

December 31, 2019

The Honorable Thomas V. Mike Miller, Jr.
President of Senate
State House, H-107
100 State Circle
Annapolis, MD 21401

The Honorable Adrienne A. Jones
Speaker of the House
State House, H101
100 State Circle
Annapolis, MD 21401

RE: Report on the Implementation of Child Support Administration Non-Custodial Parent Employment Pilot Program – Completed pursuant to Family Law Article §10-112.2(h)

Dear President Miller and Speaker Jones:

The Department of Human Services (DHS) is required to submit to the Maryland General Assembly as well as the Department of Legislative Services the Implementation of Child Support Administration Non-Custodial Parent Employment Pilot Program report. This report is in accordance with Family Law Article §10-112.2(h) as established by Chapter 312 of the Acts of 2016, pages 6-7; and Chapter 412 of the Acts of 2018.

If you should require additional information please contact the Office of Government Affairs at 410-767-8543.

Sincerely,



Lourdes R. Padilla
Secretary

CC: Sarah Albert, Department of Legislative Services (5 copies)



**REPORT ON IMPLEMENTATION OF CHILD SUPPORT ADMINISTRATION
NONCUSTODIAL PARENT EMPLOYMENT PILOT PROGRAM**

MARYLAND DEPARTMENT OF HUMAN SERVICES

Completed pursuant to Family Law Article §10-112.2(h)

December 31, 2019

REPORT REQUIREMENT

This report is hereby submitted in response to the following reporting requirement found under Family Law Article §10-112.2(h):

(H) (1) The Secretary [of Human Services] shall conduct evaluations of the Program using the following measures:

- (i) the number of noncustodial parents who are eligible to participate in the program;*
- (ii) the number of noncustodial parents who sign consent agreements and enroll in employment services under the program;*
- (iii) the number of participants who are in compliance with their employment plans;*
- (iv) the percentage of participants who complete all program requirements;*
- (v) the number of participants who receive an occupational license or certificate;*
- (vi) the number of participants who obtain employment;*
- (vii) for each employed participant, the job type and location, wage or salary amount, and length of time the job is retained;*
- (viii) the number of participants who consistently make the required child support payments and the amounts of the payments; and*
- (ix) the amount of child support arrearages paid by participants who entered the program with arrearages.*

(2) On or before December 31 each year, the Secretary [of Human Services] shall report to the General Assembly, in accordance with § 2-1246 of the State Government Article, on the effectiveness of the Program based on the evaluations.”

Source: Chapter 312 of the Acts of 2016, pages 6-7; and Chapter 412 of the Acts of 2018

BACKGROUND

Chapter 312 of the Acts of 2016 established the Noncustodial Parent Employment Assistance Pilot Program in the Child Support Administration (CSA) within the Department of Human Services (DHS). House Bill 1502 required CSA to develop and implement a Noncustodial Parent Employment Assistance Pilot Program in Baltimore City. The purpose of the program is to provide eligible unemployed or underemployed noncustodial parents assistance in obtaining employment that will enable the noncustodial parent to achieve economic self-sufficiency and meet their child support obligations.

The bill mandated that employment assistance services provided to a noncustodial parent under the program include: job skills assessment; job search guidance and assistance; job skills placement; career counseling; referrals to educational programs and other employment related needs. Noncustodial parents also qualify for a review of their child support case to ensure the existing support order is based on his or her actual income. Noncustodial parents actively participating and in compliance with program requirements also have the opportunity to earn arrears forgiveness after meeting quarterly milestones. Each quarter, the participant can earn

