

Department of Legislative Services
Maryland General Assembly
2022 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 799 (Delegate Morgan, *et al.*)
Health and Government Operations

State and Local Government - COVID-19 - Vaccination by Choice Act

This bill prohibits units in the Executive, Judicial, or Legislative branches of State government (including those with independent personnel systems) and local government entities from requiring an employee or an applicant for employment to provide proof of vaccination against COVID-19 as a condition for employment. The bill's prohibition applies to counties, municipalities, bicounty agencies, local boards of education, public corporations, special taxing districts, and any other political subdivisions in the State.

Fiscal Summary

State Effect: Federal fund revenues and expenditures are potentially at risk, as discussed below. State agencies, including Baltimore City Community College and public four-year universities, can revise policies relating to COVID-19 vaccination with existing resources.

Local Effect: Federal fund revenues and expenditures are potentially at risk, as discussed below. Local entities, including local community colleges and local school systems, can revise COVID-19 vaccination policies with existing resources.

Small Business Effect: None.

Analysis

Current Law: Several state and local governments have imposed COVID-19 vaccination requirements on specific employees, including Pennsylvania and Virginia. Maryland imposed a vaccine requirement, effective September 1, 2021, for all staff of residential facilities operated by the Maryland Department of Health (MDH) or a local health department, State correctional facilities, State facilities operated by the Department of

Juvenile Services, Charlotte Hall Veterans Home, other State congregate living facilities, and all nursing homes and hospitals. In addition, State colleges and universities require all students, faculty, and staff to be vaccinated to be on campus.

In November 2021, the federal Centers for Medicare and Medicaid Services issued an interim final rule with comment period establishing COVID-19 vaccination requirements for staff at specified Medicare- and Medicaid-certified providers and suppliers. Noncompliant providers and suppliers are potentially subject to enforcement remedies available under federal law, including loss of federal funding.

State/Local Fiscal Effect: As discussed above, the bill prohibits, without exception, State and local government employers from requiring an employee or an applicant for employment to provide proof of vaccination against COVID-19 as a condition for employment. The Department of Budget and Management advises that most State agencies do not require employees to be vaccinated against COVID-19; however, based on recent federal vaccination requirements for staff at Medicare- and Medicaid-certified providers and suppliers, certain employees of MDH at medical facilities have been required to be vaccinated against COVID-19.

The Department of Legislative Services advises that federal funding to State and local health care facilities is potentially at risk to the extent that the bill results in noncompliance with federal vaccination requirements for Medicare- and Medicaid-certified providers. Thus, federal fund revenues and expenditures for MDH and local health departments potentially decrease as early as fiscal 2023. Any such impact, however, cannot be reliably predicted at this time.

Otherwise, it is generally assumed that the bill's prohibition does not have a direct effect on State or local government finances. Nevertheless, certain employers, such as public colleges and universities and some local school systems (including Baltimore City Public Schools), must change their policies that currently require vaccination against COVID-19.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Caroline, Montgomery, and Prince George’s counties; Maryland Association of Counties; Maryland Municipal League; Maryland Association of County Health Officers; Judiciary (Administrative Office of the Courts); University System of Maryland; Department of Budget and Management; Maryland Department of Transportation; Baltimore City Public Schools; Prince George’s County Public Schools; Department of Legislative Services

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