

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE
Revised

House Bill 136
Appropriations

(Delegate A. Miller)

Finance

State Personnel - Teleworking - Statewide Program and Goals

This bill establishes a goal of having 15% of eligible Executive Branch employees, including those in agencies with independent personnel management systems, participate in a statewide telework program. The Secretary of Budget and Management must establish the program as well as a statewide telework policy and guidelines. Each unit head in the Executive Branch may designate positions eligible for teleworking. “Telework” means to work at a location other than a traditional office setting or an employee’s usual and customary worksite, including the employee’s home, a satellite office, and a telework center.

Fiscal Summary

State Effect: Potential reduction in expenditures (all funds) on utilities to the extent that an increase in the number of teleworkers reduces the use of electricity and water in State facilities. Potential increase in State expenditures (all funds) for supplies and equipment for the larger number of teleworkers. A reliable estimate of the net effect on expenditures is not possible.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: State regulations authorize the use of teleworking, but each independent personnel management system is responsible for establishing the conditions and requirements for teleworking.

Background: The Department of Budget and Management administers the State Personnel Management System (SPMS), which includes most employees in Executive Branch agencies; the Judicial and Legislative branches each have independent personnel systems. An Executive Branch agency may, if expressly authorized in statute, establish an independent personnel management system. The Maryland Department of Transportation (MDOT) and the University System of Maryland (USM) have the two largest independent personnel management systems in the Executive Branch. As of June 30, 2012, there were 45,661 full-time equivalent positions in SPMS, 22,160 in USM, and 6,378 in MDOT.

SPMS, USM, and MDOT all have teleworking policies. The SPMS policy, for example, requires employees seeking to telework to agree to specified conditions addressing working time, work space, child care, liability for injuries, and personal business during work hours before being approved. Requests for teleworking can be denied if the employee does not agree to abide by all the conditions, and teleworking arrangements can be revoked for operational or staffing reasons, employee performance or misconduct, or any other management reason that does not constitute discrimination.

As of June 2012, there were 5,890 positions within SPMS and MDOT that were eligible for teleworking. Of those, there were 589 regular teleworkers and 408 occasional teleworkers, for a total of 997. This represents 16.9% of eligible positions, but about 1.9% of total positions in SPMS and MDOT. USM reported incomplete figures from its payroll system, which shows 327 teleworkers, or 1.5% of all employees; however, these figures only represent data from the three campuses for which data is available. MDOT also indicates that its figures may be understated; a 2009 survey of employees by MDOT found that 51% of employees located at MDOT headquarters self-reported themselves as telecommuters, which is a further indication that the MDOT payroll data may not be an accurate reflection of the number of teleworkers.

State Fiscal Effect: Given incomplete data on teleworking in Executive Branch agencies, it is assumed that the 15% goal leads to an increase in the number of teleworkers in Executive Branch agencies, especially if unit heads increase the number of positions eligible for teleworking, which are currently designated by DBM. Such an increase may reduce State energy and water consumption as fewer employees occupy State office buildings on any given day. These effects cannot be quantified.

The current teleworking policy under SPMS does not require that teleworkers provide their own equipment, software, and supplies. To the extent that this remains the policy of the State and a substantial number of employees approved for telework do not currently have employer-provided laptop computers, there may be a significant upfront expenditure to procure laptops and other supplies and equipment for the larger number of teleworkers.

The Department of Legislative Services cannot reliably estimate the magnitude of any such cost.

Additional Information

Prior Introductions: A similar bill, HB 952 of 2012, received an unfavorable report from the House Appropriations Committee.

Cross File: None.

Information Source(s): Department of Budget and Management, Maryland Department of Transportation, University System of Maryland, Department of Legislative Services

Fiscal Note History: First Reader - January 31, 2013
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