## **SENATE BILL 829**

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2lr2845 CF 2lr1667

#### By: **Senator Klausmeier** Introduced and read first time: February 7, 2022 Assigned to: Finance

### A BILL ENTITLED

#### 1 AN ACT concerning

# Department of Human Services – Family Investment Program – Contract and Program Review

4 FOR the purpose of requiring certain contractors with the Family Investment Program to  $\mathbf{5}$ provide services in a manner that complies with federal law; requiring Family 6 with Investment Program contracts nongovernmental entities to be 7 performance-based with certain incentives; requiring the Department of Human 8 Services annually to review certain contracts with certain nongovernmental entities; 9 requiring the Department to hire a consultant to conduct a certain review of the Family Investment Program; and generally relating to the Family Investment 10 11 Program and the Department of Human Services.

- 12 BY repealing and reenacting, without amendments,
- 13 Article Human Services
- 14 Section 5–101(a) and (c) and 5–301(a), (b), (d), (e), and (h)
- 15 Annotated Code of Maryland
- 16 (2019 Replacement Volume and 2021 Supplement)
- 17 BY repealing and reenacting, with amendments,
- 18 Article Human Services
- 19 Section 5–306
- 20 Annotated Code of Maryland
- 21 (2019 Replacement Volume and 2021 Supplement)
- 22 BY adding to
- 23 Article Human Services
- 24 Section 5–323
- 25 Annotated Code of Maryland
- 26 (2019 Replacement Volume and 2021 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.



|   | 2   | SENATE BILL 829  |  |  |  |  |  |  |  |
|---|---|--|--|--|--|--|--|--|--|
| $\frac{1}{2}$                           | SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAN<br>That the Laws of Maryland read as follows: |  |  |  |  |  |  |  |  |
| 3                                       | Article – Human Services  |  |  |  |  |  |  |  |  |
| 4                                       | 5–101.  |  |  |  |  |  |  |  |  |
| 5                                       | (a)   | In this title the following words have the meanings indicated.   |  |  |  |  |  |  |  |
| 6                                       | (c)   | "Department" means the Department of Human Services.   |  |  |  |  |  |  |  |
| 7                                       | 5-301.  | 301.   |  |  |  |  |  |  |  |
| 8                                       | (a)   | In this subtitle the following words have the meanings indicated.  |  |  |  |  |  |  |  |
| 9                                       | (b)   | "FIP" means the Family Investment Program.   |  |  |  |  |  |  |  |
| 10                                      | (d)   | "Recipient" means each individual in a FIP case.   |  |  |  |  |  |  |  |
| $\begin{array}{c} 11 \\ 12 \end{array}$ | (e)<br>that is fund   | "Temporary cash assistance" means the cash assistance component of the FIP<br>ded wholly or partly through Title IV, Part A, of the Social Security Act. |  |  |  |  |  |  |  |
| 13                                      | (h)   | "Work activity" means:   |  |  |  |  |  |  |  |
| 14                                      |   | (1) job search activity;   |  |  |  |  |  |  |  |
| 15                                      |   | (2) subsidized employment in either the public or private sector;  |  |  |  |  |  |  |  |
| 16                                      |   | (3) work experience;   |  |  |  |  |  |  |  |
| 17                                      |   | (4) on-the-job training;   |  |  |  |  |  |  |  |
| 18                                      |   | (5) community service;   |  |  |  |  |  |  |  |
| 19                                      |   | (6) training directly related to employment; or  |  |  |  |  |  |  |  |
| 20                                      |   | (7) education directly related to employment.  |  |  |  |  |  |  |  |
| 21                                      | 5-306.  |  |  |  |  |  |  |  |  |
| $\frac{22}{23}$                         | (A) with:   | In providing assistance under this subtitle, the Department may contract   |  |  |  |  |  |  |  |
| 24                                      |   | (1) charitable organizations;  |  |  |  |  |  |  |  |
| 25                                      |   | (2) private organizations;   |  |  |  |  |  |  |  |

1 (3) religious organizations; and

 $\mathbf{2}$ 

(4) institutions of higher education.

3 **(B)** IF THE DEPARTMENT CONTRACTS WITH A STATE, LOCAL, OR 4 NONGOVERNMENTAL CONTRACTOR, THE CONTRACTOR SHALL PROVIDE INDIVIDUALS WITH DISABILITIES ACCESS AND EQUAL OPPORTUNITY 5ТО PARTICIPATE IN THE BENEFITS OF THE SERVICES, PROGRAMS, AND ACTIVITIES 6 7 PROVIDED BY THE CONTRACTOR IN ACCORDANCE WITH THE FEDERAL AMERICANS 8 WITH DISABILITIES ACT, INCLUDING REASONABLE ACCOMMODATIONS NECESSARY 9 TO PARTICIPATE IN FIP.

