agreement at the facility and make it available for inspection by the Maryland Department of Health under Title 19, Subtitle 18 and Title 10, Subtitle 3 of the Health – General Article.

(c) If a provider is seeking approval for a modification to an approved continuing care agreement or other related agreement, the Department shall limit its review to:

(1) the section of the agreement being modified and any sections directly affected by the modification; and

(2) any section of the agreement that may have been affected by a change in the law or a regulation that was enacted after the Department approved the agreement.

(d) If the continuing care agreement is not an extensive agreement or a modified agreement and the provider uses a separate assisted living agreement:

(1) the provider is not required to submit the assisted living agreement or any requests for modifications to the Department for approval; and

(2) (i) the provider shall state in its continuing care agreement that, if the subscriber wishes to transfer to assisted living, the subscriber will be required to sign an additional separate agreement for assisted living services that will not be approved by the Department for compliance with legal requirements or coordination with the continuing care agreement; and

(ii) the provider may include a provision in its continuing care agreement stating that assisted living contracts and services are regulated by the Office of Health Care Quality within the Maryland Department of Health.

(e) If the continuing care agreement is not an extensive agreement or a modified agreement and the provider uses a separate comprehensive care agreement:

(1) the provider is not required to submit the comprehensive care agreement or any requests for modifications to the Department for approval; and

(2) (i) the provider shall state in its continuing care agreement that, if the subscriber wishes to transfer to comprehensive care, the subscriber will be required to sign an additional separate agreement for comprehensive care services that will not be approved by the Department for compliance with legal requirements or coordination with the continuing care agreement; and

(ii) the provider may include a provision in its continuing care agreement stating that comprehensive care facilities contracts and services are regulated by the Office of Health Care Quality within the Maryland Department of Health.

§10-446.

(a) A subscriber may rescind a continuing care agreement for any reason before the date of occupancy by the subscriber.

(b) (1) A continuing care agreement is automatically canceled if, before the date of occupancy:

(i) the subscriber dies;

(ii) the provider determines that the subscriber is ineligible for admission to the facility; or

(iii) the subscriber terminates the continuing care agreement because of a substantial change in the subscriber's physical, mental, or financial condition.

(2) Within 30 days after a continuing care agreement is canceled under this subsection, the subscriber or the subscriber's legal representative shall receive a full refund of all money paid to the provider, less:

(i) a processing fee approved by the Department; and

(ii) any special additional costs incurred by the provider due to modifications in the structure or furnishings of the unit specifically requested by the subscriber, if:

1. the costs do not exceed the costs of modification and the reasonable costs of restoration actually incurred by the provider; and

2. the costs were set forth in writing in a separate addendum to the agreement signed by the subscriber.

(c) (1) If the subscriber rescinds the continuing care agreement within 90 days after entering into the agreement and before the date of occupancy for any reason other than the reasons specified in subsection (b)(1) of this section, the provider shall refund the amount described in subsection (b)(2) of this section to the subscriber or the subscriber's legal representative within 30 days after the date of rescission.

(2) If the subscriber rescinds the continuing care agreement more than 90 days after entering into the agreement and before the date of occupancy for any reason other than the reasons specified in subsection (b)(1) of this section, the provider may retain up to 25% of the subscriber's entrance fee deposit.

(d) (1) A subscriber may rescind a continuing care agreement at any time if a term of the agreement violates this subtitle and the subscriber is injured by the violation.

(2) The subscriber is entitled to treble damages for extensive injuries arising from a violation.

(e) (1) An applicant for admission to a facility who withdraws the application before executing a continuing care agreement shall receive a refund of all money paid to the provider except a processing fee approved by the Department.

(2) The refund shall be paid within 60 days after the applicant withdraws the application.

§10-447.

(a) (1) In this section the following words have the meanings indicated.

(2) "Extensive agreement" means a continuing care agreement under which the provider promises to provide residential facilities, meals, amenities, and long-term care services in a licensed assisted living program or comprehensive care program:

(i) for as long as the subscriber needs the services; and

(ii) for no increase in the subscriber's entrance fee or periodic fees, except for an adjustment to account for increased operating costs caused by inflation or other factors unrelated to the individual subscriber.

(3) "Modified agreement" means a continuing care agreement:

(i) under which the provider promises to provide residential facilities, meals, amenities, and a limited amount of long-term care services in a licensed assisted living program or comprehensive care program:

1. for as long as the subscriber needs the services; and
2. for no increase in the subscriber's entrance fee or periodic fees, except for an adjustment to account for increased operating costs caused by inflation or other factors unrelated to the individual subscriber; and

(ii) that provides that long-term care services in a licensed assisted living program or comprehensive care program beyond the limited amount of services to be provided under item (i) of this paragraph will be provided at a per diem, fee-for-service, or other agreed-upon rate.

(b) (1) A provider shall provide the assisted living services a subscriber needs in accordance with paragraph (2) of this subsection if:

(i) the subscriber's continuing care agreement is an extensive or modified agreement that promises the provider will provide assisted living services; and

(ii) the provider does not have an assisted living bed available at the facility when the subscriber needs the promised care.

(2) The provider shall provide assisted living services required under paragraph (1) of this subsection to a subscriber:

(i) at the same rate the subscriber would pay if an assisted living bed were available; and

(ii) at the provider's option:

1. in the subscriber's independent living unit; or
2. in a nearby licensed assisted living facility.

(c) (1) A provider shall provide the comprehensive care services a subscriber needs in accordance with paragraph (2) of this subsection if:

(i) the subscriber's continuing care agreement is an extensive or modified agreement that promises the provider will provide the subscriber with comprehensive care services if the subscriber needs them; and

(ii) the provider does not have a comprehensive care bed available when the subscriber needs the promised care.

(2) The provider shall provide the services required under paragraph (1) of this subsection:

(i) at the same rate the subscriber would pay if a comprehensive bed were available; and

(ii) at the provider's option:

1. in the subscriber's independent or assisted living unit; or

2. in a nearby licensed comprehensive care facility.

§10-448.

(a) A continuing care agreement may not allow dismissal or discharge of the subscriber from the facility providing care before the agreement expires unless:

(1) the provider has just cause for the dismissal or discharge; and

(2) the provider gives the subscriber at least 60 days' advance notice.

(b) If a provider terminates a subscriber's continuing care agreement for just cause, the provider shall pay the subscriber a refund calculated in accordance with subsection (c) of this section, within 60 days after the later of:

(1) the date of dismissal or discharge; or

(2) the date the subscriber vacates the unit.

(c) (1) The subscriber's refund shall equal the entrance fee divided by the subscriber's years of expected lifetime at admission, multiplied by the subscriber's years of expected lifetime at dismissal or discharge.

(2) A subscriber's years of expected lifetime at admission and at dismissal or discharge shall be computed based on the appropriate tables most recently published by the U.S. Department of Health and Human Services at the time of dismissal or discharge.

§10-449.

(a) A continuing care agreement shall allow a subscriber to terminate the agreement by giving a written termination notice to the provider.

(b) If a continuing care agreement is terminated by the subscriber's election or death within the first 90 days of occupancy, the provider shall pay any contractual entrance fee refund within 30 days after the earlier to occur of:

(1) the recontracting of the subscriber's unit by:

(i) another subscriber for whom an entrance fee has been paid;

or

(ii) another party who is not a subscriber; or

(2) the later to occur of:

(i) the 90th day after the date the written termination notice is given or the date of death; or

(ii) the day the independent living units at the facility have operated at 95% of capacity for the previous 6 months.

(c) If a continuing care agreement is terminated by the subscriber's election or death after the first 90 days of occupancy, the provider shall pay any contractual entrance fee refund within 60 days after the subscriber's death or the effective date of termination, if on the date of death or at any time between the date the written termination notice is given and the effective date of termination:

(1) the subscriber resides in a unit at a higher level of care than the level of care in which the subscriber resided on initially entering the facility; and

(2) the last unit in which the subscriber resided at the initial level of care on entering the facility has been occupied by or reserved for another subscriber who has paid an entrance fee.

(d) This section does not prohibit a provider from requiring that a subscriber's unit be vacated before any contractual entrance fee refund is paid as a result of the subscriber's election to terminate a continuing care agreement.

(e) (1) If an entrance fee refund is conditioned on the reoccupying of a subscriber's unit and the unit has not been reoccupied within 9 months of the subscriber's death or the date of the contract termination, a provider shall submit a written report to the subscriber or the subscriber's beneficiary stating:

- (i) that the unit has not been reoccupied; and
- (ii) the efforts the provider has made to reoccupy the unit.

(2) After the provider submitted the report required under paragraph (1) of this subsection, the provider shall submit an updated written report to the subscriber or the subscriber's beneficiary every 6 months until the subscriber's unit has been reoccupied.

§10-450.

An act, agreement, or statement by a subscriber or by an individual purchasing care for a subscriber under an agreement to furnish care to the subscriber is not a valid waiver of any provision of this subtitle intended for the benefit or protection of the subscriber or the individual purchasing care for the subscriber.

§10-453.

This part applies only to continuing care at home operations.

§10-454.

(a) The Department shall adopt regulations that:

- (1) set standards for continuing care at home providers; and
- (2) provide for the certification of continuing care at home providers and the annual renewal of certificates of registration.

(b) In addition to the provisions required under subsection (a) of this section, the regulations adopted by the Department shall, at a minimum:

- (1) provide for and encourage the establishment of continuing care at home programs;
- (2) for an individual who is employed by or under contract with a continuing care at home provider and who will enter a subscriber's home to provide continuing care at home services:
 - (i) set minimum requirements;
 - (ii) require a criminal history records check, if the individual will have routine, direct access to a subscriber; and

(iii) require the provider to screen and verify the individual's character references;

(3) establish standards for the renewal of certificates of registration;

(4) establish standards for entrance fees, deposits, and the number of executed agreements necessary to begin operations;

(5) establish conditions for the release of deposits and entrance fees from escrow accounts;

(6) establish standards for when and how a subscriber or provider may rescind a continuing care at home agreement before continuing care at home services are provided to the subscriber;

(7) allow a subscriber to rescind a continuing care at home agreement at any time if the terms of the agreement violate this subtitle; and

(8) establish that a provider may terminate an agreement or discharge a subscriber only for just cause and establish procedures to carry out the termination or discharge.

§10-455.

(a) A provider may not collect deposits to provide continuing care at home services until the Department approves a feasibility study.

(b) A provider that intends to develop a continuing care at home program and provide continuing care at home services shall file a statement of intent with the Department at least 30 days before submitting the feasibility study required under this section.

(c) A feasibility study shall:

(1) be filed in a form satisfactory to the Department; and

(2) include at least the following information:

(i) a statement of the purpose of the program and the need for the proposed services;

(ii) documentation of the financial resources of the provider;

(iii) a plan demonstrating the financial feasibility of the proposed program, including future funding sources;

(iv) an actuarial forecast that has been reviewed by a qualified actuary;

(v) a study demonstrating the proposed market for the program;

(vi) the form and substance of any proposed advertisements, advertising campaigns, or other promotional materials for the program that is available at the time of filing;

(vii) a detailed statement of the covered services; and

(viii) any other information that the Department requires.

(d) The Department shall approve a feasibility study filed under this section if the Department determines that:

(1) the proposed use of new or existing health facilities is not inconsistent with the State health plan;

(2) a reasonable financial plan has been developed to provide continuing care at home services, including the number of agreements to be executed before beginning operations and the criteria to release funds from escrow;

(3) a market for the continuing care at home program appears to exist;

(4) the feasibility study was prepared by a recognized authority;

(5) the provider has submitted all proposed advertisements, advertising campaigns, and other promotional materials for the program;

(6) the form and substance of all advertisements, advertising campaigns, and other promotional materials submitted are not deceptive, misleading, or likely to mislead;

(7) the actuarial forecast supports the market for the program;

(8) the approved escrow agreement and deposit agreement state the conditions for the release of deposits and entrance fees from escrow;

(9) a copy of the escrow agreement executed by the provider and the financial institution has been filed with the Department; and

(10) any other information requested by the Department has been submitted and approved.

§10-456.

(a) A provider may collect deposits from prospective subscribers if:

(1) the Department has approved the provider's feasibility study; and

(2) the provider maintains the funds collected in an escrow account.

(b) Deposits collected under subsection (a) of this section shall be held in escrow until:

(1) the provider has been issued a certificate of registration under § 10-458 of this subtitle; or

(2) a later time that the Department may set by regulation.

§10-457.

(a) A provider may not enter into an agreement to provide continuing care at home services until the Department issues a preliminary certificate of registration to the provider.

(b) An application for a preliminary certificate of registration shall:

(1) be filed in a form satisfactory to the Department; and

(2) include at least the following information:

(i) a copy of the proposed continuing care at home agreement, which shall include the following statement set forth in print no smaller than the largest type used in the body of the agreement:

"A certificate of registration is not an endorsement or guarantee of this continuing care at home provider by the State of Maryland. The Maryland Department of Aging urges you to consult an attorney and a suitable financial advisor before signing any documents.";

(ii) the form and substance of any proposed advertisements, advertising campaigns, or other promotional materials for the program that is available at the time of filing the application and that has not been filed previously with the Department; and

(iii) any other information that the Department requires.

