

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 491
Appropriations

(Delegate Hettleman, *et al.*)

State Contractual Employees - Paid Leave

This bill authorizes the Secretary of Budget and Management to adopt regulations that provide paid leave for a contractual employee within the State Personnel Management System (SPMS) whose unit is closed on a scheduled workday. If adopted, the regulations must provide for leave with pay at the contractual employee's regular rate of pay.

Fiscal Summary

State Effect: If the Secretary of Budget and Management opts to adopt regulations to provide specified leave to contractual employees in SPMS, State expenditures (all funds) increase by approximately \$574,000 for each day the State closes on a scheduled workday beginning in FY 2020. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Contractual employees are considered temporary employees. The terms of employment for contractual employees are based upon the signed contract between the employee and the employing State agency. Since contractual employees are considered temporary employees, they are not granted the same leave benefits as regular permanent employees.

The Secretary may provide, by regulation, paid leave to permanent employees in SPMS for jury service, to attend approved employee organization events, for specified military

training or active military duty, and for activities necessary to comply with a subpoena unless the employee is party to the action or a paid witness. The Secretary may provide for paid administrative leave for the purpose of immediately removing a permanent employee from the worksite if the employee poses a threat to self, another individual, or State property or is incapable of properly performing the employee's duties because of extraordinary circumstances. The Secretary may provide by regulation any other paid leave to permanent employees in SPMS the Secretary deems necessary. Additionally, permanent employees in SPMS receive other types of leave, such as sick leave, annual leave, personal leave, and paid holidays.

State Expenditures: The bill does not require the Secretary to adopt regulations for paid leave for a contractual employee whose unit is closed on a scheduled workday. However, if the Secretary elects to adopt these regulations, State expenditures (all funds) increase significantly beginning in fiscal 2020. Contractual employees in SPMS will likely earn on average \$172 per day in fiscal 2020, and there are approximately 3,342 contractual employees who likely would receive leave under the bill if the Secretary chooses to adopt regulations. Thus, State expenditures increase by approximately \$574,000 for each day the State closes on a scheduled workday. If the State closes for three days, State expenditures (all funds) increase by at least \$1.7 million annually.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Budget and Management; Department of Legislative Services

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sb/mcr

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