

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 996

(Senator Zucker)

Judicial Proceedings

Rules and Executive Nominations

Family Law and Human Services - Guardianship Assistance Program and State
Foster Youth Ombudsman - Establishment (Kanaiyah's Law)

This bill requires the Department of Human Services (DHS) to establish and maintain a Guardianship Assistance Program to promote the placement and maintenance of children in permanent guardianship homes by providing guardianship assistance to guardians of minor children. The bill establishes eligibility and termination requirements for the program, as specified, and requires DHS to adopt implementing regulations. “Guardianship assistance” means monetary and medical assistance provided under the program. The bill also establishes the State Foster Youth Ombudsman within DHS to, among other responsibilities, provide legal expertise in the areas of child welfare, custody and guardianship matters, and appeals and due process issues. **The bill takes effect October 1, 2027.**

Fiscal Summary

State Effect: General fund expenditures are assumed to increase by an estimated \$37,500 in FY 2028 and by \$50,000 annually thereafter, as discussed below. Revenues are not affected.

Local Effect: The bill is not anticipated to materially affect local government operations or finances.

Small Business Effect: None.

Analysis

Bill Summary:

Guardianship Assistance Program

Eligibility: A guardian of a minor child may be eligible for guardianship assistance if (1) the guardian is appointed under § 5-326 of the Family Law Article or § 3-819.2 of the Courts and Judicial Proceedings Article; (2) the minor child is placed in foster care in the guardian's family home at least six consecutive months immediately preceding the appointment as guardian; and (3) the guardian entered into a written voluntary guardianship assistance agreement with a local department before the appointment as a guardian.

Termination: Once approved, guardianship assistance may continue after an individual with an appointed guardian reaches the age of 18 if the individual is (1) attending school; (2) employed on at least a part-time basis; (3) participating in a program designed to promote employment opportunities; or (4) incapable of working due to a disability. Guardianship assistance must terminate no later than the day that the individual with the appointed guardian reaches the age of 21.

Local departments of social services must annually review the guardianship assistance provided under the bill. A local department may terminate guardianship assistance if the local department determines, following an annual review, that an adult lives in the guardian's home and is under the supervision of a criminal court following a conviction for a crime of violence involving a child victim or is required to register with a supervising authority in accordance with the Criminal Procedure Article.

State Foster Youth Ombudsman

The ombudsman must be an attorney admitted to practice law in the State, have experience in child welfare, be appointed by the Secretary of DHS, and be a full-time employee in the management service of the State Personnel Management System. The ombudsman may be removed from office only after a hearing before DHS and a finding of incompetency or other good cause. DHS must take appropriate steps to protect the autonomy and independence of the ombudsman.

The ombudsman must (1) provide legal expertise in the areas of child welfare, custody and guardianship matters, and appeals and due process issues; (2) provide a neutral voice to address differences between youth experiencing out-of-home care, caregivers, guardians, and resource and adoptive parents interacting with DHS and local departments of social services; (3) investigate complaints from youth experiencing out-of-home care; (4) address concerns, problems, areas of improvement in service delivery, or needs associated with the

rights and responsibilities of youth experiencing out-of-home care; and (5) advocate for youth experiencing out-of-home care.

Current Law: DHS, through the Social Services Administration, has the primary responsibility for child welfare services throughout the State, which are provided primarily by the local departments of social services.

Child in Need of Assistance Proceedings – In General

Child in Need of Assistance: A child in need of assistance (CINA) is a child who requires court intervention because (1) the child has been abused or neglected, has a developmental disability, or has a mental disorder, and (2) the child’s parents, guardian, or custodian is unable or unwilling to give proper care and attention to the child and the child’s needs.

Statutory provisions outline numerous requirements for CINA and related proceedings, some of which are described in further detail below, and circumstances under which a child may be placed in out-of-home care prior to or after being adjudicated as a CINA.

Family Law Article § 5-326 – Guardianship Review Hearings

A court must hold an *initial* guardianship review hearing to establish a permanency plan for the child; at least once each year after the initial guardianship review hearing (and until the juvenile court’s jurisdiction terminates), the court must hold a guardianship review hearing. At each guardianship review hearing, a juvenile court must determine whether (1) the child’s current circumstances and placement are in the child’s best interests; (2) the permanency plan that is in effect is in the child’s best interests; and (3) reasonable efforts have been made to finalize the permanency plan that is in effect. Statute specifies different time periods for the court and local department to provide notice to specified individuals.

