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Health and Government Operations Committee

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Chair, Insurance and Pharmaceuticals
Subcommittee

THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

Testimony in Support of HB 368 State Personnel – Executive Branch Service Contracts – Policy, Certification and Notification

Good afternoon, Chairman Barnes, Vice Chair Chang, and honorable members of the committee. Thank you for this opportunity to present HB 368, State Personnel – Executive Branch Service Contracts – Policy, Certification and Notification. This bill simply adds transparency for state employees who will lose their positions due to privatization. It does not make any changes in the opportunity to privatize a position currently held by a state employee. What it does is provide an opportunity for to consider opportunities and options that could meet the financial aspects that are driving the move to privatization.

Our laws give statutory preference to using State employees and these folks are the on the ground providing the services that our residents need. They are our most essential assets, and we should value and respect them and the work that they do. However, from time to time there may be a financial reason to use a "service contract" to a private entity to do the work. In most instances, when this happens, the State is required to give the State employees who work in State operated facilities 60 days' notice of the intent to privatize. However, this requirement does not apply to State employees who work in "out-side" facilities or those working in Executive Branch agencies. This can result in some employees finding themselves out of work with little notice. It also denies these State employees the chance to meet with management to find better ways to address the issues that are leading to the changes.

This bill requires that same notice of intent to seek private contractors in all circumstances and facilities and notice to the exclusive representative that there is certification of the by the Department of Budget and Management of a viable service contract.

The fiscal note about the potential impact is vague at best. Since the bill only requires notification of the kind that is currently done, cost could be absorbed. The bill in no way curtails privatization—but it could lead to innovative options for ways for State employees to continue working and meet the State's financial needs.

I have with me today some folks who can explain why this bill is needed. From my perspective the foundation for this bill is the respect that we owe to those who have served us and the State's residents faithfully and loyally.

Thank you for your consideration and a humbly request a favorable opinion.