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SENATE BILL 794 State Department of Education - Procurement and Personnel Actions (Guzzone) Emergency Bill

STATEMENT OF INFORMATION

DATE: March 1, 2022

COMMITTEE: Senate Budget & Taxation

SUMMARY OF BILL: SB 794 establishes an independent personnel system within the Department of Education (MSDE) and exempts the Department from Division II of the State procurement law; and directs MSDE to work with the Department of Budget and Management (DBM) to implement a phased transition to its independent personnel system by July 1, 2024. The bill takes effect upon enactment.

EXPLANATION: DBM's Office of Personnel Services and Benefits is charged with administering the Statewide Personnel System for executive branch agencies, with the exception of the Department of Transportation (MDOT) and University of Maryland System (UMS). The legislation adds MSDE to the list of agencies with independent personnel systems.

MSDE currently falls under SPMS, and therefore, utilizes the Statewide Personnel System as its system of record for personnel, time tracking, and leave. If separated from the SPMS, the rules built into the Statewide Personnel System (SPS) would no longer be applicable and would require the agency to procure a new system or system(s) to manage their records. Unless there is an existing system, this is likely to result in significant fiscal impact for the State.

MSDE would be required to establish general policies and procedures governing hiring or appointment, compensation, advancement, and termination of all personnel. MSDE's transition to an independent personnel system would occur by July 2024.

While DBM would need to configure the SPS to remove the employees from SPMS, most of the work effort to transition MSDE from SPS would fall on MSDE. In addition to the personnel system, MSDE also would need a time tracking and payroll system, or they would need to manually enter the information to send to Central Payroll. MDOT and UMS have their own systems for personnel, leave and payroll.

MSDE would likely use the current system for health benefits that is administered by DBM, as is the case with MDOT and UMS. Extensive testing for the benefits files would be needed to ensure the files conform to the processes in place.

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