# **Department of Legislative Services**

Maryland General Assembly 2017 Session

#### FISCAL AND POLICY NOTE Third Reader

House Bill 679 (St. Mary's County Delegation)

**Environment and Transportation** 

Finance

#### St. Mary's County - Metropolitan Commission - Personnel

This bill alters the types of positions of specified personnel in the St. Mary's County Metropolitan Commission (MetCom). The bill specifies the following positions within the commission as contractual positions: general counsel, treasurer or chief financial officer, chief engineer, and any other department director. The bill also specifies that the director of the commission is the immediate supervisor of the general counsel, treasurer or chief financial officer, chief engineer, and any other department director.

### **Fiscal Summary**

State Effect: None.

**Local Effect:** The bill does not materially affect St. Mary's County operations or finances. However, MetCom could incur increased expenditures depending on the types of contracts that are negotiated with specified employees.

**Small Business Effect:** None.

## **Analysis**

**Current Law:** MetCom is governed by an eight-member board which consists of seven voting members and one nonvoting member (a representative from the Patuxent River Naval Air Station). Voting members represent election districts within the county and are appointed by the St. Mary's County Commissioners to serve three-year staggered terms. The metropolitan commission must elect one of its members as chair and one of its members as vice chair. The metropolitan commission is required to appoint, discharge at pleasure, and fix the compensation of a director; a secretary; a treasurer; a chief engineer;

and engineering, legal, clerical, and other personnel which the commission deems necessary. The commission may appoint, discharge, and fix the compensation of a general counsel. The director may not serve concurrently as the director and as general counsel to the commission.

**Background:** MetCom was created by the General Assembly in 1957 to supply water and sewer service to residents in St. Mary's County. MetCom operates 28 water systems and 5 sewer treatment plants and provides water services to 55,100 people and sewer service to 51,100 people. MetCom income is projected to total \$26.5 million in fiscal 2016. As of June 30, 2016, MetCom employed 102 employees, of which 96 were full-time employees.

Local Fiscal Effect: MetCom advises that the commission could incur increased personnel costs to the extent that the contracts negotiated by the general counsel, treasurer or chief financial officer, chief engineer, and department directors are higher than the agency's current pay scale. However, the commission also reports that should these contracts be fixed-term contracts, making department heads contractual employees regarding the pension system, the commission could realize potential savings with regard to pension contributions for these employees. The overall effect on MetCom finances cannot be reliably estimated and is dependent upon the various contracts that are negotiated between the commission and its employees.

#### **Additional Information**

**Prior Introductions:** None.

Cross File: SB 395 (Senator Waugh) - Finance.

**Information Source(s):** St. Mary's County; St. Mary's County Metropolitan

Commission; Department of Legislative Services

**Fiscal Note History:** First Reader - February 14, 2017 md/tso Third Reader - March 21, 2017

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