A child’s permanency plan may be, in order of priority, (1) adoption of the child; (2) custody and guardianship of the child by an individual; or (3) for a child at least age 16, another planned permanent living arrangement that addresses the individualized needs of the child, including the child’s educational plan, emotional stability, physical placement, and socialization needs and includes goals that promote the continuity of relations with individuals who will fill a lasting and significant role in the child’s life.

At each guardianship review hearing for a child, the juvenile court must take specified actions, including evaluating the child’s safety and projecting a reasonable date by which the permanency plan will be finalized.

At a guardianship review hearing held at least one year after the juvenile court enters an order for guardianship of a child, the court may designate an individual guardian of the

child if (1) the local department certifies the child's successful placement with the individual under the supervision of the local department or its agent for at least 180 days or a shorter period allowed by the juvenile court on recommendation of the local department; (2) the local department files a report by a child placement agency, completed in accordance with department regulations, as to the suitability of the individual to be the child's guardian; and (3) the juvenile court makes a specific finding that for a compelling reason, adoption is not in the child's best interests and custody and guardianship by the individual is in the child's best interests and is the least restrictive alternative available. Designation of a guardian under these circumstances terminates the local department's legal obligations and responsibilities to the child; however, after designation of a guardian, a juvenile court may order any further review that the juvenile court finds to be in the child's best interests.

Courts and Judicial Proceedings Article § 3-819.2 – Custody and Guardianship to an Individual

As part of a CINA proceeding, the court may grant custody and guardianship to a relative or nonrelative. An order granting the custody and guardianship to an individual (1) rescinds the child's commitment to the local department; (2) achieves the child's permanency plan; (3) terminates the local department's legal obligations and responsibilities to the child; and (4) terminates the child's case, unless the court finds good cause not to terminate the child's case. A guardian has legal custody of the child unless the court that appoints the guardian gives legal custody to another person.

Before granting custody and guardianship, the court must consider (1) any assurance by the local department that it will provide funds for necessary support and maintenance for the child; (2) all factors necessary to determine the best interests of the child; and (3) a report by a local department or a licensed child placement agency, completed in compliance with regulations adopted by DHS, on the suitability of the individual to be the guardian of the child. The report must include a home study, child protective services history, criminal history records check, and review of the proposed guardian's physical and mental health history. A court may not enter an order granting custody and guardianship until the report is submitted to and considered by the court.

Guardianship Assistance Program

Established under regulations, the guardian assistance program within DHS has the purpose of providing legal stability for a child who is in the custody or guardianship of a local department of social services by allowing relative caregivers to take full legal responsibility for the child. The goals of the guardianship assistance program are to (1) encourage relative caregivers to become legal guardians of a child who has been placed in their home by a local department of social services by removing financial barriers and (2) provide a permanent, safe, nurturing environment for a child that supports a familial

cultural background. Regulations set forth numerous requirements related to the program, including those related to eligibility, participation, and the provision of monthly assistance. (The bill codifies certain provisions of the regulations.)

State Expenditures: DHS plans to request that the Department of Budget and Management repurpose one existing vacant Position Identification Number (PIN) to be used for the ombudsman position. According to DHS, this PIN was originally intended for a family advocate specialist within the newly established Office of Family Advocacy at the department. The vacant PIN intended for use is at a lower grade than that anticipated to be needed for the ombudsman (who, under the bill, is required to be an attorney). Assuming that the request for repurposing is approved, general fund expenditures increase by approximately \$37,500 in fiscal 2028, which accounts for the bill's October 1, 2027 effective date, and by approximately \$50,000 annually thereafter to generally reflect the expected difference between the two salary levels. Should the request be denied, general fund expenditures increase by approximately \$120,000 in fiscal 2028 and a minimum of \$154,000 annually thereafter to account for the full cost of the ombudsman position established in the bill.

There is no material impact expected from the bill's provisions related to the guardianship assistance program.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: HB 980 (Delegate Griffith, *et al.*) - Judiciary.

Information Source(s): Baltimore, Carroll, Harford, Queen Anne's, and St. Mary's counties; Office of the Attorney General; Judiciary (Administrative Office of the Courts); Office of the Public Defender; Department of Human Services; Board of Public Works; Department of State Police; Department of Public Safety and Correctional Services; Department of Legislative Services

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