(c) The Department shall issue a preliminary certificate of registration to a provider if the Department determines that:

(1) the proposed continuing care at home agreement is satisfactory;

(2) the provider has submitted all proposed advertisements, advertising campaigns, and other promotional materials for the program;

(3) the form and substance of all advertisements, advertising campaigns, and other promotional materials submitted are not deceptive, misleading, or likely to mislead;

(4) the information and documents submitted with the feasibility study under § 10–455 of this subtitle are current and accurate or have been updated to make them accurate; and

(5) the provider has submitted any other information that the Department requests.

§10–458.

(a) A provider may not provide continuing care at home services until the Department issues a certificate of registration to the provider.

(b) An application for a certificate of registration shall:

(1) be filed in a form satisfactory to the Department; and

(2) include at least the following information:

(i) except as provided in subsection (d) of this section, verification that the required number of agreements has been executed and the corresponding deposits collected;

(ii) the form and substance of any proposed advertisements, advertising campaigns, or other promotional materials for the program that are

available at the time of filing and that have not been filed previously with the Department;

(iii) verification that any other license or certificate required by other appropriate State units has been issued to the provider; and

(iv) any other information that the Department requires.

(c) The Department shall issue a certificate of registration to a provider if the Department determines that:

(1) the information and documents submitted with the feasibility study and application for a preliminary certificate of registration are current and accurate or have been updated to make them accurate;

(2) except as provided in subsection (d) of this section, the required number of agreements has been executed and the corresponding deposits collected;

(3) any other license or certificate required by other appropriate State units has been issued to the provider;

(4) the provider has submitted all proposed advertisements, advertising campaigns, and other promotional materials for the program;

(5) the form and substance of all advertisements, advertising campaigns, and other promotional materials submitted are not deceptive, misleading, or likely to mislead; and

(6) the provider has submitted any other information that the Department required.

(d) Subsections (b)(2)(i) and (c)(2) of this section do not apply to a provider of continuing care at home services that:

(1) meets any capital reserve requirements; and

(2) until the provider has enrolled the minimum number of subscribers needed for its revenues to at least equal its expenses:

(i) holds in escrow the entirety of all entrance fees; or

(ii) maintains a surety bond of at least \$1,000,000 or an equivalent replacement security such as cash, irrevocable letters of credit, certificates of deposit, or Treasury bills.

(e) If a provider intends to advertise before the Department issues a certificate of registration under subsection (c) of this section, the provider shall submit to the Department any advertisement, advertising campaign, or other promotional materials before using it.

(f) If a certificate of registration is not issued to a provider within 24 months after the Department approves a feasibility study, or a longer time allowed by the Department for good cause shown, the provider shall refund all deposits collected and stop offering continuing care at home services under that application.

§10-459.

(a) (1) Each year, within 120 days after the end of a provider's fiscal year, the provider shall file an application for a renewal certificate of registration with the Department.

(2) An application shall:

(i) be filed in a form satisfactory to the Department; and

(ii) contain any reasonable and pertinent information that the Department requires.

(b) The Department shall issue a renewal certificate of registration if the Department determines that:

(1) all required documents have been filed and are satisfactory;

(2) any revised agreements for continuing care at home services meet the Department's requirements;

(3) the proposed use of new or existing health facilities is not inconsistent with the State health plan;

(4) the provider has submitted all proposed advertisements, advertising campaigns, and other promotional materials for the program; and

(5) the form and substance of all advertisements, advertising campaigns, and other promotional materials submitted are not deceptive, misleading, or likely to mislead.

§10-460.

- (a) For cause, the Department may:
 - (1) deny a feasibility study approval; or
 - (2) deny, suspend, or revoke a preliminary, initial, or renewal certificate of registration.
- (b) (1) Grounds for a denial, suspension, or revocation include:
 - (i) violation of this subtitle;
 - (ii) violation of a regulation the Department adopts under this subtitle;
 - (iii) misrepresentation; or
 - (iv) submission of a false financial statement.
- (2) The Department shall set forth in writing its reasons for a denial, suspension, or revocation.
- (c) Title 10, Subtitle 2 of the State Government Article governs the appeal of a denial, revocation, or suspension.

§10-463.

In this part, “Committee” means the Financial Review Committee established in § 10-464 of this subtitle.

§10-464.

There is a Financial Review Committee in the Department.

§10-465.

- (a) (1) The Committee consists of seven members appointed by the Secretary.
- (2) Of the seven members:
 - (i) two shall be knowledgeable in the field of continuing care;
 - (ii) two shall be certified public accountants;

(iii) one shall be from the financial community; and

(iv) two shall be consumer members.

(3) In appointing the consumer members, the Secretary shall give a preference to subscribers of continuing care facilities.

(b) (1) The term of a member is 3 years.

(2) The terms of members are staggered as required by the terms provided for members on October 1, 2007.

(3) A member may serve consecutive terms.

(c) The Committee shall elect its chair.

(d) A member:

(1) may not receive compensation as a member of the Committee; but

(2) is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(e) A member is immune from civil liability as provided in § 5-514 of the Courts Article.

(f) A member may not participate in a review of a provider's financial condition if that member has an interest, as defined under the Maryland Public Ethics Law in § 5-101 of the General Provisions Article, in the provider.

(g) The deliberations of the Committee and communications between the Department and the Committee, including recommendations of the Committee, shall be confidential.

§10-466.

(a) (1) The Department may refer to the Committee for its consideration:

(i) a provider's application for a renewal certificate of registration after review by the Department; or

(ii) a finding of possible financial difficulty, at any time.

(2) The Department shall provide to the Committee any materials the Department considers necessary.

(b) (1) The Committee shall review the referral from the Department and may request additional information from the Department.

(2) Except as provided in subsection (c) of this section, within 45 days after receipt of a referral, the Committee shall notify the Department in writing whether the Committee recommends that the Department:

(i) find the provider in financial difficulty; and

(ii) find that the financial difficulty, if any, includes a significant risk of financial failure in accordance with § 10-469 of this subtitle.

(3) In making a recommendation to the Department, the Committee shall state the reason for the recommendation.

(c) (1) The Committee may request from the Secretary one 30-day extension of the deadline under subsection (b)(2) of this section.

(2) The Secretary may grant or deny the extension.

§10-467.

(a) Within 25 days after receipt of the Committee's recommendations, the Department shall consider the recommendations and make a final determination of whether financial difficulty exists and, if so, whether there is a significant risk of financial failure in accordance with § 10-469 of this subtitle.

(b) If the Department determines that the provider is in financial difficulty it shall immediately notify the provider by certified mail, return receipt requested, and inform the provider whether the Department has determined that there is a significant risk of financial failure.

(c) The provider shall:

(1) advise its subscribers of the Department's determination in a meeting to be held by the provider with representatives of the subscribers;

(2) hold the meeting within 10 days after the provider's receipt of notice from the Department; and

(3) advise the Department of the date, time, and location of the meeting.

§10-468.

(a) (1) A provider notified of financial difficulty by the Department shall prepare and submit to the Department for its approval a 5-year financial plan to correct the causes of the financial difficulty.

(2) The financial plan shall be submitted within 60 days after receipt of notification.

(3) The provider may request one 30-day extension from the Secretary.

(4) The Secretary may grant or deny the extension.

(b) (1) The Department shall respond to the provider within 60 days after receipt of the proposed financial plan.

(2) The Department may:

(i) work with the provider to establish the financial plan; and

(ii) consult with the Committee before approving the financial plan.

(c) (1) On approval, the financial plan shall be implemented.

(2) The provider shall make available to its subscribers copies of its approved financial plan.

(d) The provider shall:

(1) submit to the Department an annual progress report for the term of its financial plan; and

(2) revise its financial plan if the Department determines that revisions are necessary.

(e) The Department may withhold the renewal certificate of registration or withdraw a preliminary, initial, or renewal certificate of registration if:

(1) the provider does not prepare a financial plan;

- (2) the provider is unwilling or unable to prepare a financial plan;
- (3) the financial plan is inadequate to correct the current or impending financial condition that necessitated the financial plan; or
- (4) the provider fails to implement the financial plan.

§10-469.

The Department may determine that there exists a significant risk of the financial failure of a provider based on one or more of the following findings or circumstances:

- (1) the provider has failed to meet loan covenants that give a lender or a bond trustee the option to exercise remedies on its collateral;
- (2) an actuarial report has been provided to the Department reflecting significant underfunding of future liabilities that are unlikely to be readily addressed;
- (3) there is a significant shortfall by the provider in maintaining required reserves for a significant period of time;
- (4) a significant balloon payment or future loan payment will become due within the next 12 months and the provider is unable to demonstrate that it will obtain a modification from its lender, have the resources to make the payment, or have the ability to refinance;
- (5) there has been a significant decline in the occupancy rate that is likely to have a material adverse financial impact on the provider;
- (6) there has been a material adverse change in debt service coverage ratio for an extended period of time that reduces the ratio to less than 1.0;
- (7) there has been a significant decline in days cash on hand that is unrelated to additions to property, plant, and equipment or other community enhancements and that could result in an inability to pay obligations of the provider as they become due;
- (8) there has been a significant increase in the operating ratio, adjusted for unrealized gains and losses on investments, that could result in the inability of the provider to meet its obligations; or

(9) the refusal or inability of the provider to provide accurate information or data required to be submitted to the Department under this subtitle and related regulations.

§10-472.

(a) In this part the following words have the meanings indicated.

(b) “Creditor” means a person with a claim against a provider.

(c) “Delinquency proceeding” means a proceeding under this subtitle to liquidate, rehabilitate, reorganize, or conserve a provider.

(d) “General assets” means:

(1) all property that is not specifically mortgaged, pledged, deposited, or otherwise encumbered for the security or benefit of specified persons or a limited class of persons;

(2) to the extent that property of a provider is specifically encumbered, the amount of the property or its proceeds that exceeds the amount necessary to discharge the encumbrance; and

(3) assets held in trust and assets held on deposit for the security or benefit of all subscribers and creditors in the United States.

(e) “Receiver” includes a conservator, rehabilitator, and liquidator.

(f) (1) “Secured claim” means a claim that:

(i) is secured by mortgage, trust deed, pledge, deposit as security, escrow, or otherwise; or

(ii) has become a lien on specific assets through judicial process.

(2) “Secured claim” does not include a special deposit claim or a claim against general assets.

(g) (1) “Special deposit claim” means a claim secured by a deposit required by law for the security or benefit of a limited class of persons.

(2) “Special deposit claim” does not include a claim against general assets.

(h) “Transfer” means:

- (1) the sale or other direct or indirect disposition of property or an interest in property;
- (2) the fixing of a lien on property or an interest in property; or
- (3) the retention of a security title to property delivered to a debtor.

§10-473.

Notwithstanding any other provision of law and subject to § 10-493 of this subtitle, a delinquency proceeding is the exclusive method of liquidating, rehabilitating, reorganizing, or conserving a provider.

§10-474.

The Secretary, deputy secretary, special deputy secretary, or any person acting as receiver in a rehabilitation, liquidation, or conservation of a provider as a result of a court order shall have the same immunity from liability that the Maryland Insurance Commissioner, deputy commissioner, special deputy commissioner, or any person acting as receiver in a rehabilitation, liquidation, or conservation of an insurer would have under § 5-410 of the Courts Article.

§10-475.

- (a) (1) This subsection applies even if a paper or instrument is not:
 - (i) executed by the Secretary or a deputy, employee, or attorney of record of the Secretary; and
 - (ii) connected with the commencement of an action or proceeding by or against the Secretary or with the subsequent conduct of the action or proceeding.
- (2) Subject to subsection (b) of this section, the Secretary may not be required to pay to a public officer in the State a fee for filing, recording, or issuing a transcript or certificate or for authenticating a paper or instrument that relates to the exercise by the Secretary of a power or duty of the Secretary under this subtitle.
- (b) (1) The Secretary or deputy secretary, when acting as receiver or ancillary receiver under this subtitle, shall pay all court costs out of the assets of the provider before any distribution to creditors or termination of rehabilitation.

(2) In all cases, court costs and those specified in subsection (a) of this section shall:

- (i) be charged in the accounts of the Secretary to the court; or
- (ii) be paid by the provider as a condition of termination of the action or proceeding.

§10–476.

(a) (1) In a delinquency proceeding in which the Secretary has been appointed receiver, the Secretary may:

- (i) appoint one or more special deputy secretaries to act for the Secretary; and
- (ii) employ counsel, clerks, and assistants.

(2) Compensation of the special deputies, counsel, clerks, and assistants and all expenses of taking possession of the provider and of conducting the delinquency proceeding shall be:

- (i) set by the Secretary, subject to approval by the court; and
- (ii) paid out of the assets or funds of the provider.

(3) Within the limits of duties imposed on a special deputy concerning a delinquency proceeding, the special deputy:

- (i) has all powers given to the receiver; and
- (ii) in the exercise of those powers, is subject to all the duties imposed on the receiver concerning the delinquency proceeding.

(b) In a civil proceeding filed against a special deputy secretary appointed under this subtitle, the special deputy secretary is entitled to representation by the Attorney General as specified in Title 12, Subtitle 3, Part II of the State Government Article.

§10–477.

(a) The Circuit Court of Baltimore City:

and (1) has exclusive original jurisdiction over delinquency proceedings;

(2) may issue all necessary and proper orders to carry out this subtitle.

(b) If service is made in accordance with the Maryland Rules or other applicable law, a court with subject matter jurisdiction over an action brought under this subtitle also has jurisdiction over:

(1) an officer, director, manager, trustee, organizer, promoter, or attorney in fact of a provider against which a delinquency proceeding has been commenced, in an action resulting from or incidental to the person's relationship with the provider;

(2) a person that, at the time of or after commencement of the delinquency proceeding, held or was in control of assets in which the receiver claims an interest on behalf of the provider, in an action concerning the assets of the provider; and

(3) a person obligated to the provider in any way, in an action on or incidental to the obligation.

