

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE

House Bill 542 (Delegates Rosenberg and McIntosh)  
Appropriations

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**State Employees - Employee Privacy Protection Act**

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This bill prohibits State employees and supervisors, with certain limited exceptions, from intruding on the personal space of another employee; willfully intercepting an electronic communication or wire communication intended to be received by another employee; or willfully accessing or attempting to access an employee's computer, computer software, or computer database without the employee's authorization. The bill creates a private cause of action in the courts for employees whose rights under this act are violated.

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**Fiscal Summary**

**State Effect:** Indeterminate increase in State personnel-related expenditures, as discussed below.

**Local Effect:** None.

**Small Business Effect:** None. This bill would not directly affect small businesses.

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**Fiscal Analysis**

**State Expenditures:** This bill would protect State employees from invasion of the personal space and from interception of electronic communications and unauthorized access of their computer equipment, as enumerated above. Any direct expenditures associated with implementing the bill, such as notification of State employees of their rights under the legislation, could be absorbed within existing resources. There may be other, indirect expenditures as a result of the bill. For example, training may be required to instruct supervisors as to the rights of employees under the legislation. In addition, the bill creates a private cause of action for employees whose privacy has been invaded. The cause of action allows for actual damages, punitive damages, attorney's fees, and other costs of litigation. If

an employee were to sue a supervisor under the legislation in the supervisor's official capacity, the State may opt, or be required, to defend the supervisor in court, resulting in an indeterminate increase in expenditures by the Attorney General's Office. In addition, the legislation may be the source of additional employee grievances, which could result in an indeterminate increase in workload by the Department of Budget and Management (Office of Human Resources) and the Office of Administrative Hearings. Finally, there may be indeterminate expenditures if the State must take legal steps to retrieve electronic work product which is the property of the State but access to which may be protected by the legislation.

The bill would apply only to employees covered by the State Personnel Management System; it would not apply, for example, to the Department of Transportation.

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**Information Source(s):** Judiciary (Administrative Office of the Courts), Department of Budget and Management, Department of Health and Mental Hygiene, Maryland Department of Transportation, Office of Administrative Hearings, Department of Fiscal Services

**Fiscal Note History:** First Reader - February 10, 1997

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