

Department of Legislative Services  
Maryland General Assembly  
2019 Session

FISCAL AND POLICY NOTE  
First Reader

Senate Bill 169  
Finance

(The President, *et al.*) (By Request - Administration)

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State Personnel Recruitment Modernization Act of 2019

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This Administration bill alters the recruitment and appointment process for specified positions in the skilled or professional service in the State Personnel Management System (SPMS). The bill eliminates specified credits that appointing authorities in SPMS apply to an applicant during the selection process, and it generally streamlines the recruitment process.

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Fiscal Summary

**State Effect:** Expenditures (all funds) for JobAps overage charges may decrease minimally as a result of streamlining the recruitment process for skilled or professional service positions in SPMS beginning in FY 2020. Reimbursable revenues and expenditures for the Department of Budget and Management (DBM) decrease correspondingly. Additionally, the bill creates operational efficiencies for appointing authorities in SPMS.

**Local Effect:** None.

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

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Analysis

**Bill Summary:** An appointing authority may forego the SPMS position selection plan and recruit for a skilled or professional service position if the position is difficult to fill or the recruitment must occur in a timely manner, instead of having to be both as required under current law. The appointing authority must still decide to recruit for the position (rather

than select from existing candidate lists or use other options) and notify DBM of the recruitment.

The bill eliminates the timeframe of at least one week prior for the appointing authority to send a copy of the selection plan and job announcement to the Secretary of Budget and Management before posting the job announcement. A job announcement no longer must be posted for at least two weeks before the deadline for submitting applications, and the position vacancy no longer must be advertised for at least two weeks before the application deadline. Advertising for the position no longer must include printed advertisements in newspapers and journals, paper and electronic bulletin board postings, and special notices.

If fewer than 20, instead of 10 under current law, but more than 2 applicants meet the minimum requirements for a position, the appointing authority may make a selection from the register without the need to conduct further selection testing or may readvertise the position vacancy.

The bill eliminates the credit for years of State service on a selection test for an applicant who is a current State employee. Credits awarded during the selection process to an applicant for being a State resident or for being a resident of a high unemployment county for specified positions in correctional facilities are also eliminated.

**Current Law:** SPMS has four major employment categories designated in statute:

1. executive service, which consists of chief administrators of principal units or comparable positions, including deputy secretaries or assistant secretaries;
2. management service, which consists of positions that involve direct responsibility for the oversight and management of personnel and financial resources and that require the exercise of discretion and independent judgment;
3. professional service, which consists of positions that require advanced knowledge in a field of science or learning and that normally require a professional license, advanced degree, or both; and
4. skilled service, which consists of all other positions.

When a skilled service or professional service position is to be filled, the appointing authority must complete a position selection plan that includes:

- a position description;
- the minimum qualifications for the class of position and any required selective qualifications;
- any limitations on selection for the position, including those that limit consideration to current State or unit employees or contractual employees, promotional candidates, or candidates indicating a willingness to work in a location; and

- if applicants for the position are to be recruited, the location for submitting applications, the manner for posting the position announcement in the unit, the method and length of time for advertising the position, the closing date to receive applications, the plan of development of any selection test to be administered, and the duration of the list of eligible candidates that results from the recruitment.

For a vacant position, the appointing authority must send a copy of the selection plan and job announcement to the Secretary of Budget and Management at least one week before posting the job announcement to assure public access. If current employees or contractual employees may be eligible for the position, then a job announcement must be posted for at least two weeks before the deadline for submitting applications. The position vacancy must be advertised for at least two weeks before the application deadline by making available a job announcement to all appropriate State agencies and using any other method to ensure a sufficient pool of applicants, including printed advertisements in newspapers and journals, paper and electronic bulletin board postings, and special notices.

An appointing authority may forego the SPMS position selection plan and recruit for a skilled or professional service position if the appointing authority decides to recruit for the position, the position is difficult to fill, the recruitment must occur in a timely manner, and DBM is notified.

After the close of a position announcement, the appointing authority must review the applications to determine who meets the minimum qualifications and prepare a register of qualified applicants. If fewer than 10 but more than 2 applicants meet the minimum requirements for a position, the appointing authority may make a selection from the register without the need to conduct further selection testing or may readvertise the position vacancy.

An appointing authority may select candidates from an existing list of eligible candidates, by recruitment (if the appointing authority decides to recruit for the position), from a special list of eligible candidates whom the Division of Rehabilitation Services of the Maryland State Department of Education certifies as being physically capable and adequately trained for the position, from a list of contractual employees performing the same or similar duties of the position, or by selecting a qualified disabled veteran.