(c) The venue of all delinquency proceedings is in Baltimore City.

§10-478.

(a) The Secretary shall commence a delinquency proceeding against a provider by applying to the court for an order that directs the provider to show cause why the court should not grant the relief requested.

(b) (1) The court may consider an application for commencement of a delinquency proceeding only if the application is filed by the Secretary in the name of the State.

(2) After a hearing under the terms of the show cause order, the court:

(i) shall grant or deny the application; and

(ii) may order other relief as the nature of the case and the interests of the creditors, stockholders, members, subscribers, or the public may require.

§10–479.

(a) The Secretary may apply to the court for an order that directs the Secretary to conserve or rehabilitate a provider, if the provider:

(1) is a provider for which the Department has made a determination of significant risk of financial failure under Part VII of this subtitle;

(2) has refused to submit to the Secretary or a deputy or examiner of the Secretary, for reasonable examination, any of the property, books, records, accounts, or affairs of the provider, or of a subsidiary or related company of the provider within the provider's control;

(3) has concealed or removed its assets or records;

(4) has willfully violated its charter, articles of incorporation, a State law, or an order of the Secretary;

(5) after reasonable notice, has failed promptly and effectively to terminate the employment, status, and influence over the management of the provider of a person that has executive authority in fact over the provider and has refused to be examined under oath about the affairs of the provider in the State or elsewhere;

(6) has been or is the subject of an application for appointment of a receiver, trustee, custodian, sequestrator, or similar fiduciary of the provider or its property in an action that was not filed under this subtitle, regardless of whether the appointment:

(i) has been made;

(ii) may deny the courts of the State jurisdiction; or

(iii) may prejudice an orderly delinquency proceeding under this subtitle;

(7) has consented to the order for conservation or rehabilitation through a majority of its directors, stockholders, members, or subscribers;

(8) has failed to pay a final judgment rendered against it in the State on a continuing care agreement issued or assumed by the provider, within 60 days after the latest of:

(i) the day on which the judgment became final;

(ii) the day on which the time for taking an appeal expired; or

(iii) the day on which an appeal was dismissed before final termination;

(9) after examination by the Secretary, is found to be in a condition in which further transaction of its business will be hazardous to its subscribers, bondholders, creditors, or the public;

(10) has failed to remove a person that has executive authority in fact over the provider after the Secretary has found that person to be dishonest or untrustworthy in a manner that may affect the business of the provider;

(11) has reasonable cause to know, or should have known, that there has been:

- (i) embezzlement of funds from the provider;
- (ii) wrongful sequestration or diversion of assets of the provider;
- (iii) forgery or fraud that affects the provider; or
- (iv) other illegal conduct in, by, or with respect to the provider;

(12) is controlled directly or indirectly by a person that the Secretary finds to be untrustworthy; or

(13) has failed to file a financial report required by law within the time allowed by law and, after written demand by the Secretary, has failed to give an immediate and adequate explanation.

(b) (1) If the appointment of the Secretary as receiver is not then in effect, and even if no previous order has directed the Secretary to rehabilitate a provider, the Secretary may apply to the court for an order that appoints the Secretary as receiver and that directs the Secretary to liquidate the provider if the provider:

- (i) has not done business for at least 1 year;
- (ii) is a provider determined to have a significant risk of financial failure under Part VII of this subtitle and has commenced voluntary liquidation or dissolution, or attempts to commence or prosecute an action or

proceeding to liquidate its business or affairs, to dissolve its corporate charter, or to procure the appointment of a receiver, trustee, custodian, or sequestrator under any law except this title;

(iii) is doing business in a fraudulent manner; or

(iv) is in a condition in which further rehabilitation efforts on any grounds specified in subsection (a) of this section appear to be useless.

(2) If at any time during a rehabilitation proceeding the Secretary determines that further efforts to rehabilitate the provider would be useless, the Secretary may apply to the court for an order of liquidation.

§10-480.

(a) (1) An order to rehabilitate a provider shall:

(i) appoint the Secretary as rehabilitator;

(ii) direct the Secretary:

1. to take possession of the property of the provider and conduct the business of the provider under the general supervision of the court; and

2. to take action the court directs to remove the causes and conditions that have made rehabilitation necessary;

(iii) vest title to all property of the provider in the rehabilitator;
and

(iv) require the rehabilitator to make accountings to the court
that:

1. are at intervals as the court specifies in its order, but not less frequently than two times each year; and

2. include the opinion of the rehabilitator about the likelihood of success of the rehabilitation.

(2) Issuance of an order of rehabilitation:

(i) does not constitute an anticipatory breach of any contract of the provider; and

(ii) is not grounds for retroactive revocation or retroactive cancellation of a contract of the provider, unless the rehabilitator revokes or cancels the contract.

(b) (1) Subject to paragraph (2) of this subsection, the Secretary, or an interested person on due notice to the Secretary, may apply to the court at any time for an order that:

(i) terminates a rehabilitation proceeding; and

(ii) allows the provider to resume possession of its property and the conduct of its business.

(2) An order under this subsection may not be issued unless, after a hearing, the court determines that the purposes of the rehabilitation proceeding have been fully accomplished.

(c) (1) An order to liquidate the business of a provider shall direct the Secretary promptly to:

(i) take possession of the property of the provider;

(ii) liquidate the business of the provider;

(iii) deal with the property and business of the provider in the name of the Secretary or in the name of the provider, as the court directs; and

(iv) notify each creditor that may have a claim against the provider to present the creditor's claim.

(2) The Secretary may apply for, and the court may issue, an order to dissolve the corporate existence of a provider:

(i) on application of the Secretary for an order to liquidate the provider; or

(ii) at any time after the court has granted the order of liquidation.

(d) An order to conserve the assets of a provider shall require the Secretary promptly to take possession of and conserve the property of the provider in the State, subject to further direction by the court.

§10-481.

(a) In this section, “appointed receiver” means a person, other than the Secretary, that the court appoints as a conservator, rehabilitator, or receiver under this section.

(b) (1) On motion of the court or the Secretary, the court may issue an order that appoints or substitutes a person other than the Secretary as conservator, rehabilitator, or receiver:

(i) on initial application by the Secretary for an order to appoint the Secretary as conservator, rehabilitator, or receiver under this subtitle; or

(ii) at any time during the course of a conservatorship, rehabilitation, or receivership under this subtitle.

(2) An appointed receiver has the same powers and duties that the Secretary has under this subtitle as conservator, rehabilitator, or receiver.

(c) (1) In addition to any other report required by the court, the court shall require an appointed receiver at least quarterly to file with the Secretary and court a report about:

(i) the status of the conservatorship, rehabilitation, or receivership; and

(ii) the activities of the appointed receiver since the last report filed under this paragraph.

(2) The report required under paragraph (1) of this subsection at a minimum shall include:

(i) information of the character required by Title 13 of the Maryland Rules that applies to receivers generally;

(ii) any other information necessary to provide a complete report on the financial affairs and condition of the conservatorship, rehabilitation, or receivership;

(iii) a complete account of all efforts by the appointed receiver since the last report:

1. to sell or dispose of the remaining business or assets of the provider; or

2. to otherwise bring to a prompt conclusion the conservatorship, rehabilitation, or receivership; and

(iv) copies of any actuarial or other evaluations of the business and assets under the control of the appointed receiver.

(3) The report shall be audited unless for good cause the court waives the audit.

(d) Subject to any protective order that the court considers appropriate, information filed under seal shall be provided to the Secretary.

(e) The appointed receiver shall give the Secretary full access to all documents and records related to the conservatorship, rehabilitation, or receivership that are in the possession of the appointed receiver.

(f) The Secretary may be a party to a conservatorship, rehabilitation, or receivership for which there is an appointed receiver.

(g) (1) Subject to approval of the court, the Secretary may negotiate for sale of all or part of the assets or business of the provider placed in conservatorship, rehabilitation, or receivership.

(2) The appointed receiver:

(i) shall cooperate fully in any sales negotiation under paragraph (1) of this subsection; and

(ii) may object to the terms of a sale of the assets or business of the provider that results from the negotiation.

(3) After notice and an opportunity to be heard, the court may limit the efforts of the Secretary to undertake or continue negotiations for the sale of the assets or business of the provider if the negotiations would impair the ability of the appointed receiver to engage in similar negotiations or discharge other responsibilities.

(h) (1) If the Secretary determines that an appointed receiver is not adequately discharging the duties and responsibilities of the position, the Secretary may file with the court an application that seeks to discharge the appointed receiver and to appoint the Secretary as conservator, rehabilitator, or receiver or to appoint another receiver.

(2) If the Secretary establishes by a preponderance of the evidence that grounds exist for discharge of an appointed receiver, the court shall grant the application of the Secretary to discharge the appointed receiver and to appoint the Secretary as conservator, rehabilitator, or receiver or to appoint another receiver.

§10-482.

Within 15 days after appointment as receiver or conservator for a provider against which a delinquency proceeding has been commenced, the receiver or conservator shall notify each subscriber of the provider, by letter or other means approved by the court, of the commencement of the delinquency proceeding and of the possibility that the continuing care agreement of the subscriber may be canceled.

§10-483.

An appeal may be taken to the Court of Special Appeals from:

(1) an order that grants or refuses rehabilitation, liquidation, or conservation; and

(2) any other order in a delinquency proceeding that has the character of a final order as to the particular part of the delinquency proceeding covered by the order.

§10-484.

(a) To facilitate the rehabilitation, liquidation, conservation, or dissolution of a provider under this subtitle, the Secretary, subject to the approval of the court, may:

(1) borrow money;

(2) execute, acknowledge, and deliver notes or other evidences of indebtedness for the loan;

(3) secure the repayment of the loan by the mortgage, pledge, assignment, or transfer in trust of all or part of the property of the provider; and

(4) take any other action necessary and proper to consummate the loan and to provide for its repayment.

(b) The Secretary is not obligated personally or in an official capacity to repay a loan made under this section.

§10–485.

(a) Whenever under this subtitle a receiver is to be appointed in a delinquency proceeding for a provider, the court shall:

(1) appoint the Secretary as receiver; and

(2) order the Secretary promptly to take possession of the assets of the provider and to administer the assets under the orders of the court.

(b) Beginning on the date of issuance of an order that directs the Secretary to rehabilitate or liquidate a provider, the Secretary as receiver is vested by operation of law with title to and may take possession of all of the property, contracts, rights of action, books, and records of the provider, wherever located.

(c) The filing of the order that directs possession to be taken, or a certified copy of the order, in an office where instruments affecting title to property are required to be filed provides the same notice as would be provided by a deed, bill of sale, or other evidence of title that is so filed.

(d) (1) The Secretary as receiver shall administer properly all assets that come into the possession or control of the Secretary.

(2) If considered desirable to protect the assets, the court at any time may require a bond from the Secretary or deputy secretary.

(3) On taking possession of the assets of a provider and subject to the direction of the court, the Secretary immediately shall:

(i) conduct the business of the provider; or

(ii) take action authorized by this subtitle to rehabilitate, liquidate, or conserve the affairs or assets of the provider.

§10–486.

(a) During pendency of a delinquency proceeding for a provider, an attachment, garnishment, execution, or similar action or proceeding may not be commenced or maintained in a court of this State against the provider or its assets.

(b) A lien obtained or an action or proceeding prohibited by subsection (a) of this section is void as against any rights arising in the delinquency proceeding, if the lien was obtained or the action or proceeding commenced within 4 months before or at any time after commencement of a delinquency proceeding.

§10-487.

(a) A transfer of or lien on the property of a provider is voidable if the transfer or lien is:

(1) made or created within 4 months before the issuance of a show-cause order under this subtitle;

(2) made or created with the intent to give a creditor a preference or to enable the creditor to obtain a greater percentage of the debt than another creditor of the same class; and

(3) accepted by the creditor having reasonable cause to believe that the preference will occur.

(b) Each director, officer, employee, stockholder, member, subscriber, and any other person acting on behalf of a provider that is concerned in a voidable transfer under subsection (a) of this section and each person that, as a result of the voidable transfer, receives any property of the provider or benefits from the voidable transfer:

(1) is personally liable; and

(2) shall account to the Secretary.

(c) The Secretary as receiver in a delinquency proceeding may:

(1) avoid a transfer of or lien on the property of a provider that a creditor, stockholder, subscriber, or member of the provider might have avoided; and

(2) recover the transferred property or its value from the person that received it unless that person was a bona fide holder for value before the date of issuance of a show-cause order under this subtitle.

§10-488.

(a) (1) The Secretary shall deposit money collected in a delinquency proceeding in a State or national bank, savings bank, or trust company.

(2) Deposits made by the Secretary under paragraph (1) of this subsection have priority of payment equal to any other priority specified by the banking laws of this State if the depository:

(i) is an institution organized and supervised under the laws of this State; and

(ii) becomes insolvent or liquidates voluntarily or involuntarily.

(3) The Secretary may deposit all or part of the money collected in a national bank or trust company as a trust fund.

(b) To the extent that an investment or account is insured by the Federal Deposit Insurance Corporation, the Secretary may invest in shares of or deposits in a savings and loan association or building and loan association.

§10-489.

(a) (1) If on issuance of an order of liquidation under this subtitle or at any time during a liquidation proceeding the provider is not clearly solvent, the court, after notice it considers proper and a hearing, shall issue an order that the provider is an impaired provider.

