

Department of Legislative Services
Maryland General Assembly
1999 Session

FISCAL NOTE

House Bill 871 (Delegate Oaks. *et al.*)

Appropriations

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

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.

Fiscal Summary

State Effect: Increase in personnel expenditures (all funds) of approximately \$10,000 to \$20,000 per year if up to 20 employees prevail in grievance hearings and seek reimbursement of attorneys' fees.

Local Effect: None.

Small Business Effect: None.

Fiscal Analysis

State Expenditures: The Department of Budget and Management advises that 243 grievances went before the Office of Administrative Hearings in 1998 and that the employee prevailed in 11 of those determinations. The prior year, employees prevailed in 20 cases. 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 within the range of 10 to 20 and that all of these employees use an attorney (because of the prospect of reimbursement), attorneys' fees could total between \$10,000 and \$20,000. This estimate assumes that employee organizations will bill the State for the costs of their in-house attorneys.

Information Source(s): Department of Budget and Management; Office of Administrative Hearings; Department of Legislative Services

Fiscal Note History: First Reader - February 23, 1999
dmm/jr

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