

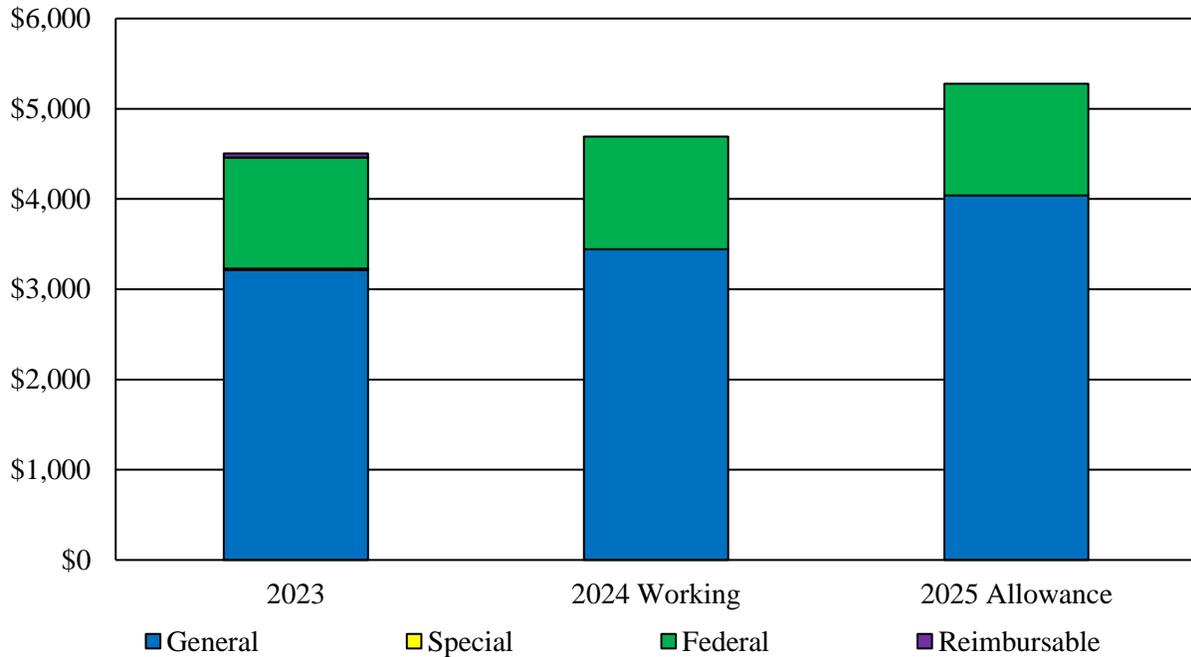
D27L00
Maryland Commission on Civil Rights

Program Description

The Maryland Commission on Civil Rights (MCCR) aims to prevent discrimination and promote equal opportunity in the areas of employment, housing, public accommodation, state contracts, health services, and commercial leasing. The commission engages in the investigation and resolution of claims of civil rights violations and conducts educational training programs aimed at increasing awareness and understanding of unlawful discrimination, along with solutions to address these issues. To enhance its efforts in employment and fair housing, MCCR has work-sharing agreements with the U.S. Equal Employment Opportunity Commission (EEOC) and the U.S. Department of Housing and Urban Development (HUD).

Operating Budget Summary

Fiscal 2025 Budget Increases \$586,681, or 12.5%, to \$5.3 Million
(\$ in Thousands)



Note: Fiscal 2023 actual spending includes \$14,250 in special funds and \$45,000 in reimbursable funds. The fiscal 2024 working appropriation includes deficiencies. The fiscal 2024 impacts of statewide salary adjustments appear in the Statewide Account in the Department of Budget and Management (DBM), and adjustments are not reflected in this agency’s budget. The fiscal 2025 impacts of the fiscal 2024 statewide salary adjustments appear in this agency’s budget. The fiscal 2025 statewide salary adjustments are centrally budgeted in DBM and are not included in this agency’s budget.

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- The majority of MCCR's expenditures are supported with general funds, which increase by 17.3% in the fiscal 2025 allowance compared to the fiscal 2024 working appropriation. Additionally, the agency receives federal funds from HUD and EEOC to investigate claims related to housing and employment.