(2) Notwithstanding any previous notice given to creditors, after issuance of an order under paragraph (1) of this subsection, the Secretary shall notify each person that may have a claim against the provider that the claim is forever barred unless the person files the claim with the Secretary at a place and within the time specified in the notice.

(3) The time specified in the notice:

(i) shall be as set by the court for filing claims; but

(ii) may not be less than 6 months after issuance of the order that the provider is an impaired provider.

(4) The notice shall be given in the manner and for the reasonable period of time that the court orders.

(b) (1) Each claimant shall set forth in reasonable detail:

(i) the amount of the claim or the basis on which the amount can be determined;

(ii) the facts on which the claim is based; and

(iii) any priority asserted by the claimant.

(2) Each claim shall:

(i) be verified by the affidavit of the claimant or a person authorized to act on behalf of the claimant who has knowledge of the facts; and

(ii) be supported by any documents that may be material to the claim.

(3) Each claim shall be filed with the receiver in the State on or before the last date specified under this subtitle for filing of claims.

(c) The receiver shall:

(1) report a claim to the court:

(i) within 10 days after receiving the claim; or

(ii) within an additional period set by the court for good cause shown; and

(2) recommend in the report action to be taken on the claim.

(d) (1) On receipt of the report of the receiver, the court shall:

(i) set a time for hearing the claim; and

(ii) direct the claimant or receiver to give notice as the court determines to each person that appears to the court to be interested in the claim.

(2) The notice given in accordance with this subsection shall:

(i) specify the time and place of the hearing; and

(ii) state concisely:

1. the amount and nature of the claim;

2. any priority asserted by the claimant; and

3. the recommendation of the receiver about the claim.

(e) (1) At the hearing specified under subsection (d) of this section:

(i) each person with an interest in the claim may appear; and

(ii) the court shall issue an order in which the court allows in part, or disallows the claim.

(2) An order under this subsection is a final order subject to appeal.

§10-490.

(a) In this section, “preferred claim” means a claim that is given priority of payment from the general assets of a provider under the laws of the State or the United States.

(b) (1) The first \$500 of compensation or wages owed to an officer or employee of a provider for services rendered within 3 months before the commencement of a delinquency proceeding against the provider shall be paid before payment of any other debt or claim.

(2) Subject to paragraph (3) of this subsection, the Secretary may pay the compensation required to be paid under this subsection as soon as practicable after commencement of the delinquency proceeding.

(3) At all times, the Secretary shall reserve funds that the Secretary believes are sufficient for expenses of administration.

(4) The priority required under this subsection is instead of any other similar priority that may be authorized by law as to wages or compensation.

(c) Priority over all other claims in a liquidation proceeding, other than claims for wages specified in subsection (b) of this section, expenses of administration, and taxes, shall be given to claims by subscribers that arise from continuing care agreements with the provider, including claims to the statutory refund required by § 10-448 of this subtitle.

(d) (1) The owner of a secured claim against a provider for which a receiver has been appointed in this State or another state may:

(i) surrender the security and file the claim as a general creditor; or

(ii) have the claim discharged by resort to the security.

(2) If the owner of a secured claim has the claim discharged by resort to the security, any deficiency shall be treated as a claim against the general assets of the provider on the same basis as the claims of unsecured creditors.

(3) The amount of a deficiency is conclusive if adjudicated by a court of competent jurisdiction in a proceeding in which the receiver has been given notice and an opportunity to be heard.

(4) If the amount of a deficiency is not conclusive, the amount shall be determined in a delinquency proceeding in the State.

§10-491.

(a) (1) Subject to paragraph (2) of this subsection, contingent and unliquidated claims may not share in a distribution of the assets of a provider that has been adjudicated to be an impaired provider by an order issued under this subtitle.

(2) If properly presented, a contingent and unliquidated claim shall be considered and may be allowed to share if:

(i) the claim becomes absolute against the provider on or before the last day for filing claims against the assets of the provider; or

(ii) there is a surplus and the liquidation is subsequently conducted on the basis that the provider is solvent.

(b) (1) Except as provided in paragraph (2) of this subsection, a claim of a person that has a secured claim may not be allowed at a sum greater than the difference between:

(i) the value of the claim without security; and

(ii) the value of the security itself on:

1. the date of issuance of the liquidation order; or

2. another date set by the court for determining rights and liabilities as provided in subsection (c) of this section.

(2) If the claimant surrenders the security to the Secretary, the claim shall be allowed in the full amount for which it is valued.

(c) Subject to the provisions of this subtitle on the rights of claimants holding contingent claims, and unless otherwise directed by the court, the rights and liabilities of a provider and creditors, stockholders, members, subscribers, and other persons interested in the estate of the provider are fixed on the date on which the order that directs the liquidation of the provider is filed in the office of the clerk of the court that issued the order.

§10-492.

(a) Except as provided in subsection (b) of this section, in all cases of mutual debts and credits between a provider and another person in connection with a delinquency proceeding, the debts and credits shall be offset and the balance only shall be allowed or paid.

(b) An offset may not be allowed in favor of another person if:

(1) on the date of issuance of a liquidation order or otherwise, as specified in § 10-491(c) of this subtitle, the obligation of the provider to the person would not entitle the person to share as a claimant in the assets of the provider; or

(2) the obligation of the provider to the person was purchased by or transferred to the person for use as an offset.

§10-493.

If a provider is the subject of a bankruptcy or receivership action, the claims of subscribers shall be administered in accordance with § 10-490(c) of this subtitle for the purpose of any legal action in conjunction with the bankruptcy or receivership.

§10-496.

(a) A person may not maintain or operate a facility offering continuing care without having obtained an initial or renewal certificate of registration.

(b) A person may not disseminate prohibited advertising or promotional materials.

(c) A person may not provide false registration information to the Department.

(d) (1) A person who violates any provision of this subtitle is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 6 months or a fine not exceeding \$1,000 or both.

- (2) Each violation of this subtitle constitutes a separate offense.

§10–497.

(a) The Secretary may impose a civil money penalty against a provider for an action or inaction that violates this subtitle or any regulation adopted by the Department under this subtitle.

(b) (1) Before imposing a civil money penalty under subsection (a) of this section, the Department shall issue a notice of violation to the provider.

(2) The notice shall state:

(i) when the provider must submit a plan of correction that is acceptable to the Department;

(ii) when each identified violation must be substantially corrected, which may not be less than 30 days; and

(iii) that failure to submit an acceptable plan of correction as required under item (i) of this paragraph or to correct an identified violation may result in an order imposing a civil money penalty under subsection (d) of this section.

(c) If at the expiration of the time set forth in the notice required under subsection (b) of this section the Department determines a violation has not been corrected, the Secretary may:

(1) extend the time in which the violation must be corrected; or

(2) impose a civil money penalty under subsection (d) of this section.

(d) (1) The Secretary may impose a civil money penalty not exceeding \$5,000 for each violation.

(2) In setting the amount of a civil money penalty under this section, the Secretary shall consider the following factors:

(i) the number, nature, and seriousness of the violations;

(ii) the degree of risk to the health, life, or physical or financial safety of the subscribers caused by the violations;

(iii) the efforts made by the provider to correct the violations;

(iv) whether the amount of the proposed civil money penalty will jeopardize the financial ability of the provider to continue operating; and

(v) other factors as justice may require.

(3) If a civil money penalty is imposed under this section, the Department shall issue an order stating:

(i) the basis on which the order is made;

(ii) each regulation or statute violated;

(iii) each civil money penalty imposed and the total amount of the civil money penalty imposed; and

(iv) the manner in which the amount of the civil money penalty was calculated.

(4) (i) The Department shall provide written notice to a provider of the imposition of a civil money penalty.

(ii) The notice shall be served on the provider by certified mail and shall include the order and a statement on how to file an administrative appeal.

(5) If a civil money penalty is imposed under this section, the provider has the right to appeal from the order in accordance with Title 10, Subtitle 2 of the State Government Article.

(e) (1) A provider shall pay a civil money penalty to the Department within 10 days after the provider receives a final order imposing the civil money penalty.

(2) An order imposing a civil money penalty is final when the provider has exhausted all opportunities to contest the civil penalty in accordance with Title 10, Subtitle 2 of the State Government Article.

(3) If a provider does not comply with this section, the Department may file a civil action to recover the penalty.

(4) The Department shall deposit all civil money penalties collected under this section into the General Fund.

§10-498.

(a) (1) Any subscriber injured by a violation of this subtitle may bring an action for equitable relief or an action for damages in any court of general jurisdiction.

(2) In an action described in paragraph (1) of this subsection, the court may award reasonable attorney's fees to a subscriber in whose favor a judgment is entered.

(b) The Department may bring an action for an appropriate temporary restraining order or injunction for a violation of this subtitle.

§10-499.

(a) The Department may use the receivership provisions of Part VIII of this subtitle to protect the interests of subscribers in:

(1) the substantial advance payments subscribers have made in the form of entrance fees and, when applicable, periodic fees, for future continuing care without necessarily having any ownership in or control of the provider or the facility;

(2) the insurance aspects of continuing care agreements, as applicable; and

(3) the continued delivery of services committed to under continuing care agreements.

(b) The Department may petition for the appointment of a receiver:

(1) if there is a threat of immediate closure of a facility;

(2) if the provider is not honoring its contracts with its subscribers;

(3) to prohibit the improper diversion of the provider's assets and records from the facility or the State; or

(4) if the Department has made a determination of a significant risk of financial failure in accordance with §§ 10-467 and 10-469 of this subtitle.

(c) The Department may petition for the appointment of a receiver before the provider files a plan of correction.

(d) The receiver may rehabilitate, conserve, or liquidate as provided by the order of appointment and Part VIII of this subtitle.

§10-501.

(a) In this part the following words have the meanings indicated.

(b) “Capital equipment” means essential fixed equipment and furnishings with an expected useful life of at least 15 years.

(c) (1) “Cost” means all expenses incident to a project.

(2) “Cost” includes:

(i) the cost to acquire any interest in real or personal property in connection with a project;

(ii) the cost of financial, technical, professional, engineering, and legal services in connection with a project whether the expenses are incurred before or after any bond, note, or other evidence of indebtedness or obligation is issued by the State to finance the project;

(iii) the cost of development of a senior citizen activities center master plan; and

(iv) the cost of plans, specifications, surveys, estimates of costs and revenues, feasibility or practicability reports, machinery, equipment, and administrative expenses, and other expenses that are necessary and incident to the financing authorized for the project.

(d) “Grant” means a grant from the State under the Program.

(e) “Improvement” means construction, replacement, extension, or betterment of a senior citizen activities center or real property.

(f) “Master plan” means a comprehensive plan for a local government’s projected need for funds for senior citizen activities centers over 15 years.

(g) “Program” means the Senior Citizen Activities Centers Capital Improvement Grants Program.

(h) “Project” means a capital construction, expansion, renovation, or replacement project for a proposed or existing senior citizen activities center that:

(1) receives or has received a grant for work that is eligible under this part;

(2) is operated under the authority of a unit of local government; and

(3) is:

(i) wholly owned by the unit of local government; or

(ii) leased by a unit of local government if:

1. the lease is for a minimum term of 15 years after completion of the project or gives the lessee the right of purchase; and

2. the lessor consents to the recording of a notice of the right of recovery under § 10–506 of this subtitle in the land records of the county in which the facility is located.

(i) “Senior citizen activities center” means a community or neighborhood facility in which a broad spectrum of services are organized and provided to individuals at least 60 years old or their spouses, including health, social, nutritional, educational, and recreational services.

§10–502.

(a) A unit of local government may apply to the Secretary for a grant for the cost of:

(1) planning, design, construction, acquisition, conversion, renovation, or improvement of a senior citizen activities center;

(2) developing a master plan;

(3) purchasing capital equipment for a project;

(4) leasing a senior citizen activities center as a lessee or lessor; or

(5) making a subgrant to a nonprofit organization for a purpose described in item (1), (2), (3), or (4) of this subsection.

(b) If the Secretary approves an application for a grant, the Secretary shall file with the Board of Public Works a report describing the scope of the project and a recommendation that the Board make the requested funds available.

§10–503.

A grant may be used for any of the purposes specified in § 10-502(a) of this subtitle.

§10-504.

(a) (1) Any federal grant that is received for a project shall be applied first to the cost of the project.

(2) Except as provided in subsection (b) of this section, a State grant for a project may not exceed the lesser of \$800,000 or 50% of the cost of eligible work remaining unpaid after any federal grant is applied.

(3) A State grant to develop a master plan may not exceed the lesser of \$15,000 or 50% of the cost of development of the plan.

(b) The Board of Public Works may authorize a grant for a project that exceeds 50% of the cost of eligible work remaining unpaid after any federal grant is applied, if:

(1) the project involves the conversion, acquisition, renovation, construction, or improvement of a building for use as a senior citizen activities center;

(2) the value of real property and existing improvements made available by the local government equals or exceeds the amount of the State grant; and

(3) the residual value of the real property and existing improvements made available by the local government exceeds the sum of:

(i) any prior amounts used for matching funds under this Program;

(ii) any outstanding State debt relating to the property from another program;

(iii) any prior grant under this Program; and

(iv) any other tangible State investment in the property.

(c) The amount of a State grant for a project shall be determined after consideration of:

(1) the density of the senior population in the area affected by the project;

(2) the proximity of the proposed center to an existing senior citizen activities center; and

(3) other localities eligible for State funding that have not received previous funding under the Program or similar programs.