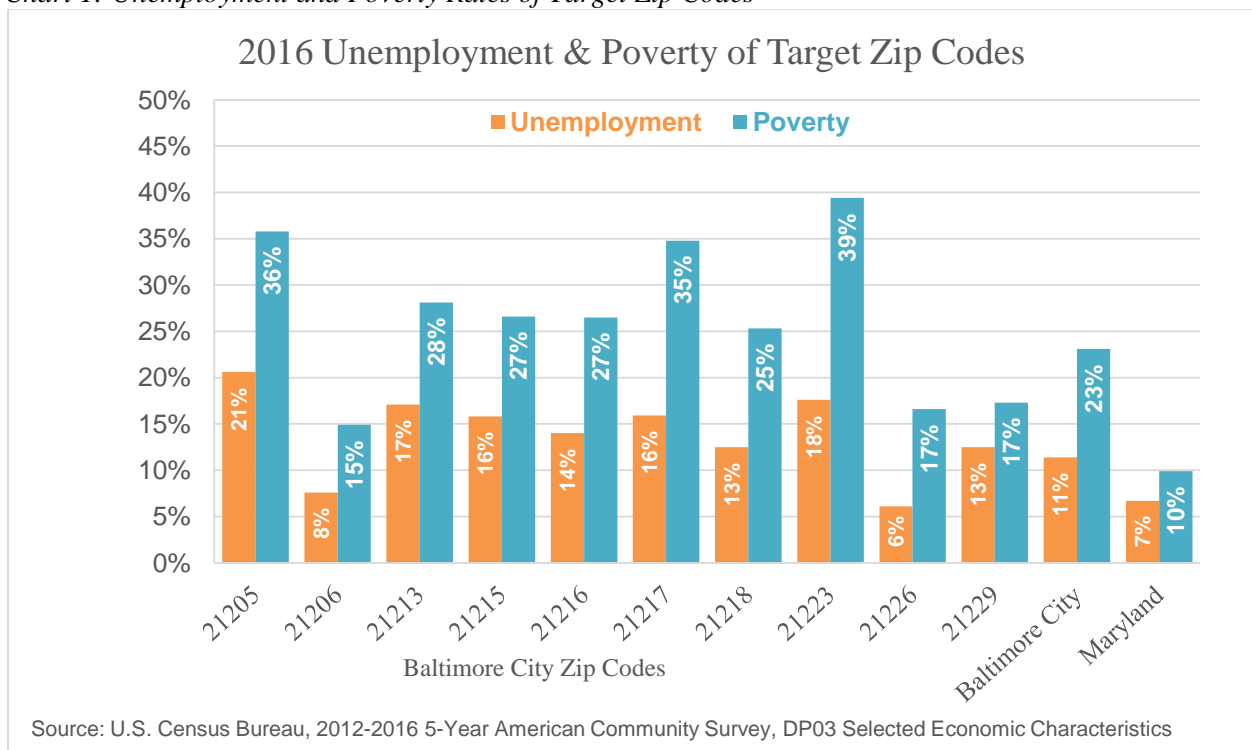
five percent (5%) arrears forgiveness of State-owed arrears for a maximum of twenty percent (20%) earned.

Since the passage and implementation of House Bill 1502, CSA has worked diligently to fully develop the Baltimore City Noncustodial Parent Employment Pilot Program, known as *STEP Up!* (Supporting, Training, and Employing Parents). *STEP Up!* officially launched on October 1, 2016.

TARGET POPULATION

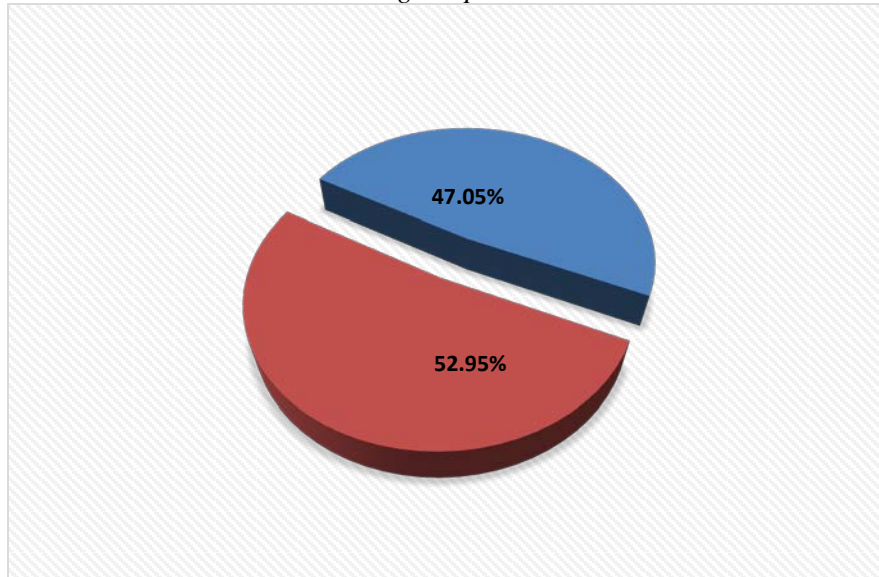
CSA used data compiled in August 2016 to determine the unemployment and poverty in Baltimore City. This data was used to determine where the most need existed. There was a total of approximately \$147,507,390 owed in arrears by 12,233 noncustodial parents. CSA decided to concentrate its initial outreach efforts on ten zip codes determined to be most at need based on unemployment, poverty, and child support arrearage data within those zip codes. *See Chart 1.* Those zip codes are 21205, 21206, 21213, 21215, 21216, 21217, 21218, 21223, 21226, and 21229. There was no change in the target population between year one and year three.

