### **Department of Fiscal Services**

Maryland General Assembly

# FISCAL NOTE

House Bill 1432 (Delegate Marriott) Ways and Means

#### Baltimore City Public Schools - Rights of Certificated and Noncertificated Employees

This bill provides that any collective bargaining agreement or memorandum of understanding for certificated and noncertificated public school employees that is in effect on June 30, 1997 shall remain in effect until successor agreements are negotiated. The bill also provides that all sick leave, personal leave, and vacation leave earned and unused by a certificated or noncertificated employee as of January 1, 1997 shall remain effective without regard to any new collective bargaining agreement or memorandum of understanding. Certificated and noncertificated public school employees shall retain the same health care benefits at the same participant costs as benefits available to civil service employees under the health insurance plan of the mayor and City Council of Baltimore.

In addition, upon termination of employment or retirement, all earned leave that has accrued and is unused as of June 30, 1997 for certificated employees and as of June 1, 1997 for noncertificated employees can continue to be converted or liquidated as wages. The bill specifies that tenure rights of certificated employees who held tenure prior to January 1, 1997 may not be altered. Also, a noncertificated public school employee who has been a civil service employee under the Baltimore City Charter and who becomes an employee of the Board of School Commissioners of Baltimore City is provided additional safeguards that would protect the employee's seniority, service credit, and remain eligible for other city jobs. In addition, such employees would continue to be subject to the same disciplinary measures.

This bill takes effect June 1, 1997.

#### **Fiscal Summary**

State Effect: None.

**Local Effect:** Indeterminate effect on Baltimore City school expenditures. Revenues would not be affected.

Small Business Effect: None. Small businesses are not directly affected.

## **Fiscal Analysis**

**Local Expenditures:** This legislation requires the Board of School Commissioners to honor certain collective bargaining agreements with employees' organizations and to continue to provide certain employee benefits (i.e., health care benefits, sick leave, personal leave, vacation leave, and tenure rights). This legislation could eliminate potential cost savings resulting from the Board of School Commissioners negotiating new contracts with employees' organizations. For instance, Baltimore City spent approximately \$2.9 million in fiscal 1996 for cashing out school employees' earned leave when employees retired or terminated employment. This legislation would prevent the school system from eliminating this benefit. Any such potential cost savings that could not be realized cannot be determined before such renegotiations commence.

**Information Source**(s): Baltimore City, State Retirement Agency, Department of Fiscal Services

Fiscal Note History: First Reader - March 11, 1997

lc

Analysis by:Hiram L. Burch Jr.Reviewed by:John Rixey

Direct Inquiries to: John Rixey, Coordinating Analyst (410) 841-3710 (301) 858-3710