

Department of Fiscal Services
 Maryland General Assembly

FISCAL NOTE

House Bill 1048 (Delegate Owings)
 Appropriations

Corrections Employees' Bill of Rights

This bill grants special procedural rights and protections to correctional employees when they are being investigated or sanctioned for misconduct.

Fiscal Summary

State Effect: General fund expenditures could increase by \$2.396 million in FY 1997, as discussed below. Revenues are not affected.

(in millions)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
GF Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditures	2.396	2.494	2.581	2.672	2.766
Net Effect	(\$2.396)	(\$2.494)	(\$2.581)	(\$2.672)	(\$2.766)

Note: () - decrease; GF - general funds; FF - federal funds; SF - special funds

Local Effect: None.

Fiscal Analysis

State Expenditures: *Although several units of the Department of Public Safety and Correctional Services (DPSCS) were asked how this bill would affect the department, only the Division of Pretrial Detention and Services responded. Without information from DPSCS, it is difficult to accurately estimate the fiscal impact of this bill. Estimates regarding the effect on DPSCS are based on the department's response to a similar bill introduced in the 1995 session.*

The Division of Correction suspends approximately 120 correctional officers per year

pending removal. On average, five of these cases are reversed, and the employee is reinstated and awarded back pay. The average time from suspension to hearing decision is 120 days. There are about 1,000 annual disciplinary suspensions, of which approximately 40% are contested.

This bill requires that correctional officers suspended pending removal be suspended with pay. Under current practice, correctional officers facing removal are suspended without pay. Requiring that an additional 115 employees suspended for an average of 120 days to be paid would increase general fund expenditures by an estimated \$1.3 million in fiscal 1997 and \$1.8 million annually.

The bill also requires that administrative charges be filed against a correctional officer within 48 hours of the time department officials become aware of the alleged misconduct. In order to perform an adequate investigation for 120 cases annually within that time frame, the Division of Correction would require 13 additional staff, including 10 investigators. Including equipment and operating expenses, this would increase general fund expenditures by an estimated \$920,000 in fiscal 1997 and by more than \$530,000 annually.

Under current law, 40% of suspensions are appealed. Because the bill requires that a suspension without pay may only occur after a hearing, it is assumed that all suspensions of more than three days (300 cases) will be contested. This would result in 180 additional cases annually. Personnel staff in the Department of Public Safety and Correctional Services represent the department in administrative hearings. An additional 180 cases annually would require one additional Personnel Officer and a half-time Typist Clerk, increasing general fund expenditures in fiscal 1997 by \$92,000 and by \$124,000 annually.

The bill requires two hearings before disciplinary action can be taken against an employee: one to determine of guilt and one to determine punishment. Under this bill it is anticipated that approximately 540 of the estimated 1,000 annual disciplinary suspension cases would require a second hearing to determine punishment. Assuming an average of three hours per second hearing, the Office of Administrative Hearings would require one additional Administrative Law Judge and one Docket Specialist, increasing general fund expenditures by \$76,000 in fiscal 1997 and \$92,300 annually.

Total general fund expenditures could increase by an estimated \$2,396,198 in fiscal 1997, which reflects the bill's October 1, 1996 effective date. It is assumed that investigative staff in the Division of Correction would be hired prior to October 1 in order to provide sufficient training so the bill could be implemented on October 1. This estimate reflects the cost of hiring the 16.5 positions listed above to perform investigations, represent the department at administrative hearings, and conduct the hearings, as well as additional payments to suspended correctional officers. It includes salaries of \$427,682 for the 16.5

positions, fringe benefits, one-time start-up costs, ongoing operating expenses and \$1,308,012 for salary and fringe benefits that would not have been paid to suspended correctional officers.

Salaries and Fringe Benefits	\$ 578,707
Payments to Suspended Officers	1,308,012
Operating Expenses	<u>509,479</u>
Total FY 1997 State Expenditures	\$2,396,198

Future year expenditures reflect (1) full salaries with 3.5% annual increases and 3% employee turnover; and (2) 2% annual increases in ongoing operating expenses.

Agency	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
DOC	\$ 920,189	\$ 527,350	\$ 545,775	\$ 564,889	\$ 584,720
OAH	76,111	92,294	95,690	99,214	102,873
DPSCS	91,886	123,209	127,604	132,161	136,883
Susp. w/pay	<u>1,308,012</u>	<u>1,750,905</u>	<u>1,812,187</u>	<u>1,875,613</u>	<u>1,941,260</u>
TOTALS	\$2,396,198	\$2,493,759	\$2,581,256	\$2,671,877	\$2,765,736

Information Source(s): Department of Public Safety and Correctional Services, (Division of Pretrial Detention and Services), Office of Administrative Hearings, Department of Fiscal Services

Fiscal Note History: First Reader - February 19, 1996

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