Fiscal 2024

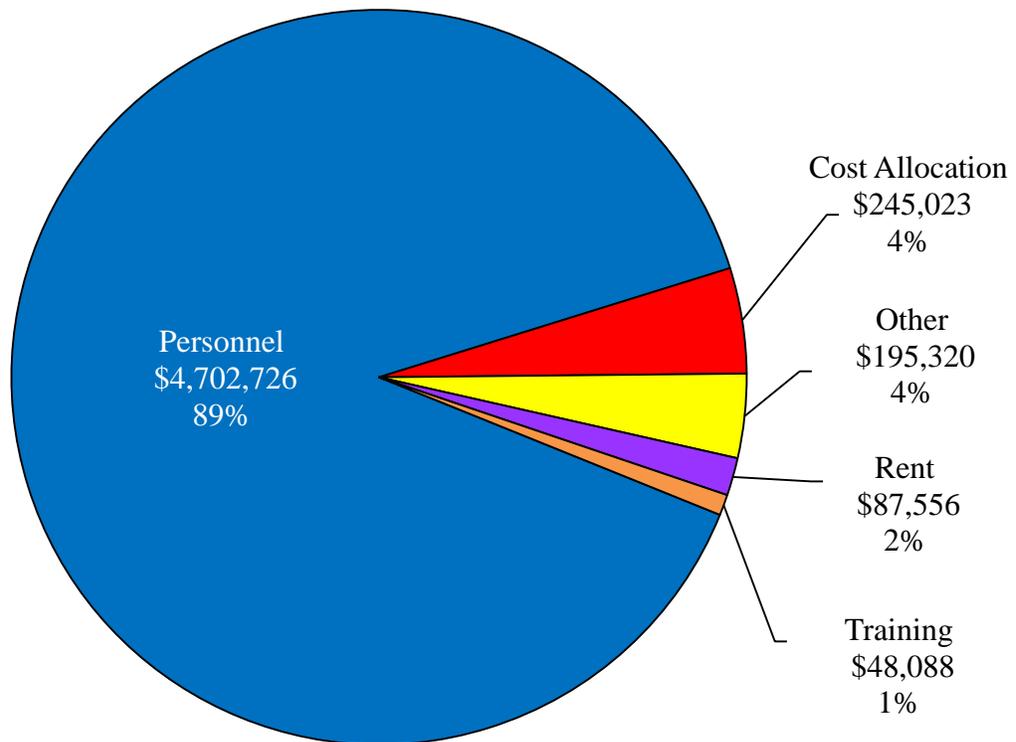
Proposed Deficiency

The fiscal 2025 budget includes one proposed deficiency appropriation for MCCR. The proposed deficiency of \$90,677 (\$84,365 in general funds and \$6,312 in federal funds) reduces budgeted turnover from 4.93% to 2.43% in fiscal 2024 based on lower than anticipated vacancy rates.

Fiscal 2025 Overview of Agency Spending

As shown in **Exhibit 1**, the fiscal 2025 allowance for MCCR totals \$5.3 million. Personnel expenses account for the largest share of the total budget (89%), supporting 38 regular positions and 1 contractual full-time equivalent. The remaining funding provides for miscellaneous service contracts and office expenses.

Exhibit 1
Overview of Agency Spending
Fiscal 2025 Allowance



Note: The fiscal 2025 statewide salary adjustments are centrally budgeted in the Department of Budget and Management and are not included in this agency’s budget.

Source: Governor’s Fiscal 2025 Budget Books

Proposed Budget Change

As shown in **Exhibit 2**, the fiscal 2025 allowance increases by \$586,681, or 12.5%, compared to the fiscal 2024 working appropriation. A significant portion (83%) of this growth is attributed to salary increases and associated fringe benefits, which reflect the impact of fiscal 2024 cost-of-living adjustments and increments that are centrally budgeted in the Department of Budget and Management (DBM) in fiscal 2024 and appear in the commission’s budget in fiscal 2025.

