

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
First Reader

Senate Bill 710
Finance

(Senator King)

State and Local Government and Private Employers - Teleworking

This bill requires the Judicial and Legislative branches of State government to each maintain a telework program and alters the statewide telework program that must be maintained by the Executive Branch of State government. Each local government entity must also maintain a similar telework program. Each unit of State government must report to the General Assembly on its telework program by December 1 of each year, as specified. The bill establishes legislative intent to encourage and assist private-sector employers in developing and implementing telework programs.

Fiscal Summary

State Effect: State entities that implement a telework program under the bill are likely to experience administrative efficiencies and may experience minimal cost savings related to, among other things, office space and energy use. The Department of Information Technology (DoIT) can consult with State agencies using existing resources. Units of State government can report to the General Assembly using existing resources. Revenues are not affected.

Local Effect: Local government entities that implement a telework program under the bill are likely to experience administrative efficiencies and may experience minimal cost savings related to, among other things, office space and energy use. Revenues are not affected.

Small Business Effect: Potential minimal.

Analysis

Bill Summary:

Executive, Legislative, and Judicial Branches of Government

The bill expands the requirement for Executive Branch State agencies to implement a telework program so that it also applies to the Legislative Branch and Judicial Branch of State government; specifically, each appropriate official, as defined by the bill, must establish a telework program and adopt related policies and guidelines. For the Executive Branch, instead of having a goal of at least 15% of eligible employees participating in a telework program, each agency must, to the extent practicable, maximize the number of eligible employees participating in a program.

In developing the guidelines, all three branches of government must coordinate with DoIT and ensure the adequacy of information and security protection for information and information systems used while teleworking. The bill establishes other requirements for the guidelines, including that they control access to and protect unit information and information systems. An eligible employee must receive and acknowledge the guidelines before participating in a telework program.

By December 1 of each year, each unit of State government, or the principal department in which the unit is located, must report to the General Assembly on the number of eligible employees participating in its telework program.

Local Governments

Each governing body of a county or municipality, or the governing body's designee, must establish a countywide or municipalitywide telework program and adopt related policies and guidelines. The head of a local government entity may designate the positions for which an employee would be eligible to telework. Each local government entity must, to the extent practicable, maximize the number of eligible employees participating in a telework program.

Legislative Intent

The bill encourages private-sector employers to develop and implement telework policies that enable employees to work at a location other than a traditional office setting or an employee's usual and customary worksite. Additionally, it is the intent of the General Assembly to authorize a tax credit to assist private-sector employers in offsetting the costs incurred for the development and implementation of a telework policy, including

hiring consultants or other support services, if federal funds are made available for that purpose.

Current Law: Chapter 83 of 2013 requires the Secretary of Budget and Management to establish a telework program and adopt related policies and guidelines. The telework program, policies, and guidelines apply for all Executive Branch units of State government (including units with independent personnel systems). “Telework” means to work at a location other than a traditional office setting or an employee’s usual and customary worksite, including the employee’s home, a satellite office, and a telework center.

The head of an agency may designate the positions for which an employee would be eligible to telework (and may continue to do so under the bill). Each agency must have a goal of at least 15% of eligible employees participating in the telework program.

State Expenditures: In accordance with Chapter 83, the Executive Branch of State government already has a robust telework program, and the Legislative and Judicial branches of State government, at their own initiative, each have a telework program with similar policies and guidelines. DoIT and units of State government can consult to modify the programs as necessary and appropriate under the bill using existing resources. DoIT has already created telework support documents for State agencies, including contact information if there are questions, on its [website](#).

Since the bill requires each telework program to maximize the number of eligible employees participating “to the extent practicable,” it is assumed that any program implemented or modified under the bill can be done so either with existing resources or with minimal reallocation of existing resources. Consequently, State entities that do not currently have a telework program and implement one under the bill are likely to experience administrative efficiencies and may experience cost savings related to, among other things, office space and energy use.

Even though the bill states that it is the intent of the General Assembly to authorize a tax credit to assist private-sector employers in offsetting the costs incurred for the development and implementation of a telework policy if federal funds are made available for that purpose, the bill does not create such a tax credit, nor has the State received federal funds for this purpose. Therefore, this provision does not affect State operations or finances.

Local Expenditures: Since the bill requires each local government entity to only implement a telework program that maximizes the number of eligible employees participating to the extent practicable, it is assumed that any program implemented under the bill can be done so either with existing resources or with minimal reallocation of existing resources. Consequently, a local government entity that implements a telework

program under the bill is likely to experience administrative efficiencies and may experience cost savings related to office space and energy use.

Many of the counties that responded to a request for information for the bill advise that they already have a telework program that meets the bill's requirements.

Additional Information

Prior Introductions: None.

Designated Cross File: HB 73 (Delegate Krimm) - Appropriations.

Information Source(s): Department of Information Technology; Baltimore City; Kent, Montgomery, and Worcester counties; Maryland Association of Counties; Maryland Municipal League; Judiciary (Administrative Office of the Courts); University System of Maryland; Department of Budget and Management; Maryland Department of Transportation; Comptroller's Office; Department of Legislative Services

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