

**Department of Legislative Services**  
Maryland General Assembly  
2003 Session

**FISCAL AND POLICY NOTE**

House Bill 366  
Appropriations

(Delegates Frush and Owings)

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**State Employees - Paid Leave - Military Training or Active Military Duty**

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This bill extends the number of days of leave with pay, from 15 to 30 days, that the Secretary of Budget and Management (DBM) may authorize for military training or active military duty reserve units of the armed forces or the organized militia.

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**Fiscal Summary**

**State Effect:** Potentially significant increase in general, special, and federal fund expenditures in FY 2004, depending upon the number of military personnel who are called into active duty or military training, which cannot be estimated at this time. Under one scenario, FY 2004 expenditures would be \$582,000. Annual expenditures will vary according to military preparation needs.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** By regulation the Secretary of the Department of Budget and Management may provide leave with pay for permanent State employees for the following reasons (1) jury service; (2) attendance at an approved employee organization event; (3) military training or active military duty reserve units of the armed forces or the organized militia (up to 15 days); (4) certain court appearances; (5) administrative leave to immediately remove an employee from the work site for specified reasons; and (6) any other paid leave deemed necessary.

Article 65 of the Annotated Code of Maryland entitles all State, county, or municipal employees who are members of the National Guard or a reserve unit of the U.S. armed forces to a leave of absence without loss of pay, time, or efficiency rating for up to 15 days annually for military training. If the members are ordered to active duty by the Governor, they are entitled to leave of absence without loss of pay, time, or rating while serving under active duty orders.

Chapter 285 of 2002 authorized the Secretary of the Department of Budget and Management to grant up to 15 days of paid leave for active military duty and to grant leave from the State employees' leave bank for any employee who is a military reservist or guardsman and has been activated for federal duty. This law was retroactively effective to January 1, 2002; the provision allowing use of the leave bank sunsets December 31, 2003.

**Background:** President Bush has called approximately 150,000 members of the armed forces into active duty to prepare for a possible war with Iraq. Private employers are not required to pay members of the National Guard or military reserve units when called to active duty.

The Council of Governments recently surveyed states' military leave policies – of the 17 states that responded, 3 allow 30 days of paid leave for State employees who are called to active duty (Iowa, West Virginia, and North Carolina). Most of the remaining states, including Pennsylvania, South Carolina, Virginia, and Texas, grant 15 days. Civil employees in Michigan who are not exclusively represented may be eligible for regular, temporary, and emergency military leaves of absences. Some are without pay and some pay any differential between military pay and normal state salary.

**State Expenditures:** The Department of Budget and Management (DBM) advises that in calendar 2002, 242 State employees were activated for military service. Of these, 80 who have exhausted the allowable 15 days under current law would likely claim the additional days of leave for the remainder of calendar 2003 (leave is granted on a calendar rather than fiscal year basis). If 242 employees claim the additional leave allowed under the bill, general, special, and federal fund expenditures would increase by \$582,000 in fiscal 2004; this amount assumes:

- 15 days of leave in calendar 2004 for 242 employees, prorated to the end of fiscal 2004 (\$290,400);
- 15 days of leave for calendar year 2003 for 80 employees who have not used any of the allowable leave (\$292,000); and
- an average State employee pay of \$20 an hour.

Annual expenditures would be \$774,400 under this scenario. However, the number of State employees who will be activated could increase significantly if the United States engages in war. DBM advises that it currently receives one request daily from State employees seeking military leave. Expenditures will vary further according to actual pay rates and global situations. According to a 2001 survey of State agencies by DBM (to which nine responded), State agencies (excluding higher education) indicated they employed 456 reservists. For nonresponsive agencies, DBM assumed 0.3% of the unit's personnel were reservists based on national data.

Assuming 450 State employees (out of 49,000) are activated or participate in military training, expenditures would increase by \$1,012,000 in fiscal 2004.

The Department of Legislative Services observes that the impact will vary considerably by agency. For example, 96 of the Military Department's civilian employees (about 30% of its labor force) are reservists or members of the Maryland National Guard. The Department of Public Safety and Correctional Services reported 226 reservists in 2001, almost half of the total State estimate.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

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

**Fiscal Note History:** First Reader - February 18, 2003  
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