Exhibit 2
Proposed Budget
Maryland Commission on Civil Rights
(\$ in Thousands)

How Much It Grows:	General Fund	Special Fund	Federal Fund	Reimb. Fund	Total
Fiscal 2023 Actual	\$3,215	\$14	\$1,230	\$45	\$4,504
Fiscal 2024 Working Appropriation	3,443	0	1,249	0	4,692
Fiscal 2025 Allowance	<u>4,039</u>	<u>0</u>	<u>1,240</u>	<u>0</u>	<u>5,279</u>
Fiscal 2024-2025 Amount Change	\$596	\$0	-\$9	\$0	\$587
Fiscal 2024-2025 Percent Change	17.3%		-0.7%		12.5%

Where It Goes:	Change
Personnel Expenses	
Salary increases and associated fringe benefits including fiscal 2024 COLA and increments	\$484
Turnover adjustments.....	7
Other Changes	
Database to enhance efficiency and improve case data tracking	45
Cost allocations.....	31
Contractual health insurance.....	16
Rent.....	3
Total	\$587

COLA: cost-of-living adjustment

Note: Numbers may not sum to total due to rounding. The fiscal 2024 working appropriation includes deficiencies. The fiscal 2024 impacts of statewide salary adjustments appear in the Statewide Account in the Department of Budget and Management (DBM), and adjustments are not reflected in this agency’s budget. The fiscal 2025 impacts of the fiscal 2024 statewide salary adjustments appear in this agency’s budget. The fiscal 2025 statewide salary adjustments are centrally budgeted in DBM and are not included in this agency’s budget.

New Case Tracking Database Implementation

An increase of \$45,000 in general funds in the allowance is attributed to the implementation of a database designed to enhance case data tracking at MCCR. Previously, MCCR utilized federal databases for case data tracking, but the commission indicated that updates to the partners’ database structure posed challenges in continuing this practice. As a result, all data requests are currently handled manually. The forthcoming new database is expected to facilitate timely reporting and enable MCCR to track trends that were previously inaccessible.

Personnel Data

	FY 23 <u>Actual</u>	FY 24 <u>Working</u>	FY 25 <u>Allowance</u>	FY 24-25 <u>Change</u>
Regular Positions	33.00	38.00	38.00	0.00
Contractual FTEs	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>
Total Personnel	34.00	39.00	39.00	0.00

Vacancy Data: Regular Positions

Turnover and Necessary Vacancies, Excluding New Positions	0.86	2.25%
Positions and Percentage Vacant as of 12/31/23	1.00	2.63%
Vacancies Above Turnover	0.14	

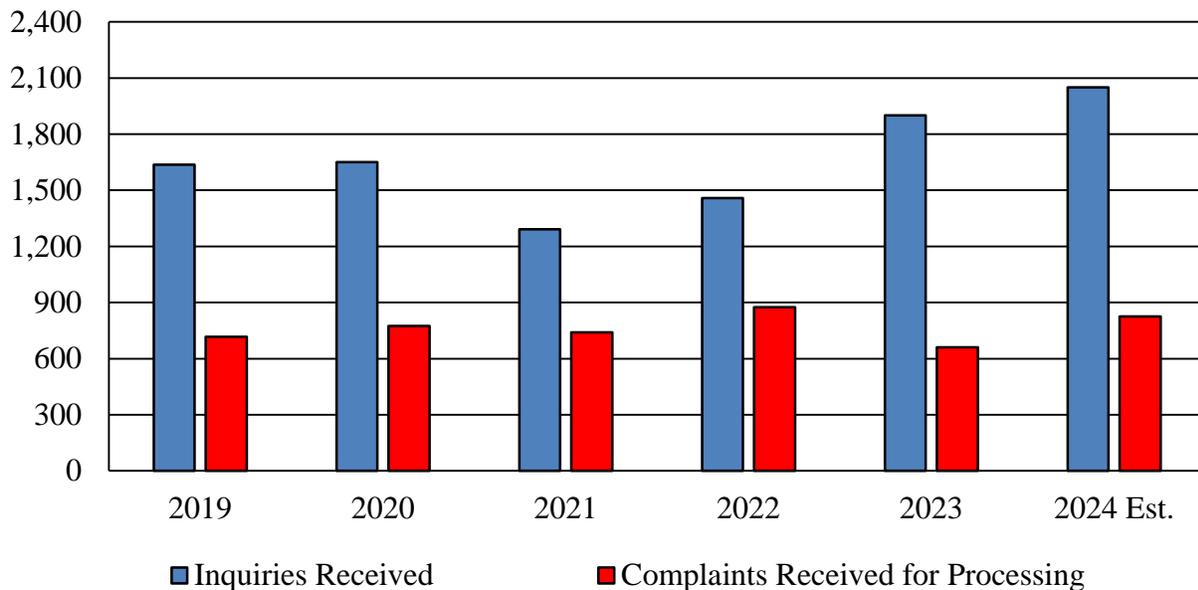
- MCCR’s only vacant position has been vacant for less than three months. A discussion of recent staffing and workload challenges can be found in Key Observation 1.