(d) A grantee who received funds for a project under this subtitle or a prior act authorizing grants for senior citizen activities centers may receive additional grants for the project, but only in an amount that does not exceed the difference between the sum of any prior grants and the maximum funding allowable for the project.

(e) A grantee who received funds for a project under this subtitle for a project at a senior citizen activities center may request an additional grant for a different project at the same senior citizen activities center, if the sum of grants made for any single senior citizen activities center does not exceed \$800,000 in any 15-year period.

§10-505.

At any reasonable time, a representative of the Department may enter a building or place for which a grant was awarded under this part to inspect any pertinent equipment or part of the building or place.

§10-506.

(a) Before State funds are paid under this Program, the grantee shall:

(1) record the notice of the State's right to recovery in the land records of the county in which the senior citizen activities center is or will be located; and

(2) provide evidence of the recordation to the Department.

(b) The recordation constitutes notice to any potential transferee, potential creditor, or other interested party of the possibility that the State may obtain a lien under this part, but the act of recordation does not create a lien against the property.

§10-507.

(a) The State may recover State grant funds if, within 15 years after completion of a project:

(1) the property, with respect to which funds have been paid under this subtitle, ceases to be operated as a senior citizen activities center; or

(2) an interest in property for which funds have been paid under the Program is assigned, transferred, or conveyed:

(i) without approval by the Board of Public Works; or

(ii) for use other than as a senior citizen activities center.

(b) The State is entitled to recover the sum of:

(1) an amount that equals the value of the property, with respect to which funds have been paid under this subtitle, at the time of the recovery multiplied by a fraction:

(i) the numerator of which is the amount of the State funds for the project; and

(ii) the denominator of which is the total cost of all eligible work for the project; and

(2) costs, including reasonable attorney's fees that the State incurs in recovery proceedings.

§10-508.

(a) (1) If a default described in § 10-507(a) of this subtitle is alleged, the Secretary of the Board of Public Works may file a civil action under this part in the circuit court of the county in which the property is located against the owner of the property and any other interested parties, including any transferor that the State wishes to make a party.

(2) The initial filing shall include sworn affidavits stating facts on which the allegations of default are based and a detailed justification of the amount claimed.

(b) (1) If the court determines from the State's initial filing that there is probable cause to believe that a default described in § 10-507(a) of this subtitle has occurred, the court shall authorize a temporary lien on the property pending full determination of the State's claim.

(2) The temporary lien shall be in the amount of the State's claim, plus any additional amount estimated to be necessary to cover the costs and

reasonable attorney's fees incurred by the State, or another amount that the court determines is reasonable.

(c) (1) The temporary lien takes effect:

(i) on the date of the court order authorizing the lien if, within 10 days, the Secretary of the Board of Public Works records a notice of temporary lien in the land records of the county in which the property is located; or

(ii) if the Secretary fails to record the notice within 10 days, on the date the notice of temporary lien is recorded.

(2) While the temporary lien is in effect, the owner or any person who acquired an interest in the property after the State first made funds available under the Program may not take an action that would affect the title to the property or institute proceedings to enforce a security interest or other similar rights in the property, without the prior written consent of the State.

(d) (1) The owner or any other interested party may obtain a release of the temporary lien at any time by filing with the court a bond securing the payment in full of the amount described in subsection (b)(2) of this section.

(2) The owner or other interested party may cause the release to be recorded in the land records of the county in which the property is located.

§10-509.

(a) Proceedings to determine the State's right to recover and the amount of its recovery under the Program have priority over other civil proceedings in the circuit court.

(b) (1) After a full adversary proceeding, if the court finds that a default described in § 10-507(a) of this subtitle has occurred, the court shall issue a final judgment for the amount the court finds to be recoverable by the State.

(2) All parties involved in the default, including the owner of the property, shall be held jointly and severally liable to the State for the amount of the judgment.

(3) If the court finds that a default described in § 10-507(a) of this subtitle has not occurred or if the court's judgment is paid in full to the State within 30 days after the court's final order, any temporary lien shall be released immediately and the Secretary of the Board of Public Works shall cause the release to be recorded in the land records of the county in which the property is located.

(4) (i) If the judgment remains unpaid for more than 30 days after the court's final order, the amount shall be a lien on the property.

(ii) Unless the State provides otherwise in a written subordination agreement, the lien is superior to a lien or other interest of any mortgagee, pledgee, purchaser, or judgment creditor whose interest became perfected against third persons after the State awarded a grant.

(c) (1) A lien issued under this section takes effect on the later of:

(i) the 31st day after the court's final order if the Secretary of the Board of Public Works records a notice of lien in the land records of the county in which the property is located on or before that day; or

(ii) the date a notice of lien is recorded.

(2) (i) When the lien takes effect, any temporary lien is automatically and fully released.

(ii) The recorded notice of the lien constitutes notice of the release of the temporary lien.

(d) A lien issued under this part may be enforced and foreclosed in accordance with the Maryland Rules, except that the State or any agent appointed by the State to sell the property need not file a bond.

(e) (1) The owner or any other interested party may obtain release of a lien issued under this part by paying to the State the full amount of the judgment entered by the circuit court, and any interest that has accrued from the date of judgment.

(2) On payment in full, the Secretary of the Board of Public Works shall cause a release to be recorded in the land records of the county in which the property is located.

(f) Funds recovered under this section shall be deposited in the Annuity Bond Fund and applied to the debt service requirements of the State.

(g) The Board of Public Works may waive the State's right of recovery if the Board determines that there is good cause for releasing the transferor, transferee, or owner from this obligation.

§10-510.

Subject to approval by the Board of Public Works, the Secretary may adopt regulations to carry out this part.

§10-513.

- (a) In this part the following words have the meanings indicated.
- (b) “Fund” means the Senior Citizen Activities Center Operating Fund.
- (c) “Senior citizen activities center” means a community or neighborhood facility in which a broad spectrum of services are organized and provided to seniors and their spouses, including health, social, nutritional, educational, and recreational services.

§10-514.

- (a) There is a Senior Citizen Activities Center Operating Fund.
- (b) The Fund shall be used to supplement, but may not be used to supplant, any existing funding for senior citizen activities centers in the State budget.

§10-515.

- (a) The Secretary shall administer the Fund.
- (b) The Secretary may adopt regulations to carry out this part.

§10-516.

- (a) In this section, “distressed county” means:
 - (1) Baltimore City; and
 - (2) a county:
 - (i) with an average rate of unemployment for the most recent 24-month period for which data are available that exceeds:
 - 1. 150% of the average rate of unemployment for the State during that period; or
 - 2. the average rate of unemployment for the State during that period by at least 2 percentage points;

(ii) with an average per capita personal income for the most recent 24-month period for which data are available that is equal to or less than 67% of the average per capita personal income for the State during that period; or

(iii) that no longer meets either criterion stated in item (i) or (ii) of this item but has met at least one of the criteria at some time during the preceding 24-month period.

(b) The Fund is a continuing, nonlapsing fund that is not subject to § 7-302 of the State Finance and Procurement Article.

(c) (1) The Fund consists of appropriations that are made to the Fund from the State budget.

(2) (i) For each fiscal year, the Governor shall include in the annual State budget an appropriation of \$750,000 for the Fund.

(ii) In addition to the funds provided under subparagraph (i) of this paragraph, the Governor shall provide sufficient funds to ensure that each county receives at least \$5,000 under subsection (d)(2) of this section.

(d) (1) \$100,000 of the Fund shall be distributed to counties for senior citizen activities centers based on a competitive grant process administered by the Department.

(2) (i) \$400,000 of the Fund shall be distributed to counties based on each county's proportional share of the statewide population of senior citizens.

(ii) A county shall receive at least \$5,000 under this paragraph.

(3) At least \$250,000 of the Fund shall be distributed for senior citizen activities centers to distressed counties as follows:

(i) \$150,000 shall be divided evenly; and

(ii) \$100,000 shall be divided proportionately by each county's share of the total population of senior citizens in distressed counties.

(e) The Fund shall be invested and reinvested in the same manner as other State funds.

§10-601.

(a) In this subtitle the following words have the meanings indicated.

(b) “Commission” means the Commission on Aging established under § 10–208 of this title.

(c) “Program” means the Innovations in Aging Services Program.

§10–602.

(a) There is an Innovations in Aging Services Program in the Department.

(b) The purposes of the Program are to:

(1) provide competitive funding grants to design and test innovative ideas in programs and services for seniors;

(2) publicly disseminate the results of the tests; and

(3) help meet the need for personnel trained to provide services to seniors in the State.

§10–603.

(a) (1) With the advice of the Commission, the Secretary shall:

(i) develop annually a Program plan; and

(ii) submit the plan to the Governor and General Assembly for approval as part of the annual State budget.

(2) The plan shall set forth priorities for:

(i) funding grants for innovative services to seniors; and

(ii) training personnel who provide services to seniors in the State.

(3) The plan shall include provisions for:

(i) funding grants that are sought by Communities for a Lifetime to the extent practicable; and

(ii) evaluating any program funded under the plan.

(b) The Secretary may accept money from any public or private source to fund grants awarded under this subtitle.

§10-604.

(a) The Secretary shall solicit grant proposals to implement the Program priorities approved by the Governor and the General Assembly under § 10-603(a) of this subtitle.

(b) With the advice of the Commission, the Secretary shall award grants funded in accordance with the approved Program priorities.

(c) The Secretary shall provide for the evaluation, by recognized authorities in the field of services to seniors, of the programs funded by the grants.

§10-606.

The Secretary shall report annually to the Governor and, subject to § 2-1257 of the State Government Article, to the General Assembly on the evaluations of programs funded under this subtitle.

§10-607.

The Secretary shall adopt regulations to carry out this subtitle.

§10-701.

(a) In this subtitle the following words have the meanings indicated.

(b) “Adult dependent” means an individual who is:

(1) at least 18 years old;

(2) an individual with long-term care needs; and

(3) the spouse, parent, stepparent, grandparent, child, stepchild, sibling, aunt, uncle, son-in-law, daughter-in-law, mother-in-law, or father-in-law of a family caregiver.

(c) “Family caregiver” means an individual who cares for an adult dependent.

(d) “Individual with long-term care needs” means an individual who:

(1) is unable to perform at least three activities of daily living without substantial assistance from another individual; or

(2) (i) is unable to perform at least one activity of daily living without substantial assistance from another individual; and

(ii) requires substantial supervision to protect the individual from threats to the individual's health and safety due to severe cognitive impairment.

(e) "Program" means the Family Caregiver Assistance Program.

§10-702.

(a) There is a Family Caregiver Assistance Program in the Department.

(b) The purpose of the Program is to provide grants to eligible family caregivers to supplement the unmet expenses of caring for an adult dependent.

§10-703.

(a) Funding for the Program shall be as provided in the State budget.

(b) The Secretary may accept money provided by other public and private sources, including federal funds, to provide grants under the Program.

§10-704.

(a) A family caregiver is eligible for a grant from the Program if:

(1) the family caregiver resides with an adult dependent;

(2) the adult dependent has been certified by a licensed physician in the State as an individual with long-term care needs for at least 180 consecutive days during the year; and

(3) the family caregiver's household income is 200% or less of the State median income, as adjusted for family size, in accordance with regulations adopted by the Secretary.

(b) The Program may provide eligible family caregivers with a grant of up to \$500 per household per year.

(c) A grant may be used to fund goods and services required to provide care for an adult dependent including:

- (1) durable medical equipment;
- (2) medical bills;
- (3) medical supplies;
- (4) prescription or over-the-counter medications;
- (5) repairs or modifications to the home; and
- (6) respite care for the family caregiver.

§10-705.

The Secretary shall:

- (1) adopt regulations to implement the Program;
- (2) work in cooperation with the Department of Disabilities, the Maryland Department of Health, and the Maryland Commission on Caregiving to promote the Program to family caregivers throughout the State; and
- (3) report annually to the Governor and, subject to § 2-1257 of the State Government Article, the General Assembly on:
 - (i) the number of grant requests received;
 - (ii) the value of grants provided to family caregivers;
 - (iii) the purposes for which the grants were provided; and
 - (iv) the number of grant requests that the Program was unable to fund and the reason why those requests were not funded.

§10-706.

The regulations required to be adopted under § 10-705 of this subtitle shall:

- (1) ensure that the total amount of funding available for grants under the Program is allocated among all counties based on each county's proportion of the total State adult population; and

(2) provide that if a county is unable to use its allocation, any unspent funds shall revert to the Program and be redistributed among all counties.

§10-801.

The purpose of this subtitle is to:

(1) establish a comprehensive, strategic State plan to address the aging-in-place preference of current and future seniors;

(2) provide available resources to local communities to enhance aging-in-place services and facilitate the independence of older adults; and

(3) promote a State aging-in-place program that overcomes barriers in housing, transportation, health care, employment, and social and civic engagement.

§10-802.

There is a Maryland Communities for a Lifetime Program in the Department.

§10-803.

The Department shall collect and make available best practices on policies to encourage aging-in-place.

§10-804.

(a) A county or municipal corporation may establish a process to certify communities as Communities for a Lifetime under the Maryland Communities for a Lifetime Program.

(b) The Department shall recommend criteria that local jurisdictions may use to certify Communities for a Lifetime, including:

(1) the extent to which a community has sought and plans to expand public health, prevention, and wellness programs that serve older adults;

(2) the extent to which a community has sought and plans to expand affordable transportation options;

(3) the extent to which a community has sought and plans to expand affordable rental housing and the ability to own affordable homes;

(4) the extent to which a community has sought and plans to expand employment, civic engagement, recreation, and leisure options for older adults; and

(5) the extent to which a community has sought and plans to expand other initiatives that boost the abilities of older adults to age in place.