10 (C) CONTRACTS WITH A NONGOVERNMENTAL ENTITY SHALL BE 11 PERFORMANCE–BASED WITH INCENTIVES FOR:

12 (1) EDUCATION AND TRAINING;

13 (2) JOB PLACEMENT AND PLACEMENT WAGE;

14 (3) EMPLOYMENT RETENTION; AND

15(4)EXITING TEMPORARY CASH ASSISTANCE DUE TO EARNINGS THAT16MEET OR EXCEED A WAGE THAT IS 150% OF THE STATE MINIMUM WAGE.

17 (D) FOR ANY CONTRACT WITH A NONGOVERNMENTAL ENTITY IN PLACE AS 18 OF OCTOBER 1, 2022, THE DEPARTMENT ANNUALLY SHALL REVIEW EACH 19 CONTRACT TO MEASURE:

20 (1) OVERALL PROGRAM IMPACT, INCLUDING THE NUMBER OF 21 RECIPIENTS ENROLLED IN EDUCATION OR TRAINING PROGRAMS THAT INCREASE 22 THE RECIPIENT'S SKILL LEVEL;

23 (2) INTERIM PROGRESS TOWARD EMPLOYMENT FOR CURRENT 24 RECIPIENTS OF TEMPORARY CASH ASSISTANCE, INCLUDING THE NUMBER OF 25 RECIPIENTS EARNING AN EDUCATION CREDENTIAL OR A SKILL-BASED 26 CERTIFICATE;

27 (3) EMPLOYMENT OUTCOMES FOR FAMILIES WHO LEFT TEMPORARY
28 CASH ASSISTANCE DUE TO EARNINGS, INCLUDING THE NUMBER OF EMPLOYMENT
29 OUTCOMES WITH WAGES THAT:

- 30 (I) EQUAL THE STATE MINIMUM WAGE;
- 31 (II) MEET OR EXCEED 150% OF THE STATE MINIMUM WAGE; AND

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(III) MEET OR EXCEED 200% OF THE STATE MINIMUM WAGE;

2 (4) EMPLOYMENT OUTCOMES FOR FAMILIES WHO EXITED 3 TEMPORARY CASH ASSISTANCE DUE TO EARNINGS AND WERE CONTINUOUSLY 4 ENGAGED IN THE WORKFORCE FOR:

- 5 (I) **6** MONTHS;
- 6 (II) 1 YEAR; OR
- 7 (III) 2 OR MORE YEARS; AND

8 (5) THE NUMBER OF THE RECIPIENTS SERVED EXPERIENCING 9 HOMELESSNESS OR HOUSING INSECURITY WHILE PARTICIPATING IN WORK 10 ACTIVITIES.

11 (E) WITHIN 45 DAYS AFTER COMPLETION OF THE DEPARTMENT'S REVIEW 12 UNDER SUBSECTION (D) OF THIS SECTION, THE DEPARTMENT SHALL:

13 (1) IN ACCORDANCE WITH § 2–1257 OF THE STATE GOVERNMENT 14 ARTICLE, SUBMIT THE REVIEW TO THE SENATE BUDGET AND TAXATION 15 COMMITTEE AND THE HOUSE APPROPRIATIONS COMMITTEE; AND

- 16 (2) PUBLISH THE REVIEW ON THE DEPARTMENT'S WEBSITE.
- 17 **5–323.**

18 (A) THE DEPARTMENT SHALL HIRE AN OUTSIDE CONSULTANT TO CONDUCT 19 A REVIEW OF FIP TO ASSESS THE EXTENT TO WHICH FIP IS:

- 20
- (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.

25 (B) THE CONSULTANT HIRED UNDER THIS SECTION SHALL:

26 (1) DEMONSTRATE KNOWLEDGE OF THE FEDERAL TEMPORARY 27 ASSISTANCE TO NEEDY FAMILIES PROGRAMS; AND

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1 (2) HAVE EXPERIENCE CONDUCTING A COMPARABLE REVIEW OF 2 TEMPORARY ASSISTANCE TO NEEDY FAMILIES PROGRAMS IN OTHER STATES.

3 (C) AT A MINIMUM, THE REVIEW CONDUCTED UNDER THIS SECTION 4 SHOULD INCLUDE AN ASSESSMENT OF THE FOLLOWING:

5 (1) PROGRAM DESIGN, INCLUDING CORE BELIEFS, GOALS, 6 OBJECTIVES, SERVICE DELIVERY MODEL, REGULATIONS, PROGRAM RULES, AND 7 PERFORMANCE MEASURES;

8

(2) CONTRACT DESIGN AND EXECUTION, INCLUDING:

9

(I) **PAYMENT STRUCTURE;** 

10 (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;

14(3)PROGRAM OUTCOMES THAT, TO THE EXTENT PRACTICABLE, ARE15DISAGGREGATED BY RACE AND ETHNICITY;

16 (4) AN EXAMINATION OF HOW THE STATE'S USE OF UNPAID WORK 17 EXPERIENCE COMPARES TO OTHER STATES AND ALTERNATIVE PROGRAM OPTIONS;

18(5) DOCUMENTATION OF INNOVATIVE AND EVIDENCE-BASED19PRACTICES BEING IMPLEMENTED IN OTHER STATES; AND

20 (6) ALL ASSESSMENT TOOLS USED BY THE DEPARTMENT UNDER § 21 5–309(A)(1) OF THIS SUBTITLE WITH A FOCUS ON RECOMMENDING CHANGES 22 NEEDED FOR THE ASSESSMENT TO BE CONDUCTED IN A MANNER THAT IS:

- 23 (I) TRAUMA–INFORMED;
- 24 (II) ANTIRACIST; AND
- 25 (III) INDIVIDUALIZED, EMPOWERING, AND CLIENT–CENTERED.