Key Observations

1. MCCR Still Maintains a Backlog of Cases

Following reductions from fiscal 2020 to 2021 during the onset of the COVID-19 pandemic, MCCR experienced increases in both inquiries and complaints in fiscal 2022 coinciding with the reopening of offices and public spaces. As shown in **Exhibit 3**, there was again an increase in inquiries in fiscal 2023, reaching a total of 1,900 with a further anticipated increase in fiscal 2024. In contrast, MCCR reported a decline in the number of complaints received in fiscal 2023, although that number is expected to increase in fiscal 2024.

Exhibit 3
Civil Rights Inquiries and Complaints
Fiscal 2019-2024 Estimated



Source: Department of Budget and Management; Maryland Commission on Civil Rights

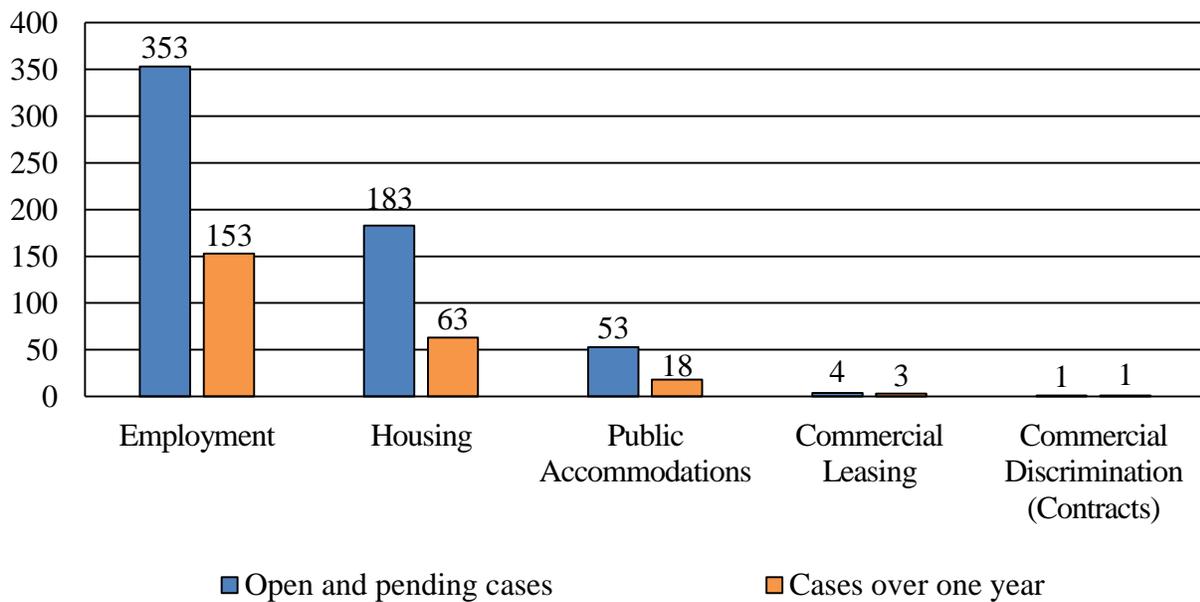
Case Backlog and Status of Active Cases

MCCR currently faces an accumulation of cases pending assignment to an investigator. Committee narrative in the 2023 *Joint Chairmen’s Report* (JCR) requested that MCCR provide an update on the current backlog and open cases. As of September 2023, MCCR reported a backlog of 264 cases, all falling under the Employment category. Employment cases encompass various types of discrimination categorized under both EEOC and MCCR, such as retaliation, disability,

and harassment, among others. Within this backlog, 127 cases are classified under MCCR, while 137 cases are categorized as EEOC cases. EEOC cases denote issues transferred to the agency from EEOC as part of the work-sharing agreement. MCCR cases are those that initially originated within the agency.

As of September 2023, MCCR oversaw a total of 594 cases across a variety of case types. **Exhibit 4** shows a detailed breakdown of the active case inventory by type. Employment accounted for the largest share of cases at 59%, while housing represented 31% and public accommodations constituted 9%. Commercial leasing and commercial discrimination (contracts) cases constituted less than 1% of the case inventory.

