Department of Legislative Services

Maryland General Assembly 2022 Session

FISCAL AND POLICY NOTE Third Reader

House Bill 227 (Delegate Harrison, et al.)

Health and Government Operations Education, Health, and Environmental Affairs

State Government - Legal and Employee Holiday - Juneteenth National Independence Day

This bill establishes Juneteenth National Independence Day as a State legal holiday and State employee holiday on June 19. The bill also repeals the requirement that the Governor annually proclaim June 19 as Juneteenth National Freedom Day. **The bill takes effect June 1, 2022.**

Fiscal Summary

State Effect: The bill is not expected to affect State finances or operations, as it generally codifies an observed State holiday, as discussed below.

Local Effect: The bill is not expected to affect local government finances or operations, as discussed below.

Small Business Effect: None.

Analysis

Current Law: Juneteenth National Freedom Day is a commemorative day in the State. The Governor must annually proclaim June 19 as Juneteenth National Freedom Day.

In June 2021, President Joseph R. Biden, Jr. signed into law the Juneteenth National Independence Day Act (Public Law 117-17), which designates June 19 as a federal legal holiday.

Exhibit 1 identifies the 11 bank holidays, 16 legal holidays, and 12 State employee holidays specified in State statute. In addition to these specified holidays, State law recognizes each other day that the President of the United States or the Governor designates for general cessation of business as a legal holiday and State employee holiday.

Exhibit 1 Holidays Specified in Statute in Maryland

	School <u>Holiday</u>	Bank <u>Holiday</u>	Legal <u>Holiday</u>	State Employee <u>Holiday</u>
New Year's Day	X	X	X	X
Dr. Martin Luther King, Jr.'s Birthday	X	X	X	X
February 12 for Lincoln's Birthday			X	
Washington's Birthday*	X	X	X	X
March 25 for Maryland Day			X	
Good Friday	X	X	X	
Easter Monday	X			
Memorial Day	X	X	X	X
Independence Day		X	X	X
Labor Day		X	X	X
September 12 for Defenders' Day			X	
Columbus Day		X	X	X
General Election Days	X		X	X
Veterans' Day		X	X	X
Thanksgiving Day	X	X	X	X
Day After Thanksgiving Day**	X		X	X
Christmas Day	X	X	X	X

^{*}Also known as Presidents' Day, celebrated on the third Monday of February.

Note: Christmas Eve through New Year's Day are public school holidays, along with primary election days.

Source: Department of Legislative Services

In general, a State employee who is required to work on an employee holiday receives compensatory time for that work. An employee not scheduled to work on an employee holiday, but otherwise required to work on that day, is eligible for compensation at the

^{**}Also known as American Indian Heritage Day.

regular hourly rate of pay plus time and one-half pay for the number of holiday hours worked, provided that the employee is eligible to receive cash overtime (*i.e.*, an employee in a 24-hour facility called to report on an employee holiday may be entitled to regular compensation plus overtime pay).

Except as otherwise provided in statute, a legal holiday must be observed on its specified date or if that date falls on a Sunday, on the next Monday after that date.

State/Local Fiscal Effect: As noted above, in June 2021, Juneteenth National Independence Day was designated as a federal legal holiday, and Governor Lawrence J. Hogan, Jr. announced the closure of State government agencies and offices on Friday, June 18, 2021, in observance of the holiday. In calendar 2022, Juneteenth will be observed as a State holiday on Monday, June 20, according to the Department of Budget and Management's website. Thus, the bill is not expected to increase the number of State employee and legal holidays observed in a given year, as it generally codifies the State's recent practice of observing Juneteenth as a paid State holiday.

To the extent that, *absent the bill*, Juneteenth National Independence Day would not otherwise be observed as a State employee holiday and legal holiday in a given year, agencies with 24/7 operations would likely experience significant overtime costs, and State and local public work contract expenditures could increase minimally due to prevailing wage overtime requirements for legal holidays. (Regardless, local government operations are unaffected, as local governments are not required to grant leave to their employees as a result of the bill.) However, as explained above, it is generally assumed that the holiday is observed in the absence of the bill, consistent with recent practice, and, thus, State and local finances and operations are not directly affected by the bill.

Additional Information

Prior Introductions: HB 448 of 2021, a similar bill, passed the House and received a hearing in the Senate Education, Health, and Environmental Affairs Committee, but no further action was taken.

Designated Cross File: None.

Information Source(s): Anne Arundel, Baltimore, Garrett, Howard, and Montgomery counties; City of Laurel; Judiciary (Administrative Office of the Courts); Department of Budget and Management; Maryland Department of Transportation; University System of Maryland; Maryland Association of Counties; Maryland Municipal League; Department of Legislative Services

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Analysis by: Elizabeth J. Allison Direct Inquiries to:

(410) 946-5510 (301) 970-5510