(D) (1) 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:

|                                  | 6 SENATE BILL 829   |                                  |                                   |  |   |   |                                     |  |  |  |
|----------------------------------|---|----------------------------------|-----------------------------------|--|---|---|-------------------------------------|--|--|--|
| $rac{1}{2}$                     | RECIPIENTS;   | STAKEHOLDERS,                    |                                   | INCLUDING  | CURRENT                                       | AND   | FORMER                              |  |  |  |
| 3                                |   | (II)                             | COMN                              | MUNITY-BAS   | ED ORGANIZA'                                  | FIONS; AND  |                                     |  |  |  |
| 4                                |   | (III)                            | OTHE                              | R INTEREST   | ED PARTIES.                                   |   |                                     |  |  |  |
| 5 6                              | (2) (I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE DEPARTMENT SHALL OFFER COMPENSATION TO STAKEHOLDERS WHO:  |                                  |                                   |  |   |   |                                     |  |  |  |
| 7<br>8                           | SUBSECTION; AN  | D                                | 1.                                | ARE CONSU  | JLTED UNDER                                   | PARAGRA   | РН (1)                              | OF THIS                                      |  |  |
| 9<br>10                          | ASSISTANCE.   |                                  | 2.                                | HAVE LIVE  | D EXPERIENC                                   | ES WITH TE  | MPORA                               | ARY CASH                                     |  |  |
| $11 \\ 12 \\ 13$                 | (II) THE DEPARTMENT SHALL OFFER COMPENSATION UNDER<br>THIS PARAGRAPH IN A MANNER THAT DOES NOT INTERFERE WITH ELIGIBILITY FOR<br>MEANS-TESTED PUBLIC BENEFIT PROGRAMS ADMINISTERED BY THE DEPARTMENT. |                                  |                                   |  |   |   |                                     |  |  |  |
| 14                               | (E) THE   | REVIE                            | W CON                             | IDUCTED UN   | DER THIS SEC'                                 | TION SHALL  |                                     |  |  |  |
| 15                               | (1) INCLUDE A SUMMARY OF:   |                                  |                                   |  |   |   |                                     |  |  |  |
| 16                               |   | <b>(I)</b>                       | THE S                             | STRENGTHS .  | AND WEAKNES                                   | SES OF FIP  | •                                   |  |  |  |
| 17                               |   | <b>(</b> II <b>)</b>             | RECO                              | OMMENDATIO   | ONS FOR IMPR                                  | OVING FIP;  | AND                                 |  |  |  |
| $\frac{18}{19}$                  | CHANGES TO MAI  | (III)<br>KE THI                  | ANY<br>E IMPR                     |  | Y LEGISLATI<br>AND                            | VE OR A   | DMINI                               | STRATIVE                                     |  |  |
| 20<br>21<br>22                   | (2)<br>2–1257 OF THE S<br>ASSEMBLY; AND   | (I)<br>State                     |                                   |  | JULY 1, 2023<br>RTICLE, BE SU                 | -   |                                     | -  |  |  |
| 23                               |   | <b>(</b> II <b>)</b>             | BE PU                             | JBLISHED ON  | N THE DEPART                                  | MENT'S WE   | BSITE.                              |  |  |  |
| 24<br>25<br>26<br>27<br>28<br>29 | (F) UNT<br>PRACTICABLE, T<br>SUBSECTION (E)<br>YEAR THEREAFT<br>2–1257 OF THE S<br>SENATE FINANC  | HE RE<br>OF TH<br>ER, TI<br>TATE | COMMI<br>IS SEC<br>HE DE<br>GOVEI | ENDATIONS (<br>TION, BEGIN<br>PARTMENT (<br>RNMENT ART | NING IN CALE<br>SHALL REPOR<br>FICLE, AT A PU | REVIEW SUI<br>NDAR YEAR<br>T, IN ACCO<br>BLIC HEARI | BMITTH<br>2024 A<br>RDANC<br>ING BE | ED UNDER<br>AND EACH<br>E WITH §<br>FORE THE |  |  |

#### 1 THE PLANS AND PROGRESS FOR IMPLEMENTING THE RECOMMENDATIONS MADE IN 2 THE REVIEW.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect 4 October 1, 2022.