(c) A Community for a Lifetime shall submit to the Department on or before September 1 each year a progress report on the community's efforts to enable aging in place and a report on the community's plans to enable aging in place in the future.

§10-901.

(a) In this subtitle the following words have the meanings indicated.

(b) "Local long-term care ombudsman entity" means an entity designated by the State Long-Term Care Ombudsman to assist in carrying out the duties of the Program.

(c) "Long-term care facility" means:

(1) a nursing facility, as defined in § 19-301 of the Health – General Article; or

(2) an assisted living program, as defined in § 19-1801 of the Health – General Article.

(d) "Office" means the Office of the Long-Term Care Ombudsman established under this subtitle.

(e) "Ombudsman" means:

(1) the State Long-Term Care Ombudsman; and

(2) any individual, whether a paid employee or a volunteer, who is designated by the State Long-Term Care Ombudsman as an ombudsman.

(f) "Program" means the Long-Term Care Ombudsman Program established under this subtitle.

(g) "Resident" means a resident of a long-term care facility located in the State.

(h) “State Long–Term Care Ombudsman” means the individual selected by the Secretary under § 10–903 of this subtitle.

§10–902.

(a) There is a Long–Term Care Ombudsman Program in the Department.

(b) The purpose of the Program is to fulfill the requirements of:

(1) the Program under this subtitle; and

(2) the federal Older Americans Act, including the requirements of 42 U.S.C. § 3058g.

(c) (1) The Secretary, in consultation with the State Long–Term Care Ombudsman, shall adopt regulations necessary to carry out this subtitle.

(2) The regulations adopted under paragraph (1) of this subsection shall establish:

(i) the requirements for an annual review by the Department of all ombudsman activities; and

(ii) the process for assisting individuals with organizing and operating a resident council and a family council in a long–term care facility.

§10–903.

(a) There is an Office of the Long–Term Care Ombudsman in the Department.

(b) (1) Unless the Secretary is subject to a conflict of interest that cannot be removed, the Secretary shall select a State Long–Term Care Ombudsman.

(2) If the Secretary is subject to a conflict of interest that cannot be removed, the Secretary shall designate another individual, who is not subject to a conflict of interest, to select the State Long–Term Care Ombudsman.

(c) The State Long–Term Care Ombudsman:

(1) shall personally administer the Office;

(2) shall have expertise and experience in the field of long–term care advocacy;

(3) may not have any conflict of interest with the position; and

(4) shall, on a full-time basis, perform duties related to the Program.

(d) The State Long-Term Care Ombudsman shall personally or through designated ombudsmen:

(1) identify, investigate, and resolve complaints from any source made by, or on behalf of, a resident relating to any action, inaction, or decision, that may adversely affect the health, safety, welfare, or rights of a resident including the welfare and rights of residents with respect to the appointment and activities of guardians and representative payees, of:

(i) a provider, or a representative of a provider, of long-term care services;

(ii) a public agency; or

(iii) a health or social service agency;

(2) represent the interests of residents before governmental agencies and seek administrative, legal, and other remedies to protect the health, safety, welfare, and rights of residents;

(3) provide information as appropriate to other agencies and the public regarding the problems and concerns of residents;

(4) inform residents, family members, and others acting on behalf of residents about how to access the assistance and services of the Office and the services and assistance of other providers or agencies, including legal services;

(5) ensure regular and timely access to and response from the Office;

(6) comment on, facilitate public comment on, and recommend changes to existing or proposed laws, rules, regulations, and other governmental policies and actions that affect the health, safety, welfare, and rights of residents;

(7) provide technical support for the development of resident and family councils to protect the well-being and rights of residents;

(8) provide for the education and training of ombudsmen;

(9) educate facilities, agencies, and staff members concerning the rights and welfare of residents;

(10) promote the development of citizen organizations to advocate for the well-being and rights of residents;

(11) provide services to assist residents in protecting the health, safety, welfare, and rights of residents; and

(12) carry out any other activities that the Secretary determines to be appropriate or that are required by the federal Older Americans Act.

§10-904.

(a) Entities eligible to be designated as local long-term care ombudsman entities shall:

(1) have demonstrated capability to carry out the responsibilities of the Office;

(2) be public or nonprofit entities;

(3) be free of conflicts of interest; and

(4) meet any additional requirements that the Secretary and the State Long-Term Care Ombudsman specify.

(b) (1) The Secretary, in consultation with the State Long-Term Care Ombudsman and area agencies on aging, shall adopt regulations to establish requirements for training and designating ombudsmen, including in-service training.

(2) The regulations shall prohibit the State Long-Term Care Ombudsman from designating an individual as an ombudsman unless the individual has successfully completed the required training and satisfied the requirements for designation.

§10-905.

In accordance with requirements of the federal Older Americans Act, an ombudsman shall have access to:

(1) long-term care facilities and residents;

- (2) the medical and social records of a resident, if:
 - (i) the ombudsman has the permission of the resident or the legal representative of the resident; or
 - (ii) the resident is unable to consent and has no legal representative;
- (3) the records that are necessary to investigate a complaint if:
 - (i) a legal guardian of the resident refuses to give permission to access the records;
 - (ii) the ombudsman has reasonable cause to believe that the guardian is not acting in the best interests of the resident; and
 - (iii) the ombudsman obtains the approval of the State Long-Term Care Ombudsman;
- (4) the administrative records, policies, and documents of long-term care facilities to which the residents or members of the general public have access; and
- (5) copies of all licensing and certification records maintained by the Maryland Department of Health or any other State unit with respect to long-term care facilities.

§10-906.

(a) The Secretary, in consultation with the State Long-Term Care Ombudsman and area agencies on aging, shall adopt regulations to govern conflicts of interest to ensure that:

(1) no individual, or member of the immediate family of an individual, involved in the designation of the State Long-Term Care Ombudsman or a local long-term care ombudsman entity, is subject to a conflict of interest; and

(2) no ombudsman or immediate family member of an ombudsman is subject to a conflict of interest.

(b) The Secretary, in consultation with the State Long-Term Care Ombudsman and area agencies on aging, shall adopt regulations governing the confidentiality of information and documents, including resident records, facility records, and complainant identification.

§10-907.

The Secretary shall require the State Long-Term Care Ombudsman to coordinate ombudsman services with:

- (1) the Maryland Department of Health;
- (2) the Department of Human Services;
- (3) protection and advocacy systems for individuals with developmental disabilities and mental illnesses; and
- (4) legal assistance.

§10-908.

The Secretary shall establish and maintain a statewide uniform reporting system for the Program to collect and analyze data relating to complaints and conditions in long-term facilities and to residents for the purpose of identifying and resolving significant problems.

§10-909.

The State Long-Term Care Ombudsman shall submit an annual report to the Governor and the General Assembly, in accordance with § 2-1257 of the State Government Article, on the activities of the Program that includes recommendations of the State Long-Term Care Ombudsman for improving services for residents.

§10-910.

(a) In accordance with 42 U.S.C. § 3058g(j)(1), a person may not willfully interfere with an ombudsman's performance of an official duty.

(b) A person may not retaliate or make reprisals with respect to any person who filed a complaint with, or provided information to, an ombudsman.

(c) A person who violates this section is guilty of a misdemeanor and on conviction is subject to a fine not exceeding \$1,500.

§10-911.

An ombudsman is not liable under State law for good faith performance of official duties.

§10–1001.

- (a) In this subtitle the following words have the meanings indicated.
- (b) “Aging and Disability Resource Center” has the meaning stated in 42 U.S.C. § 3002(4).
- (c) “Long–term services and supports” means the broad range of assistance needed by older adults and individuals with disabilities.
- (d) “Options counseling” means an interactive process that:
 - (1) considers an individual’s needs, preferences, values, and circumstances;
 - (2) assists and supports the individual and others the individual requests to participate in the process;
 - (3) determines the individual’s goals for independent living; and
 - (4) develops an appropriate long–term services and supports plan to achieve those goals.
- (e) “Program” means the Aging and Disability Resource Center Program established under this subtitle.

§10–1002.

- (a) There is an Aging and Disability Resource Center Program, known as “Maryland Access Point”, in the Department.
- (b) The Program is the State’s Aging and Disability Resource Center for purposes of the federal Older Americans Act Amendments of 2006.
- (c) The purpose of the Program is to provide a coordinated system of information and access for individuals seeking long–term services and supports, including in–home, community–based, and institutional services.
- (d) The Department shall provide periodic training to the Maryland Access Point network to increase awareness of the availability of the State’s earned income tax credit established under § 10–704 of the Tax – General Article.

(e) The Department shall administer, supervise, and coordinate the Program with the cooperation of the Department of Disabilities, the Department of Human Services, the Governor's Office of the Deaf and Hard of Hearing, and the Maryland Department of Health.

§10-1003.

The Program shall designate local Maryland Access Point offices throughout the State to ensure easy access to the Program.

§10-1004.

The Program shall, using its available resources, provide:

- (1) options counseling;
- (2) assistance concerning aging and disability issues and long-term services and supports planning;
- (3) written materials regarding the availability of Program services;
- (4) a public database, which can be accessed and searched on the Internet, of resources and services that could be useful to:
 - (i) individuals who may need long-term services and supports;
 - (ii) caregivers of individuals who need long-term services and supports; and
 - (iii) individuals involved in long-term services and supports planning; and
- (5) other related services necessary for the Program's success.

§10-1101.

- (a) There is a Healthy Aging Program in the Department.
- (b) The purposes of the Program are to:
 - (1) promote healthy aging and healthy living by older adults at both the State and local levels;

- (2) encourage aging safely at home and in the community;
- (3) raise public awareness about the importance of healthy aging and aging safely for both individuals and the public at large;
- (4) evaluate the need for improving the quality and accessibility of existing healthy aging opportunities and services;
- (5) improve the quality of life and contain health care costs of older adults;
- (6) provide competitive funding grants to design and test programs and services that help older adults achieve healthy and safe aging and healthy living; and
- (7) publicly disseminate the outcomes of the grants awarded under the Program.

§10–1102.

- (a) Funding for the Healthy Aging Program shall be as provided in the State budget.
- (b) The Secretary may accept money provided by other public and private sources, including federal funds, to provide grants under the Program.
- (c) The Secretary may adopt regulations to implement the Program.

§10–1201.

- (a) (1) In this section the following words have the meanings indicated.
 - (2) “Aging-in-place program” means a program or service that enables an individual to live in the individual’s own home and participate in a community safely, independently, and comfortably, regardless of age, income, or ability level.
 - (3) “Senior village” means a local, member-driven, nonprofit organization that:
 - (i) supports community members who choose to age in place
- by:

1. fostering social connections through activities and events; and

2. coordinating volunteer help at home using a neighbor–helping–neighbor model; and

(ii) is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code.

(b) The Department may make grants to nonprofit organizations and area agencies on aging to expand and establish aging–in–place programs for seniors.

(c) Any nonprofit organization or area agency on aging may apply to the Department for a State grant to be applied toward the cost of expanding or establishing an aging–in–place program that provides to seniors:

(1) assistance with the costs of in–home personal care services for activities of daily living, including bathing, personal hygiene and grooming, dressing, toileting, functional mobility, food preparation, laundry, and house cleaning;

(2) psychological, economic, or functional assistance to enable successful health management, access to medical care, or compliance with treatment recommendations;

(3) awareness of and access to resources, services, and benefits;

(4) support services and care coordination;

(5) affordable transportation;

(6) assistance making in–home modifications or repairs to improve safety, mobility, and accessibility; or

(7) the opportunity to live in a senior village.

(d) To be eligible for a State grant to expand an existing aging–in–place program under this section, a nonprofit organization or area agency on aging shall demonstrate an equal match for funds requested.

(e) The Department shall publicize the availability of grant opportunities under the aging–in–place program to eligible organizations at least 6 weeks before grant applications are due.

(f) The amount of the State grant for an aging-in-place program shall be determined after consideration of:

- (1) all eligible applicants;
- (2) the total amount of State funds available for grants; and

(3) the priorities of area need as may be established by the Department in consultation with area agencies on aging and in alignment with area plans on aging.

(g) (1) For each fiscal year, the Governor shall include in the annual budget bill an appropriation of at least \$100,000 for the purpose of making the State grants under this section.

(2) At least 20% of the funding appropriated under paragraph (1) of this subsection shall be used to support senior villages.

(h) The Department shall notify an area agency on aging within 2 weeks after a grant award to a nonprofit located within the jurisdiction of the area agency on aging.

(i) The Department may adopt regulations for receiving and considering applications and for disbursing funds to applicants.

§10-1202.

(a) (1) In this section the following words have the meanings indicated.

(2) “Caregiver” means an individual who provides care or support to a qualified family member.

(3) “Licensed physician” has the meaning stated in § 14-101 of the Health Occupations Article.

(4) “Physician assistant” has the meaning stated in § 15-101 of the Health Occupations Article.

(5) “Program” means the Caregiver Expense Grant Program.