Chart 1: Unemployment and Poverty Rates of Target Zip Codes



As of September 30, 2019, the aforementioned zip codes represented just fewer than 26,000 cases or fifty-two percent (52%) of Baltimore City’s active child support cases and account for fifty-three (53%) of the arrears in Baltimore City.

Chart 2: Target Zip Code Arrears



	Arrears		Cases	
	Arrears	Percentage	Cases	Percentage
Baltimore City - Target Zip Arrears	\$228,283,207.00	52.95%	25,797	52.47%
Baltimore City - Non-Target Zip Arrears	\$202,806,722.38	47.05%	23,368	47.53%
Baltimore City - All	\$431,090,029.38	100.00%	49,165	100%

PROGRAM EVALUATION BASED ON THE REQUIRED MEASURES

Evaluation Outcomes

Between October 1, 2018 and September 30, 2019 there were 194 noncustodial parents enrolled in the *STEP Up!* program representing 310 cases. Over half (53.2% or 147 cases) of these cases have received child support payments since the noncustodial parent enrolled in the *STEP Up!* program.

HB 1502 requires the DHS to report on the outcome measures below.

Outcome	Number
1. THE NUMBER OF NONCUSTODIAL PARENTS WHO ARE ELIGIBLE TO PARTICIPATE IN THE PROGRAM	194
2. THE NUMBER OF NONCUSTODIAL PARENTS WHO SIGN CONSENT AGREEMENTS AND ENROLL IN EMPLOYMENT SERVICES UNDER THE PROGRAM	194
3. THE NUMBER OF PARTICIPANTS WHO <u>ARE IN COMPLIANCE WITH</u> THEIR EMPLOYMENT PLANS	111
4. THE PERCENTAGE OF PARTICIPANTS WHO COMPLETE ALL PROGRAM REQUIREMENTS	2.1%
5. THE NUMBER OF PARTICIPANTS WHO OBTAIN EMPLOYMENT	46
6. THE NUMBER OF PARTICIPANTS WHO CONSISTENTLY MAKE THE REQUIRED CHILD SUPPORT PAYMENTS AND THE AMOUNTS OF THE PAYMENTS	117; Average monthly payment: \$437.03
7. THE AMOUNT OF CHILD SUPPORT ARREARAGES PAID BY PARTICIPANTS WHO ENTERED THE PROGRAM WITH ARREARAGES	\$80,401.59

Senate Bill 61 was passed and approved by the Governor on May 1, 2018. The purpose of the legislation was to revise the reporting requirements relating to the documentation of employment plan compliance for a participant in the *STEP UP!* program. Senate Bill 61 removed the reporting requirement that the evaluation include the number of participants who attend meetings, classes, or workshops specified in their employment plans as well as the requirement to report whether a job is full-time.

PARTNERSHIPS

DHS continued its partnerships, such as the one with Baltimore City’s Mayor’s Office of Employment Development (MOED). MOED via One Baltimore For Jobs (1B4J) provides:

- Access to employment
- Access to employment placement programs
- Access to legal counseling and expungement services for ex-offenders
- Employment training opportunities through:
 - Civic Works
 - Humanim
 - Jane Addams Resource Corporation (JARC) (manufacturing and welding)
 - Job Opportunities Task Force (JOTF) (pre-apprenticeship construction training)

- Associated Catholic Charities and Vehicles for Change (automotive training)
- Maryland New Directions (business administration and customer service training)
- City Life Community Builders (construction training)
- BioTechnical Institute of Maryland
- Bon Secours Baltimore Health Systems
- Caroline Fries Center
- New Pathways (healthcare training)
- Baltimore City Community College
- Center for Urban Families (CFUF)

The Department's Food Stamp Employment & Training (FSET) program continues to provide noncustodial parents enrolled in the *STEP Up!* program with access to a variety of education, employment, training and support services options. Program participants via the FSET partnership can enroll in the following programs: Baltimore City Community College (multi-medical technician and warehouse logistics), Center for Urban Families (case management, support services, job placement and retention), Civic Works (green construction, solar, weatherization), Humanim (case management, support services, job placement and retention, customer service and deconstruction training), JARC, and JOTF.

