

Department of Legislative Services  
Maryland General Assembly

FISCAL NOTE

Senate Bill 707 (Senators Blount and Kellev)

Finance

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**State Personnel - Grievance Procedures - Award of Attorney's Fees**

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This bill provides that a grievant under the State Personnel Management System who prevails in a grievance proceeding is entitled to reimbursement from the employing unit for reasonable attorney's fees incurred in connection with the grievance proceeding, in addition to any other remedies.

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**Fiscal Summary**

**State Effect:** Increase in personnel expenditures (all funds) of approximately \$20,000 per year if 20 employees prevail in grievance hearings and seek reimbursement of attorneys' fees.

**Local Effect:** None.

**Small Business Effect:** None.

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**Fiscal Analysis**

**State Expenditures:** The Department of Budget and Management advises that 238 grievances went before the Office of Administrative Hearings in 1997 and that the employee prevailed in 20 of those determinations. These employees either: (1) represented themselves; (2) were represented by an attorney employed by an employee organization; or (3) hired private attorneys. The department was unable to determine the relative percentages of the above categories.

For employees using a private attorney, the attorney is likely to charge on an hourly basis. These charges will vary among attorneys, but for illustrative purposes it is assumed that such an attorney would charge \$100 per hour and perform approximately 10 hours of work, for a total cost of \$1,000. Assuming that the number of successful grievances remains constant and that all 20 of these employees use an attorney (because of the prospect of reimbursement), attorneys' fees could total \$20,000. This estimate assumes that employee organizations will bill the State for the costs of their in-house attorneys.

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**Information Source(s):** Department of Budget and Management; Department of Legislative Services

**Fiscal Note History:** First Reader - March 11, 1998

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