(6) (i) “Qualified expenses” means expenses paid or incurred by a caregiver for goods or services that relate directly to the care or support of a qualified family member, including:

1. the improvement or alteration of the caregiver's primary residence to enable or assist the qualified family member to be mobile, safe, or independent;

2. the purchase or lease of equipment to enable or assist the qualified family member to carry out one or more day-to-day activities;

3. employing a home care aide or personal care attendant; or

4. the costs for:

A. adult day care;

B. specialized transportation;

C. legal or financial services; or

D. assistive care technology.

(ii) "Qualified expenses" does not include:

1. unspecialized food, clothing, or transportation expenses;

2. ordinary household maintenance or repair expenses that are not directly related to or necessary for the care of the qualified family member; or

3. any amount that is paid or reimbursed:

A. under an insurance policy;

B. by the federal government;

C. by the State; or

D. by a political subdivision of the State.

(7) "Qualified family member" means an individual who:

(i) requires assistance with one or more daily living activities, as certified by a licensed physician, physician assistant, or registered nurse practitioner; and

(ii) 1. is at least 60 years old and is cared for by an adult relative or informal caregiver who is at least 18 years old;

2. has Alzheimer's disease or a related disorder and is cared for by an adult relative or informal caregiver who is at least 18 years old; or

3. is a child or an adult with developmental or functional disabilities and is cared for by a parent, grandparent, or other relative that is at least 55 years old.

(8) "Registered nurse practitioner" has the meaning stated in § 8–101 of the Health Occupations Article.

(b) There is a Caregiver Expense Grant Program in the Department.

(c) Subject to the limitations of this section, the Department may award a grant to a caregiver for qualified expenses paid or incurred by the caregiver if the caregiver's federal adjusted gross income does not exceed:

(1) \$75,000 if the caregiver is filing an individual tax return; or

(2) \$150,000 if the caregiver is filing a joint tax return.

(d) A caregiver shall apply for a grant under the Program in the form and manner the Department requires.

(e) (1) Subject to paragraph (2) of this subsection, the amount of the grant allowed under subsection (c) of this section is equal to 30% of the qualified expenses paid or incurred by the caregiver that exceed \$2,000.

(2) For any fiscal year, the amount of the grant may not exceed \$2,500.

(f) For any fiscal year, the Governor may include in the annual budget bill an appropriation of up to \$5,000,000 to the Program.

(g) The Department may adopt regulations to carry out the provisions of this section.

§10–1301.

(a) The Department shall:

(1) subject to subsection (b) of this section, oversee and train the staff of long-term care and dementia care navigation programs under this subtitle; and

(2) disseminate best practices and collect interaction data to ensure statewide program integrity.

(b) The work of the long-term care and dementia care navigation programs under this subtitle shall be guided by the recommendations of:

(1) the State Plan on Aging; and

(2) the Virginia I. Jones Alzheimer's Disease and Related Dementias Council under Title 13, Subtitle 32 of the Health – General Article.

(c) (1) On or before October 1, 2024, and each October 1 thereafter, the Department shall submit a report to the Governor and, in accordance with § 2–1257 of the State Government Article, the President of the Senate, the Speaker of the House, the Senate Finance Committee, and the House Health and Government Operations Committee, on the services provided under this subtitle.

(2) The report required under this subsection shall include:

(i) the number of direct contacts each long-term care and dementia care navigation program has with State residents; and

(ii) the result of each direct contact, including:

1. the percentage of individuals referred to service providers;

2. the number of cognitive screenings conducted;

3. the number of outreach events conducted; and

4. the number of State residents contacted through outreach events.

(3) The Department shall publish the report required under this subsection on the Department's website.

§10–1302.

(a) (1) Subject to paragraph (2) of this subsection, each area agency shall develop a long-term care and dementia care navigation program that consists of new or existing services.

(2) (i) An area agency may staff the program from existing resources or hire an individual for the program.

(ii) Subject to the limitation of the funding provided to each area agency under § 10-1303 of this subtitle, each area agency shall implement the program developed under paragraph (1) of this subsection.

(b) Subject to subsection (c) of this section, the duties of the long-term care and dementia care navigation program include:

(1) providing information and referrals to long-term care and chronic disease services;

(2) providing cognitive screening for individuals concerned with their cognition;

(3) providing programs that engage individuals who demonstrate symptoms of dementia that interfere with activities of daily living, regular exercise, and social activities;

(4) providing support for caregivers of individuals who demonstrate symptoms of dementia that interfere with activities of daily living;

(5) consulting with and providing technical assistance to area agency staff who interact with individuals with:

(i) dementia diagnoses; or

(ii) cognitive changes that may be associated with dementia;

and

(6) establishing relationships with health care providers to facilitate contact between health care providers and:

(i) individuals who demonstrate symptoms of dementia that interfere with activities of daily living; and

(ii) caregivers of individuals who demonstrate symptoms of dementia that interfere with activities of daily living.

(c) The services provided under subsection (b) of this section shall be provided along with the services described in §§ 10–307 and 10–309 of this title.

§10–1303.

(a) For fiscal year 2025 and each fiscal year thereafter, the Governor shall include in the annual budget bill an appropriation of \$2,400,000 to manage the long-term care and dementia care navigation programs statewide and to fund the programs locally.

(b) The funds appropriated under this section shall be distributed proportionally to each area agency based on a formula determined by the Department that considers the number of individuals who will likely need long-term care or dementia care services in each jurisdiction.

§10–1401. IN EFFECT

// EFFECTIVE UNTIL JUNE 30, 2028 PER CHAPTERS 340 AND 341 OF 2024 //

(a) In this subtitle the following words have the meanings indicated.

(b) “Pilot Program” means the Miriam Kelty Aging and Senior Social Connection Hub and Spoke Pilot Program.

(c) “Village” means local, volunteer-led organizations that aim to support community members who choose to age in place, including by:

(1) fostering social connections through activities and events; and

(2) coordinating volunteer help at home using the neighbor-helping-neighbor model.

§10–1402. IN EFFECT

// EFFECTIVE UNTIL JUNE 30, 2028 PER CHAPTERS 340 AND 341 OF 2024 //

(a) There is a Miriam Kelty Aging and Senior Social Connection Hub and Spoke Pilot Program in the Department.

(b) The purpose of the Pilot Program is to:

(1) learn, test, and develop best practices using a hub and spoke model for village administration;

(2) centralize administrative tasks and relieve the burden on volunteers;

(3) better coordinate resources and operations to maximize the reach of services provided;

(4) help develop new and developing or emerging villages; and

(5) build social connection and combat loneliness for seniors aging in place.

(c) The goal of the Pilot Program is to support villages that seek to take advantage of operational proficiencies and existing systems, knowledge, skills, and resources to expand services to more residents in the geographic region.

(d) The Department shall administer the Pilot Program.

(e) The Department shall select the Montgomery County Village Consortium to implement the Pilot Program for a 3-year period.

§10-1403. IN EFFECT

// EFFECTIVE UNTIL JUNE 30, 2028 PER CHAPTERS 340 AND 341 OF 2024 //

(a) The Montgomery County Village Consortium shall:

(1) establish a 3-year strategic plan for the implementation of the Pilot Program; and

(2) submit to the Department a report each year, using quantitative data if available, regarding the implementation of the plan required under item (1) of this subsection.

(b) The report required under subsection (a)(2) of this section shall include a description of the progress of the plan in the following areas:

(1) administration, including hiring, board membership, and board responsibilities;

(2) direct services provided;

(3) communications;

(4) operations;

(5) programming;

(6) fund-raising;

(7) outreach;

(8) financials, including an accounting of the funds required to be appropriated under § 10-1404 of this subtitle; and

(9) client satisfaction among leaders of villages that participate in the Pilot Program.

§10-1404. IN EFFECT

// EFFECTIVE UNTIL JUNE 30, 2028 PER CHAPTERS 340 AND 341 OF 2024 //

(a) For fiscal years 2026 through 2028, the Governor shall include in the annual budget bill an appropriation of \$80,000 for the Pilot Program.

(b) The funds appropriated under subsection (a) of this section shall be transferred by the Department to the Montgomery County Village Consortium to be used for:

(1) employing an operations manager;

(2) fund-raising;

(3) marketing and outreach; and

(4) programming.

§10-1405. IN EFFECT

// EFFECTIVE UNTIL JUNE 30, 2028 PER CHAPTERS 340 AND 341 OF 2024 //

On or before September 1, 2027, the Montgomery County Village Consortium shall report to the Department on the implementation of this subtitle, including:

(1) comprehensive best practices for creating and operating a hub and spoke model, including:

- (i) how to create a hub;
- (ii) establishing the relationship between the Montgomery County Village Consortium as the hub and the villages as the spokes;
- (iii) establishing the responsibilities of the hub and the spokes;
- (iv) describing the population that will be served by a hub;
- (v) how to establish a board of directors;
- (vi) how to identify resources within each hub community, including time, skills, and capabilities;
- (vii) how to identify the capacity of each hub, including geographic and population capacity;
- (viii) describing which services can be provided;
- (ix) how to train volunteers;
- (x) how to address overlapping needs of multiple villages' unique senior communities, including:
 - 1. support and social activities;
 - 2. health and wellness; and
 - 3. education; and
- (xi) how to work with villages, including:
 - 1. how to increase village capacity;
 - 2. how to recruit new villages; and
 - 3. how to expand offerings of developing villages; and

(2) recommendations regarding how to support interested diverse and underserved communities with the development of villages.

§11–101.

- (a) In this title the following words have the meanings indicated.
- (b) “Board” means the Board of Directors of the Maryland Legal Services Corporation.
- (c) “Corporation” means the Maryland Legal Services Corporation.
- (d) “Eligible client” means a person who is unable to afford legal assistance as determined under § 11-603 of this title.
- (e) “Fund” means the Maryland Legal Services Corporation Fund.
- (f) (1) “Grantee” means a nonprofit organization that:
 - (i) is qualified under § 501(c)(3) of the Internal Revenue Code;
 - (ii) provides legal assistance to eligible clients; and
 - (iii) receives financial assistance under § 11-501 of this title from the Corporation.
- (2) “Grantee” includes:
 - (i) the Legal Aid Bureau, Inc.;
 - (ii) the Maryland Disability Law Center; and
 - (iii) the Maryland Volunteer Lawyers Service, Inc.
- (g) “Internal Revenue Code” means:
 - (1) Title 26 of the United States Code; and
 - (2) regulations adopted under Title 26 of the United States Code.
- (h) (1) “Legal assistance” means the legal representation of eligible clients by grantees.
- (2) “Legal assistance” includes:
 - (i) training;

- (ii) research;
- (iii) coordination with private attorneys; and
- (iv) other activities necessary to ensure the delivery of quality legal services.

§11–102.

The General Assembly finds and declares that:

- (1) there is a need to provide equal access to the system of justice for individuals seeking redress of grievances;

- (2) reduction of federal funds has diminished the availability of legal services provided by existing statewide legal services programs;

- (3) there is a need to continue and expand legal assistance to those who would otherwise be unable to afford adequate legal counsel;

- (4) the availability of legal services reaffirms faith in our government of laws;

- (5) the funding of legal assistance programs for those who are unable to afford legal counsel will serve the ends of justice and the general welfare of the public; and

- (6) attorneys providing legal assistance must have full freedom to protect the best interests of their clients in keeping with the Maryland Rules of Professional Conduct and the high standards of the legal profession.

§11–201.

- (a) (1) There is a Maryland Legal Services Corporation.

- (2) The Corporation is a nonstock corporation.

- (b) The purpose of the Corporation is to receive and distribute funds to grantees that provide legal assistance to eligible clients in civil proceedings or matters.

§11–202.

(a) (1) The Corporation shall maintain:

(i) its principal office in the State; and

(ii) a designated agent to accept service of process.

(2) The Corporation shall file the name and address of the designated agent with the State Department of Assessments and Taxation.

(b) The Corporation is exempt from any special tax, property tax, recordation tax, or transfer tax imposed by the State or a political subdivision of the State.

(c) Except as otherwise provided in this title, the Corporation is not a unit or instrumentality of the State.

§11-203.

(a) The Board shall appoint an executive director of the Corporation.

(b) (1) The executive director is the chief executive officer of the Corporation.

(2) Subject to this title and policies established by the Board, the executive director has the authority and responsibility for:

(i) administering the affairs of the Corporation;

(ii) appointing and removing employees as necessary to carry out the purposes of this title;

(iii) making grants;

(iv) entering into contracts;

(v) exercising powers incident to the office of the executive director; and

(vi) performing other duties that the Board prescribes.

(c) The executive director is entitled to a salary as provided in the budget of the Corporation.

(d) The executive director may be removed by a majority of the Board.

§11-204.

(a) A political test or political qualification may not be used in selecting, appointing, promoting, or taking any other personnel action with respect to an officer, agent, or employee of the Corporation.

(b) Employees of the Corporation are entitled to salaries as provided in the budget of the Corporation.

(c) Employees of the Corporation are not employees of the State.

§11-205.

To the extent consistent with this title, the Corporation shall exercise the powers granted to a nonstock corporation under Title 5, Subtitle 2 of the Corporations and Associations Article.

§11-206.

The Corporation shall indemnify the members of the Board and the officers, agents, and employees of the Corporation to the extent authorized under the Maryland General Corporation Law.

§11-207.

(a) (1) The Corporation shall publish an annual report.

(2) The Corporation shall submit the annual report to the Governor and, subject to § 2-1257 of the State Government Article, the General Assembly.

(b) The report shall include a description of services provided.

§11-208.

(a) The executive director shall prepare an annual budget for the Corporation.

(b) (1) For informational purposes only, the Corporation shall submit its budget to the General Assembly in conjunction with the budget request of the Judicial Branch of the State government on November 1 of each year.