PROGRAM DEVELOPMENT

Enrollment

The *Step Up!* enrollment process remains the same. The Baltimore City Office of Child Support Services (BCOCSS) is responsible for recruitment, enrollment, and service referrals. Participant enrollment occurs at the BCOCSS office and includes an assessment to identify existing employment skills as well as barriers to employment. BCOCSS uses this information to determine the appropriate training program and service referrals for the participant. Participants leave their enrollment meeting with an appointment for an employment training provider as well as a follow-up appointment with the CSA case worker for the intensive case management. Additionally, during enrollment participants are provided their rights and responsibilities related to child support and participation in the *STEP Up!* program. CSA's case worker coordinates the intensive case management to ensure participants are actively engaged in training, receiving any needed supportive services, and remaining compliant with child support.

Case Management

Within thirty days after BCOCSS completes the enrollment, the noncustodial parent is required to meet with the case manager. If the case manager is unable to reach the participant or the participant has not made contact with the case manager thirty days after the check in appointment he/she will be terminated from the program. If the participant is terminated from the *STEP Up!* program, he/she must wait 20 days before he/she is eligible to enroll again.

Outreach

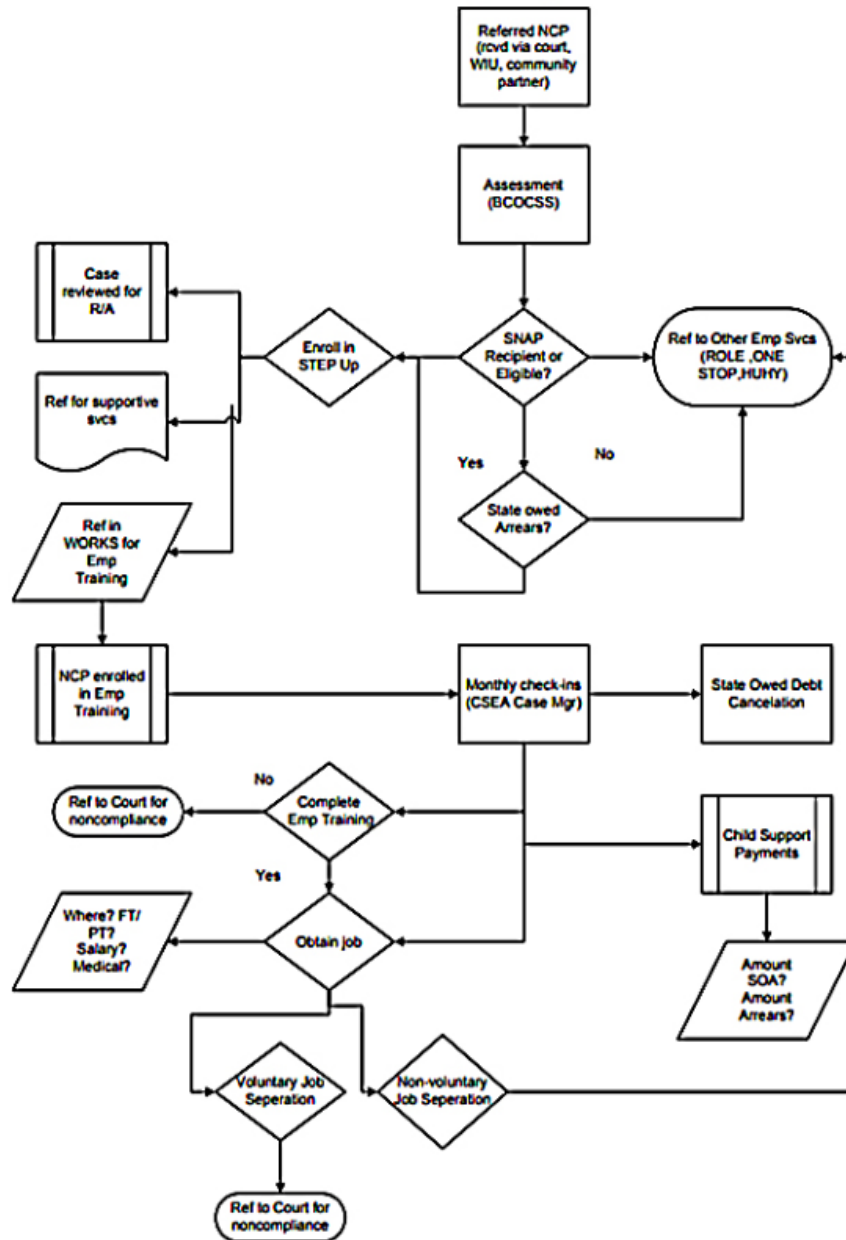
The Baltimore City Office of Child Support Services' (BCOCSS) Outreach Team along with CSA continues to attend community events and community association meetings in the targeted zip codes to make the public aware of the *STEP Up!* program. The Outreach Team participated in several community events and have upcoming events scheduled until the end of 2019.

