

Department of Legislative Services  
 Maryland General Assembly  
 2000 Session

FISCAL NOTE

House Bill 1198 (Delegate Shriver)

Economic Matters

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Labor and Employment - Employee Leave - Enforcement of Adoption Provisions

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This bill provides enforcement and penalty provisions to the Adoption Leave Act enacted in 1999.

This bill is effective July 1, 2000, and sunsets June 30, 2002.

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Fiscal Summary

**State Effect:** General fund expenditures will increase by \$41,800 in FY 2001 and by \$28,800 in FY 2002.

(in dollars)	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
GF Revenues	-	-	\$0	\$0	\$0
GF Expenditures	\$41,800	\$28,800	0	0	0
Net Effect	(\$41,800)	(\$28,800)	\$0	\$0	\$0

*Note: ( ) = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** None.

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Analysis

**Bill Summary:** The bill allows the Commissioner of Labor and Industry to adopt regulations to carry out and enforce adoption leave. The Commissioner may attempt to resolve an issue through mediation, or, with the employee's written consent, ask the Attorney General to bring action against an employer. The Commissioner may also bring an action on behalf of

the employee.

If an employer is found guilty of violating the Adoption Leave Act, the court may award the employee an amount up to three times the amount of leave due the employee along with attorney's fees and court costs. An employer that willfully violates this bill is guilty of a misdemeanor and is subject to a fine not to exceed \$1,000.

An employee who knowingly makes false statements relating to an investigation of a violation of this bill is guilty of a misdemeanor and subject to a fine not to exceed \$500.

**Current Law:** Employers are required to offer the same leave to adoptive parents that they offer birth parents.

**Background:** Chapter 503 of 1999 requires that any employer that offered paid leave to parents after the birth of a child must provide the same benefit to parents who adopt a child. At the time the bill and its relevant subtitles contained no enforcement mechanism or penalty provision. Consequently, the Department of Labor, Licensing, and Regulation has not investigated any complaints relating to Chapter 503.

**State Fiscal Effect:** General fund expenditures could increase by an estimated \$41,800 in fiscal 2001, which accounts for the bill's July 1, 2000, effective date. This estimate reflects the cost of hiring one contractual person to educate employers and investigate complaints. It includes contractual costs, one-time start-up costs, and ongoing operating expenses

Contractual Costs	\$28,700
Operating Expenses	<u>13,100</u>
<b>Total FY 2001 State Expenditures</b>	<b>\$41,800</b>

Fiscal 2002 expenditures reflect (1) full salaries with 2.4% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 817 (Senator Bromwell) - Finance.

**Information Source(s):** Attorney General; Department of Labor, Licensing, and Regulation;

Montgomery County; Prince George's County; Department of Budget and Management;  
Department of Legislative Services

**Fiscal Note History:** First Reader - March 7, 2000  
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