Appointing authorities may use any appropriate selection process to rate qualified applicants, including job relatedness, reliability, and scores on selection tests. Credits may be applied to the results of selection tests for applicants who are otherwise qualified and have at least the minimum passing score on a selection test for:

- current State employees (one-quarter point for each year of State service, up to 5 points);
- veterans and spouses of veterans (10 points, plus 2 points for a former prisoner of war);
- residents of high unemployment counties for specified positions in correctional facilities (5 points);
- individuals with a disability, as defined by the federal Americans with Disabilities Act (5 points); and
- State residents (5 points).

Generally, an appointing authority must make an appointment from among candidates in a rating category on a list of eligible candidates. A candidate who is an eligible veteran for the selection test must be identified as an eligible veteran on the list of eligible candidates. In making a selection, the appointing authority may interview any of the candidates in the rating category from which the selection will be made, and when interviews are conducted, the appointing authority must interview at least three candidates.

**Background:** The Spending Affordability Committee requested a report from DBM outlining a strategy to address barriers to filling vacant positions, including hiring standards. In response to the *2018 Joint Chairmen's Report*, page 36, DBM submitted a [report](#) on the barriers to filling vacant positions.

In the report, DBM notes the hiring process for merit positions is inflexible and can be lengthy. Except for positions approved for streamlined selection, merit positions must post for at least two weeks, after which all submitted applications must be reviewed to determine whether applicants meet minimum qualifications and then those that are qualified are ranked into categories of best qualified, better qualified, and qualified. DBM advises that this ranking process places recent graduates who lack work experience at a disadvantage. Additionally, the report notes that preference points can elevate candidates who do not necessarily possess the attributes desired by the hiring manager to the interview stage of the process and these points dilute the pool of best qualified candidates. State-employment seniority preference and in-state residency preference points cause issues related to system limitations and variable point calculations. Verifying that an applicant is a current State employee and determining if the applicant should receive preference requires a time-consuming manual crosscheck for each applicant.

**State Expenditures:** The State uses JobAps, an online recruitment portal, for State recruitment. JobAps has an application cap, so it charges the State an overage charge ranging from \$0.21 to \$0.30 per application for exceeding the cap. DBM advises that the State is currently paying annual overage charges of approximately \$60,000. Because of the public-facing nature of the JobAps system, its usage is difficult to predict. For positions

that attract a high volume of applications, eliminating the posting period, along with other provisions in the bill, may reduce the number of applications. Agencies pay DBM overage charges based on the overages stemming from their agencies. Thus, expenditures (all funds) for overage charges that State agencies within SPMS pay to DBM may decrease minimally beginning in fiscal 2020. DBM reimbursable revenues and expenditures decrease correspondingly.

Additionally, the bill creates operational efficiencies. DBM advises that the bill will streamline the recruitment process for skilled and professional service positions within SPMS. Appointing authorities may save time by having fewer applications to review. The bill increases the size of an applicant pool from 10 to 20 that can be considered a register, which enables managers to make a selection from among qualified candidates without the need for further sorting or selection testing.

Providing credits on a selection test to applicants may enable applicants to be placed in a higher qualification level than they would otherwise be, thereby diluting accurate scoring. Thus, eliminating several of these credits may have a positive effect on the quality of State hires as it increases the integrity of selection test scores and enables hiring authorities to better rank candidates based on their job-related qualifications. Additionally, it will reduce the number of candidates who need verification of former State employment across several human resources systems, eliminate the need to make manual calculations to test scores, and expedite the process of filling vacancies.

State agencies may see minimal cost savings if they decide to no longer advertise in newspapers, journals, paper and electronic bulletin board postings, and special notices. However, DBM notes there has been a decrease in using print ads to advertise job positions; thus, this provision generally reflects current practice.

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## **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 158 (The Speaker, *et al.*) (By Request - Administration) - Appropriations.

**Information Source(s):** Department of Information Technology; Department of Commerce; Maryland Department of Aging; Maryland State Department of Education; Maryland School for the Deaf; Maryland Department of Agriculture; Department of Budget and Management; Maryland Department of Disabilities; Maryland Department of the Environment; Department of General Services; Maryland Department of Health; Department of Housing and Community Development; Department of Juvenile Services; Department of Labor, Licensing, and Regulation; Department of Natural Resources;

Maryland Department of Planning; Department of Public Safety and Correctional Services;  
Department of State Police; Department of Veterans Affairs; Department of Legislative  
Services

**Fiscal Note History:** First Reader - February 12, 2019  
mag/mcr

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## ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: State Personnel Recruitment Modernization Act Of 2019

BILL NUMBER: SB169/HB158

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Department of Budget and Management

### PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL  
BUSINESS

**OR**

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL  
BUSINESSES

### PART B. ECONOMIC IMPACT ANALYSIS