

Department of Legislative Services

Maryland General Assembly

2002 Session

FISCAL NOTE

Revised

Senate Bill 106

(Chairman, Judicial Proceedings Committee)

(Departmental – University System of Maryland)

Judicial Proceedings

Judiciary

**Sovereign Immunity in Contract Actions - Employment Contracts - Public
Institutions of Higher Education**

This departmental bill limits the time period within which to file a claim against the State to within two years of the date on which the claim arose for claims based upon an employment contract for an employee at the University System of Maryland, Morgan State University, St. Mary's College of Maryland, or Baltimore City Community College.

The bill applies only to claims arising on or after the bill's October 1, 2002 effective date.

Fiscal Summary

State Effect: None. The change is procedural in nature and would not directly affect governmental finances.

Local Effect: None -- see above.

Small Business Effect: The University System of Maryland has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Current Law: Claims against the State, based on a written contract that an official or employee executed for the State or one of its units while the official or employee was acting within that person's scope of authority, must be filed within one year after the later

of: (1) the date on which the claim arose; or (2) the completion of the contract that gives rise to the claim. Otherwise, the claim is barred.

Background: Contracts for tenured faculty at the public institutions of higher education in the State can extend over many years. Allowing claims based on these employment contracts to be brought one year after the contract ends, pursuant to current law, may result in a claim being brought years after the events giving rise to the claim occurred.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Office of Administrative Hearings, University System of Maryland, Office of the Attorney General, Department of Legislative Services

Fiscal Note History: First Reader - January 14, 2002
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Analysis by: Debra A. Dickstein

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510