Exhibit 4
Status of Active and Pending Cases, Including Cases Aged Over One Year,
Classified by Type
September 2023



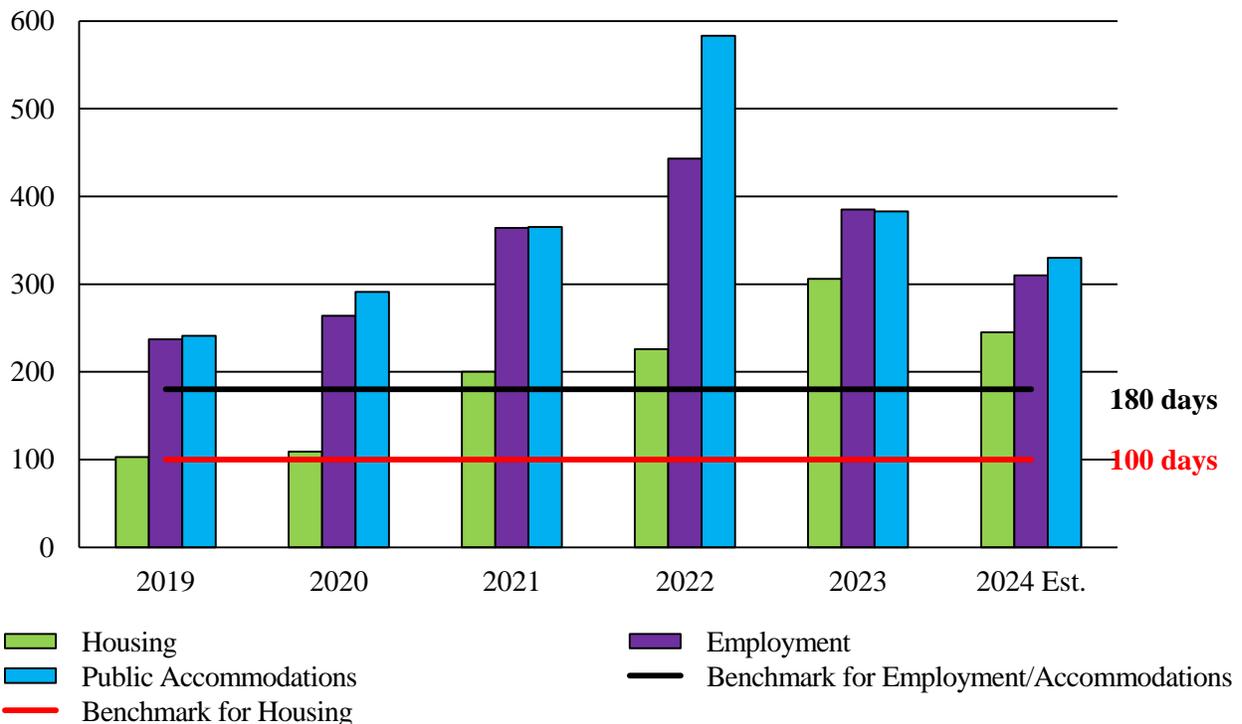
Source: Maryland Commission on Civil Rights

Among these cases, MCCR identified 238 instances in which the case remained open beyond the one-year timeframe from when the commission received the case, representing approximately 40% of the current and pending inventory. As shown in Exhibit 4, employment comprised 64% of the agency's cases that had exceeded the one-year mark, followed by housing at 26% and public accommodations at 8%. In addition, four of the five cases relating to commercial leasing and commercial discrimination (contracts) had been open for more than a year. MCCR attributed open and pending cases beyond the one-year point to a significant backlog from 12 to

18 months earlier, estimated at around 700 cases that were pending assignment to an investigator. The agency reported that, in an effort to alleviate this backlog, MCCR sought and obtained approvals from DBM for additional personnel. From fiscal 2023 to 2024, MCCR received 5.0 additional positions to be assigned to the Case Processing Unit. The agency noted that, as of September 2023, there were no cases in unassigned status surpassing the one-year mark.

