MARYLAND CATHOLIC CONFERENCE

March 31, 2026

House Bill 1559
Children in Unlicensed Settings and Pediatric Hospital Overstay Patients - Placement
Senate Finance Committee

Position: Favorable

The Maryland Catholic Conference (MCC) is the public policy representative of the three (arch)dioceses serving Maryland, which together encompass over one million Marylanders. Statewide, their parishes, schools, hospitals, and numerous charities combine to form our state's second largest social service provider network, behind only our state government.

House Bill 1559 prohibits the placement of children in unlicensed settings under the out-of-home placement program required to be established by the Social Services Administration; altering the duties of the pediatric hospital overstay coordinators; establishing the Child and Youth Placement Review Panel in the Governor's Office for Children with the Senior Advisor for Children and Families at its head, establishing the Advisory Council on Maryland's System of Care for Children, Youth, and Families; and generally relating to children in unlicensed setting and pediatric hospital overstay patients.

An "unlicensed setting" is defined as any out-of-home placement that is not licensed. This includes: (1) a hotel, motel, or short-term rental; (2) a shelter designated for a child who has run away or is experiencing homelessness; and (3) an office building or other non-residential environment. The term does not include the voluntary placement of a former Child in Need of Assistance (CINA), nor does it include placement with a kinship caregiver or foster parent—or an individual in the process of becoming licensed as one—or placement with a parent, including in a family-based residential treatment setting. Under this legislation, the out-of-home placement program established by the Administration would prohibit placing a child in an unlicensed setting. The goal is to ensure that every child in State Care is placed in an environment that is properly vetted, regulated, and equipped to meet the child's needs.

Recent data highlights why this reform is necessary. At this time last year, 20 youth were classified as "hospital overstays"—meaning children in state care remained in medical settings

after discharge because they had nowhere else to go.[1] As of early 2025, that number has decreased to seven. However, five of those children have remained in hospital overstay status for more than four months, and one has been living in an outpatient mental health center since April 2025.[2] According to reports drawing on data from the Department of Human Services, the Maryland Department of Health, and hospitals, some of these children were brought in for medical care but were not picked up by their caregivers after discharge—leaving them in prolonged limbo.

A recent audit found that the Social Services Administration did not consistently ensure that foster children were placed in settings authorized by state law. Although short-term emergency placements may occasionally require temporary hotel stays, some children were housed in hotels for months—and in certain cases, up to two years. Many of these children had significant behavioral or medical needs requiring specialized foster care placements. Yet some were supervised by one-on-one vendors who were not licensed providers, raising serious concerns about whether they were receiving appropriate care, services, and oversight.[3]

Every child deserves more than temporary shelter; each child deserves stability, safety, and the opportunity to thrive. These reforms promote greater accountability and strengthen a child welfare system that prioritizes safe, stable, and properly supervised environments. As Pope Leo XIV has urged, we must "find ways to work together in greater harmony so that children receive care that is well balanced, taking into consideration their physical, psychological and spiritual welfare."[4] This legislation moves Maryland closer to that goal by placing the dignity, safety, and well-being of children at the center of policy decisions.

For these reasons, the Maryland Catholic Conference asks for a favorable report on **HB 1559**.

Thank you for your consideration.

[1] https://marylandmatters.org/2026/01/29/lawmakers-grill-dhs-over-hospital-overstays-for-youth-under-the-states-care/

[2] https://marylandmatters.org/2026/01/29/lawmakers-grill-dhs-over-hospital-overstays-for-youth-under-the-states-care/

[3] https://marylandmatters.org/2025/09/17/state-may-have-put-children-in-homes-where-registered-sex-offenders-lived/?emci=37fe0730-9594-f011-b484-6045bdeb7413&emdi=230d9c40-a294-f011-b484-6045bdeb7413&ceid=554789

[4] https://www.usccb.org/news/2026/pope-warns-little-progress-has-been-made-protect-children-worldwide