

Department of Legislative Services

Maryland General Assembly

2002 Session

FISCAL NOTE

Revised

Senate Bill 238

(The President, *et al.*) (Administration)

Education, Health, and Environmental Affairs

Appropriations

Maryland National Guard Readiness Act

This emergency Administration bill extends State death benefits in the amount of \$100,000 to the surviving spouse, children, or dependent parents of Maryland National Guard members serving on State active duty, who are killed in the performance of his/her duties. The death benefit applies retroactively to any member of the Maryland National Guard who died in the performance of his/her duties on or after September 11, 2001. The death benefit may not be paid if the member is eligible to receive dependency and indemnity compensation under rules prescribed by the U.S. Department of Veterans Affairs. In addition, the bill adopts, retroactive to September 11, 2001, federal laws that grant members of the Maryland National Guard reemployment rights under the Uniformed Services Employment and Reemployment Rights Act (USERRA) and civil protections under the Soldiers' and Sailors' Civil Relief Act of 1940 (SSCRA) who are called to active duty by the Governor.

Fiscal Summary

State Effect: General fund expenditures would increase by \$100,000 for each member of the Maryland National Guard who dies in the performance of his/her State active duties. Revenues would not be affected.

Local Effect: None.

Small Business Effect: The Administration has determined that this bill has minimal or no impact on small business (attached). Legislative Service concurs with this assessment.

Analysis

Current Law: The surviving spouse, children, or dependent parents of an employee in the State Personnel Management System or any other authorized State personnel system who is killed in the performance of official duties is entitled to a \$100,000 death benefit.

Under current federal law, SSCRA applies to guard members serving federal active duty and USERRA applies to guard members at weekend drills, annual training, and all federal service.

Background: The Soldiers' and Sailors' Civil Relief Act of 1940 (SSCRA) as amended in Title 50 of the United States Code, sections 501 through 593, becomes effective when members of the Maryland Army National Guard and the Maryland Air National Guard are ordered to military duty for 14 days or longer under the auspices of Article 65 of the Annotated Code of Maryland or under Title 10 or Title 32 of the United States Code. SSCRA grants financial relief and provides for civil protections to military personnel, including members of the Maryland Army National Guard and the Maryland Air Guard who have been ordered to federal military service. SSCRA covers automobile and housing lease agreements and installment contracts; caps the maximum interest rate that can be charged on debt at 6% while a National Guard member is in military service; provides for delays in court proceedings; and grants stays of enforcement in matters concerning taxes, liabilities, and obligations.

The Uniformed Services Employment and Reemployment Rights Act (USERRA) becomes effective when members of the Maryland Army National Guard and the Maryland Air National Guard are ordered to federal military duty for any length of time. USERRA provides job protection and employment reinstatement rights to members of the Maryland National Guard.

As of February 2002, 1,212 members of the Army National Guard and 906 members of the Air National Guard were mobilized. Of the 2,118 mobilized guard members only 290, or approximately 14%, were under State active duty orders.

State Fiscal Effect: The Maryland Department of the Military advises that it is difficult to estimate how many Maryland National Guard members would die each year in the line of State active duty. The Military Department further advises that there have been no deaths of any guard members on State active duty in the last 20 years.

General fund expenditures would increase by \$100,000 for each death of a Maryland National Guard member for death benefits paid to the surviving spouse, children, or dependent parents of a member who dies in the line of State active duty. Any impact will

depend on the number of Maryland National Guard members who die in the performance of his/her State active duties.

Small Business Effect: Maryland National Guard members ordered to federal service by the President are already afforded the rights and benefits of SSCRA and USERRA under federal law. Including these federal provisions in State law for members ordered to service by the Governor would have minimal impact on small business.

Additional Information

Prior Introductions: None.

Cross File: HB 292 (The Speaker, *et al.*) – Appropriations. HB 292, as amended, is not similar to the amended SB 238.

Information Source(s): Military Department, Department of Budget and Management, Department of Legislative Services

Fiscal Note History: First Reader - February 10, 2002
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