To assess the agency’s efficiency in handling cases on time, MCCR utilizes internally established benchmarks, including a target of 180 days or fewer per case for matters related to employment and public accommodation. Additionally, for housing-related cases, MCCR aligns with HUD’s benchmark of a resolution within 100 days per case. **Exhibit 5** shows the average processing and resolution times for cases handled by MCCR. From fiscal 2019 to 2023, the agency consistently failed to meet processing benchmarks for housing, employment, and public accommodation cases. However, between fiscal 2022 to 2023, the average resolution time for employment and public accommodation cases improved, decreasing by 58 and 200 days, respectively. Housing cases experienced longer delays with an increase of 80 days during the same period.

Exhibit 5
Average Processing Times by Case Type
Fiscal 2019-2024 Estimated



Source: Department of Budget and Management; Maryland Commission on Civil Rights

Regarding processing time, the agency noted that various factors impact the handling of cases. These factors include staff resources, case complexity, cooperation among involved parties, and the volume of documentation to be reviewed. MCCR reports that the most influential factor affecting processing time and contributing to the case backlog is the availability of staff resources. The agency is exploring solutions to rectify this matter. Initiatives underway include process optimization, staff training, and recruitment and retention efforts discussed in further detail in later sections of this analysis.

Challenges in Addressing the Case Backlog

MCCR reports the following challenges in addressing the case backlog:

- ***Staff Retention and Training Duration:*** MCCR highlighted the need to stabilize staff retention to expedite case investigations. The agency noted that it typically takes two to three years for new hires with limited experience to become proficient in civil rights investigation work. Given the growing caseload, MCCR discussed the importance of having a corresponding number of trained staff to efficiently complete investigations, which would help limit the number of cases held in unassigned status comprising the backlog.
- ***Caseload Size Discrepancy:*** MCCR described best practices that suggest that the desired caseload ratio in the employment investigation unit is between 30 and 40 cases per investigator. However, MCCR highlighted that their total employment case inventory leads to the assigned number of cases per investigator to consistently exceed this desired maximum. Despite adding civil rights officer (CRO) positions (investigators) in fiscal 2024, the agency still struggles with a high number of cases in the inventory compared to the number of investigators.
- ***Impact of Transferred Cases:*** MCCR receives complaints not only through its direct intake process but also through transfers from its federal partner, EEOC, under the work-sharing agreement. The agency indicated that increases in the number of transferred cases from EEOC led to a significant rise in overall intake and contributed to the backlog.
- ***Noncompetitive Salaries:*** MCCR reported that prior salary structures were insufficient and posed challenges in retaining existing staff and attracting new talent.
- ***Need for Additional Positions:*** MCCR indicated an ongoing need for additional investigators to keep pace with the case intake. Additionally, the agency described the need for support in the form of an assistant general counsel in the Legal Unit, along with 2 CRO positions in the Case Processing Unit.

Recruitment and Retention Efforts

Committee narrative in the 2023 JCR also requested that MCCR provide an analysis of employee recruitment and retention, specifically detailing tenure and reasons given for employees leaving the agency. MCCR reported high vacancy rates of over 9% in 2020 and 2021 that subsequently decreased to 6.06% in 2022 and 2.63% in 2023.

MCCR's report on recruitment and retention found that, spanning from fiscal 2020 to 2023, a total of 21 employees departed the agency, including 12 CROs responsible for investigating cases. Most of the departing investigators had a tenure of less than two years with the agency. The peak turnover occurred in fiscal 2022 with 11 individuals leaving the agency. Among the reasons cited for leaving, 9 employees reported pursuing another position within State government, 2 employees retired, 2 did not provide specific reasons for leaving, and the remaining employees mentioned pursuing positions with private employers, federal or local governments, or relocating out of the State. Ten individuals mentioned securing a comparable position.

In fiscal 2022, MCCR implemented various recruitment and retention efforts, including:

- modifying the qualifications for the CRO series to place less emphasis on education, with a corresponding increase in the value assigned to overall experience;
- engaging in intentional statewide marketing by collaborating with colleges and universities to announce position vacancies;
- initiating direct discussions with DBM to modify job descriptions in general, addressing specific agency needs for prospective CRO candidates;
- engaging in direct discussions with DBM to review salaries for all MCCR positions, with the aim of establishing a salary structure that is competitive both within and outside of State government; and
- continuing an internal review of practices to establish guardrails and redlines to ensure consistent caseload sizes for CROs. This approach aims to mitigate the risk of burnout and prevent a sense of feeling overwhelmed among the agency's staff.