(2) The informational budget required under this subsection shall include 3 years of data, including the most recently completed fiscal year, an estimate for the current fiscal year, and an estimate for the next fiscal year, including:

(i) a summary of total expenditures and the sources of revenue that support that spending;

(ii) line item expenditure detail for personnel, operating expenses, and grants, including individual grantees;

(iii) narrative explanation of all revenue and spending changes between the current fiscal year and the next fiscal year;

(iv) performance measurement data that details the use of funds; and

(v) detail on the Corporation's reserve fund, including actual and estimated end of fiscal year balances, transfers to and from the reserve fund, and the policies governing the reserve fund.

§11-301.

(a) There is a Board of Directors of the Corporation.

(b) (1) The Board consists of:

(i) nine voting members appointed by the Governor with the advice and consent of the Senate; and

(ii) the executive director, who is a nonvoting ex officio member.

(2) Voting members shall be residents of the State and shall represent the different geographical regions of the State.

(3) Five voting members shall be lawyers admitted to the Bar in the State and four voting members shall be nonlawyers.

(c) A voting member of the Board is not an officer or employee of the State.

(d) (1) The term of office of a voting member is 3 years.

(2) At the end of a term a voting member continues to serve until a successor is appointed and qualifies.

(3) The terms of voting members are staggered as required by the terms provided for members of the Board on October 1, 2007.

(4) If a vacancy occurs during the term of a voting member, the Governor shall fill the vacancy.

(5) A voting member who is appointed after a term has begun serves only for the rest of the term and until a successor is appointed and qualifies.

(6) A voting member may not be reappointed for more than 2 consecutive terms immediately following the member's initial term.

(e) (1) A voting member may be removed by a vote of seven members.

(2) A voting member may only be removed for:

(i) malfeasance in office;

(ii) persistent neglect of or inability to discharge duties; or

(iii) offenses involving moral turpitude.

§11-302.

(a) From among its voting members, the Board annually shall elect a chair.

(b) From among its members, the Board shall appoint a secretary, a treasurer, and other officers.

§11-303.

A member of the Board:

(1) may not receive compensation as a member of the Board; but

(2) is entitled to reimbursement for necessary expenses incurred in connection with service on the Board as provided in the budget of the Corporation.

§11-304.

(a) The Board shall meet at least 4 times a year.

(b) Except as provided in § 3–305 of the General Provisions Article, a meeting of the Board shall be open to the public.

§11–401.

Nonstate funds received by the Corporation shall be accounted for and reported as receipts and disbursements separate and distinct from State funds.

§11–402.

(a) There is a Maryland Legal Services Corporation Fund.

(b) The Administrative Office of the Courts shall administer the Fund.

(c) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article.

(d) The Fund consists of:

(1) money deposited to the Fund from the surcharge assessed in civil cases under §§ 7–202 and 7–301 of the Courts Article;

(2) money distributed to the Fund under § 17–317 of the Commercial Law Article;

(3) interest on attorney trust accounts paid to the Fund under § 10–303 of the Business Occupations and Professions Article; and

(4) investment earnings of the Fund.

(e) The Corporation shall use the Fund to provide funding for civil legal services to indigents under this title.

(f) The Treasurer shall:

(1) invest and reinvest the Fund in the same manner as other State funds; and

(2) credit any investment earnings to the Fund and may not charge interest against the Fund if the average daily net cash balance for the month is less than zero.

(g) Expenditures from the Fund shall be made in accordance with an appropriation requested by the Judicial Branch of the State government under § 7–

108 of the State Finance and Procurement Article and approved by the General Assembly in the State budget or by the budget amendment procedure under § 7–208.1 of the State Finance and Procurement Article.

§11–403.

The Corporation shall accept and use any money or property received by gift, devise, bequest, or otherwise to further the purposes of this title.

§11–404.

The Corporation may not issue stock or declare or pay dividends.

§11–405.

(a) (1) This subsection does not apply to reasonable compensation paid for services rendered to or for the Corporation.

(2) Net earnings of the Corporation may not inure to the benefit of any individual.

(b) An individual may not share in the distribution of corporate assets on dissolution of the Corporation.

§11–406.

On the liquidation, dissolution, or winding up of the Corporation, after payment of the obligations and liabilities of the Corporation, all of the assets of the Corporation shall be transferred to one or more corporations or associations that:

- (1) have a character or purpose similar to the Corporation's;
- (2) are selected by the Board; and
- (3) qualify under § 501(c)(3) of the Internal Revenue Code.

§11–407.

(a) (1) The accounts of the Corporation shall be audited annually.

(2) The audits shall be conducted in accordance with generally accepted auditing standards by an independent certified public accountant.

(b) (1) An audit under this section shall be conducted where the accounts of the Corporation are normally kept.

(2) If owned or in use by the Corporation and necessary to facilitate the audit, the Corporation shall make available to the auditor all:

- (i) books;
- (ii) accounts;
- (iii) financial records;
- (iv) reports;
- (v) files; and
- (vi) other papers or property.

(3) Full facilities for verifying transactions with the balances and securities held by depositories, fiscal agents, and custodians shall be available to the auditors.

(c) The report of the annual audit shall:

(1) be submitted to the Governor, the Department of Budget and Management and, subject to § 2-1257 of the State Government Article, the General Assembly; and

(2) be available for public inspection during business hours at the principal office of the Corporation.

§11-408.

(a) (1) The audit authorized by this section is in addition to the annual audit required by § 11-407 of this subtitle.

(2) For any fiscal year during which State funds are available to finance any portion of the operations of the Corporation, the Legislative Auditor may audit the financial transactions of the Corporation.

(b) (1) An audit under this section shall be conducted where the accounts of the Corporation are normally kept.

(2) If owned or in use by the Corporation and necessary to facilitate the audit, the Corporation shall make available to the Legislative Auditor all:

- (i) books;
- (ii) accounts;
- (iii) financial records;
- (iv) reports;
- (v) files; and
- (vi) other papers or property.

(3) Full facilities for verifying transactions with the balances and securities held by depositories, fiscal agents, and custodians shall be available to the Legislative Auditor.

(4) Unless the Legislative Auditor requires a longer period of retention, the items listed in paragraph (2) of this subsection shall remain in the possession and custody of the Corporation for 4 years.

(c) The legislative audit shall be submitted to the General Assembly and the Governor, with any recommendations the Legislative Auditor considers advisable.

§11-501.

The Corporation shall make grants of financial assistance to grantees for the purpose of providing legal assistance to eligible clients.

§11-502.

(a) The Corporation shall ensure that grants and contracts are made to:

(1) provide the most stable, economical, and effective delivery of legal assistance; and

(2) provide access to legal assistance to eligible clients in all areas of the State.

(b) The Corporation may not use a political test or political qualifications to select or monitor a grantee under this title.

(c) (1) This subsection does not apply to a suspension or termination of financial assistance or a denial of an application for refunding because of a lack of available funds.

(2) The Corporation shall prescribe procedures in accordance with this subsection to govern:

(i) the suspension or termination of financial assistance; and

(ii) the denial of an application for refunding.

(3) The procedures shall ensure that financial assistance committed may not be suspended or terminated and an application for refunding may not be denied unless the grantee has been given:

(i) reasonable notice; and

(ii) an opportunity for a timely, full, and fair hearing conducted by an independent hearing examiner.

§11-503.

(a) In applying for and spending grant money from the Corporation, grantees shall consider the relative needs for service of clients, particularly the needs of eligible clients who have special difficulties of access to legal services or who have special legal problems, including elderly individuals and individuals with disabilities.

(b) Funds provided to grantees under this title may not be used:

(1) to provide legal assistance for a fee-generating case;

(2) to provide legal assistance for the defense of a criminal prosecution;

(3) to provide legal assistance in a civil action to a person who has been convicted of a criminal charge if the civil action:

(i) arises out of an alleged act or failure to act; and

(ii) is brought against an official of the court or a law enforcement official to challenge the validity of the criminal conviction;

(4) to influence the issuance, amendment, or revocation of an executive order or similar promulgation by a federal, State, or local unit, or to influence the passage or defeat of legislation by the United States Congress, or by a State or local legislative body, or a State proposal by referendum or petition;

(5) to contribute to or be made available to a political party or association or the campaign of a candidate for public or party office; or

(6) to provide representation in a class action suit.

§11-504.

(a) The Corporation may require a grantee to submit any reports the Corporation considers necessary regarding activities carried out under this title.

(b) (1) The Corporation may require grantees to keep records regarding funds provided by the Corporation.

(2) The Corporation shall have access to the records at all reasonable times to ensure compliance with the grant or contract or the terms and conditions on which financial assistance was provided.

§11-505.

(a) Each year, the Corporation shall require:

(1) a financial audit by an independent certified public accountant of each grantee whose grant income from the Corporation in the most recently completed fiscal year was \$50,000 or more; or

(2) a financial review by an independent certified public accountant of each grantee whose grant income from the Corporation in the most recently completed fiscal year was less than \$50,000.

(b) The report of each audit or review shall be:

(1) submitted to the Governor;

(2) made available to the Legislative Auditor; and

(3) kept for at least 5 years at the principal office of the Corporation.

§11-601.

The Corporation shall seek to ensure that a grantee providing legal assistance to eligible clients:

- (1) maintains the highest quality of service and professional standards;
- (2) preserves attorney-client relationships; and
- (3) protects the integrity of the adversary process from any impairment.

§11-602.

Each application for legal assistance shall be in writing and accompanied by an affidavit stating that the information contained in the application is true and correct.

§11-603.

(a) (1) The Corporation shall establish maximum income levels for client eligibility.

(2) The income levels shall be based on the financial ability of a client to pay for competent private counsel and all other necessary expenses of representation.

(b) The maximum income levels established under this section and eligibility guidelines established by each grantee to implement this section shall take into consideration:

- (1) the size of the client's family;
- (2) cost of living variations, including differences between urban and rural areas;
- (3) the assets and income of the client;
- (4) the fixed debts and medical expenses of the client; and
- (5) other factors relevant to the client's ability to pay for the legal services the client requires.

(c) The Corporation may not set the maximum income levels for eligibility under this section at a level greater than 50% of the median family income for the

State as certified annually by the United States Department of Health and Human Services.

§11–604.

Notwithstanding any other provision of this title, information subject to the attorney-client privilege is confidential and may not be disclosed to any person unless the privilege is waived by the client or a court orders the disclosure.

§11–605.

(a) In this section, “Program” means the Affordable Life, Wills, and Estate Planning for Seniors Grant Program.

(b) (1) There is an Affordable Life, Wills, and Estate Planning for Seniors Grant Program in the Corporation.

(2) The purpose of the Program is to provide eligible seniors access to affordable civil law–related services.

(c) The provision of services under the Program shall be in accordance with this title.

(d) The Program shall provide:

(1) an intake method, which may include a referral hotline, to screen clients by eligibility and by legal need;

(2) an outreach method for matching eligible clients to a grantee under Subtitle 5 of this title; and

(3) a grant program to fund grantees representing eligible clients, particularly in rural communities, when no other attorneys are readily available.

(e) The Corporation shall publicize the Program, including in rural communities.

(f) The Program shall provide eligible clients with legal services concerning primarily:

(1) last will and testaments;

(2) powers of attorney;

- (3) special needs trusts;
- (4) advance health care directives; and
- (5) life estate deeds.

(g) The Corporation may contract with a grantee to provide all or part of the services required under this section.

(h) (1) The Governor shall include in the annual budget an appropriation of \$225,000 for the Program.

(2) In addition to the funds made available for the Program under paragraph (1) of this subsection, the Corporation may seek funds from any other source to aid in the administration of the Program.

(i) On or before December 1 each year, beginning in 2023, the Corporation shall report to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly on the implementation and utilization of the Program.

§11-701.

(a) A person may not obtain, attempt to obtain, or aid another person in obtaining or attempting to obtain legal assistance to which the person is not entitled by:

- (1) willfully making a false statement or representation;
- (2) willfully failing to disclose a material change in financial condition;
- (3) impersonating another; or
- (4) any other fraudulent means.

(b) (1) A person who violates this section is guilty of a misdemeanor and on conviction is subject to imprisonment not exceeding 3 years or a fine not exceeding \$1,000 or both.

(2) (i) A person convicted under this section shall make full restitution of the value of the legal assistance unlawfully received.

(ii) The person shall be given notice and the opportunity for a hearing on the amount and terms of the payment.

§11-702.

The Corporation may not:

(1) participate in litigation, unless:

(i) the Corporation or a grantee is a party; or

(ii) a grantee is representing an eligible client in litigation in which the interpretation of this title or a guideline established by the Corporation under this title is an issue;

(2) interfere with a lawyer's professional responsibilities to clients under the Maryland Rules of Professional Conduct;

(3) compete directly or indirectly with any grantee;

(4) contribute or make available the Corporation's funds or services to a political party or association or the campaign of a candidate for public or party office;

(5) except as provided in §§ 501(h) and 4911 of the Internal Revenue Code:

(i) carry on propaganda or otherwise attempt to influence legislation; and

(ii) participate or intervene in a political campaign on behalf of a candidate for public office, including publishing or distributing statements;

(6) notwithstanding any other provision of this title, conduct or carry on activities not authorized for an organization:

(i) qualified under § 501(c)(3) of the Internal Revenue Code; or

(ii) to which contributions are deductible under § 170(c)(2) of the Internal Revenue Code.

§11-801.

This title may be cited as the “Maryland Legal Services Corporation Act”.