Date	Events
April 01, 2019	Congressman Elijah E. Cummings' 22 nd Annual Job Fair
April 17, 2019	Baltimore Responsible Fatherhood Program - Child Support Night
July 10, 2019	Baltimore Responsible Fatherhood Program - Child Support Night
July 20, 2019	Public Defender Expungement Event
August 1 - August 31, 2019	Driver's License Reinstatement Initiative
October 04, 2019	Baltimore Responsible Fatherhood Program - Child Support Night

BCOCSS continues to work with all partners as it pertains to the *STEP Up!* program for dissemination to their clients. DHS's Communications Department has developed a web presence at <http://dhr.maryland.gov/stepup>.

The Child Support Administration continues to explore ways to expand and enhance the *Step Up!* program. CSA remains steadfast in the commitment to maintain as well as increase noncustodial parent enrollment and successful completion of the *Step Up!* program. This continued effort will increase collections and simultaneously reduce state owed arrears.

STEP Up Program Flow



PROGRAM HIGHLIGHTS

A Success Story

Kenneth* enrolled in the *Step Up!* program in September 2018. In October 2018, Kenneth reported to his 30 day check-in and advised *Step Up!* staff that he was in need of substance abuse assistance. *Step Up!* staff provided Kenneth with a substance abuse referral to the Tuerk House, Gaudenzia, and the Baltimore Crisis Response Center for assistance. On April 1, 2019, Kenneth reported to *Step Up!* and provided documentation of his successful completion of the treatment program. On April 16, 2019, Kenneth visited *Step Up!* to advise he was employed at Stanley Pearlman.

Kenneth successfully completed the *Step Up!* program on August 12, 2019 and continues to maintain successful employment. Payments are being received via wage garnishment. Kenneth worked very hard to conquer his substance abuse addiction and was very determined to reestablish self sufficiency, as well as provide support for his children.

** Name of participant has been changed to honor confidentiality of the participant.*

SUMMARY

In conclusion, the *STEP Up!* program has proven to be desirable in that, noncustodial parents have been able to obtain employment that has enabled them to achieve economic sufficiency and meet their child support obligations. Data received from the University of Maryland's School of Social Work substantiates the measurable success of the program. National data reported by the Urban Institute shows that a majority of the unpaid child support is owed by parents with no and very low income. The number of parents complying with child support obligations dramatically increases as their income increases. Those increases should result in more consistent and reliable child support payments to custodial parents. The Department has learned that the success of the program will be increased if 1) child support workers who support the employment program's goals are working with parents; 2) services developed take into account the challenges faced by parents; 3) services that quickly engage and are easily accessible to parents are designed; and 4) strong partnerships are built and regular communication with community resources are part of the strategies.

Baltimore City has Maryland's largest child support caseload, representing approximately one-third of the child support cases in the state. Only 43% of noncustodial parents paid more than 75% of their child support obligation. More than one-fifth (21%) of noncustodial parents in Baltimore City did not make any payments toward their current support obligation largely due to unemployment. The Baltimore City Noncustodial Parent Employment Assistance Pilot Program has proven to be successful for participants enrolled in the program as compared to participant employment and payments before enrollment.

The total collection rate increased by 8.51% for all noncustodial parents enrolled between October 2016 and September 2018. The total collection rate increased by 15.26% for all noncustodial parents who were enrolled and completed the *Step Up!* program between October 2016 and September 2018. This data validates the success of the *Step Up!* program and proves that the program meets the desirable outcomes of the program's initiative.

Total Step Up! Population ~ 391

Prior to Step Up! Enrollment, Total Current Support Collected

Total Collections	\$395,883
Total Due	\$1,751,096
Total Collection Rate	22.61%

Post Step Up! Enrollment, Total Current Support Collected

Total Collections	\$538,984
Total Due	\$1,732,086
Total Collection Rate	31.12%

Step Up! Completion Population ~ 53

Prior to Step Up! Enrollment, Total Current Support Collected

Total Collections	\$70,780
Total Due	\$242,461
Total Collection Rate	29.19%

Post Step Up! Enrollment, Total Current Support Collected

Total Collections	\$104,029
Total Due	\$234,030
Total Collection Rate	44.45%

The Department of Human Services is focused on creating opportunities for and to address the financial needs of both parents to achieve economic self sufficiency. The Department's strategy is to reduce poverty by connecting noncustodial parents with employment, job training and other tools to achieve financial stability. The Child Support Administration will remain dedicated and committed to maintaining the *Step Up!* program.