MCCR should comment on any recruitment and retention efforts implemented during fiscal 2023 and 2024 and any initiatives planned in fiscal 2025, including whether the allowance supports any new staffing initiatives. Furthermore, the agency should comment on the number of new investigators positions necessary to meet the preferred caseload ratio of 30 to 40 cases per investigator. Considering the low vacancy rate reported as of December 31, 2023, MCCR should discuss if there is a staffing plan in place to achieve this benchmark.

Operating Budget Recommended Actions

1. Adopt the following narrative:

Backlogged and Open Cases: The Maryland Commission on Civil Rights (MCCR) acknowledged difficulties in managing increased caseloads, leading to backlogs of cases awaiting assignment to investigators. MCCR attributed case processing delays and the continued backlog to limited staff resources, case complexity, cooperation among involved parties, and the volume of documentation requiring review. The committees request that MCCR incorporate updates on case backlogs and open and pending cases at the close of each fiscal year in its annual Managing for Results submission, beginning with the fiscal 2026 submission. This information should contain the overall count of unassigned cases categorized by type, the number of open and pending cases classified by type, and the count of open and pending cases exceeding one year from MCCR’s receipt of the case, categorized by type.

Information Request	Author	Due Date
Performance measures related to open and pending cases and backlogs	MCCR	With the submission of the fiscal 2026 allowance and annually thereafter

Appendix 1
2023 Joint Chairmen’s Report Responses from Agency

The 2023 JCR requested that MCCR prepare two reports. Electronic copies of the full JCR responses can be found on the Department of Legislative Services Library website.

- ***Update on Backlogged and Open Cases:*** MCCR provided, as of September 2023, the existing backlog of unassigned cases, the status of both active and pending cases, and cases remaining open or pending over one year after receipt. Additionally, the agency provided the count of filled investigator staff positions, categorized by unit. Further discussion of this data can be found in Key Observation 1 of this analysis.
- ***Employee Recruitment and Retention Update:*** MCCR submitted a report detailing the count of individuals, categorized by classification, who departed the agency from fiscal 2020 through 2023. The report included staff tenure, acknowledging that obtaining precise tenure information for separated staff was unsuccessful. It also outlined the reasons for staff departures and provided an overview of fiscal 2022 recruitment and retention initiatives. Further discussion of this data can be found in Key Observation 1 of this analysis.

Appendix 2
Object/Fund Difference Report
Maryland Commission on Civil Rights

<u>Object/Fund</u>	<u>Actual</u> <u>FY 23</u>	<u>Working</u> <u>Appropriation</u> <u>FY 24</u>	<u>Allowance</u> <u>FY 25</u>	<u>Amount Change</u> <u>FY 24 - FY 25</u>	<u>Percent</u> <u>Change</u>
Positions					
01 Regular	33.00	38.00	38.00	0.00	0%
02 Contractual	1.00	1.00	1.00	0.00	0%
Total Positions	34.00	39.00	39.00	0.00	0%
Objects					
01 Salaries and Wages	\$ 3,699,146	\$ 4,040,143	\$ 4,622,563	\$ 582,420	14.4%
02 Technical and Special Fees	211,900	111,934	128,251	16,317	14.6%
03 Communication	42,142	34,020	34,020	0	0%
04 Travel	37,563	12,000	12,000	0	0%
07 Motor Vehicles	5,021	3,000	3,000	0	0%
08 Contractual Services	320,003	276,298	352,199	75,901	27.5%
09 Supplies and Materials	79,542	15,000	15,000	0	0%
10 Equipment – Replacement	0	1,000	1,000	0	0%
11 Equipment – Additional	4,977	500	500	0	0%
13 Fixed Charges	103,734	107,460	110,180	2,720	2.5%
Total Objects	\$ 4,504,028	\$ 4,601,355	\$ 5,278,713	\$ 677,358	14.7%
Funds					
01 General Fund	\$ 3,214,567	\$ 3,358,445	\$ 4,038,524	\$ 680,079	20.2%
03 Special Fund	14,250	0	0	0	0.0%
05 Federal Fund	1,230,211	1,242,910	1,240,189	-2,721	-0.2%
09 Reimbursable Fund	45,000	0	0	0	0.0%
Total Funds	\$ 4,504,028	\$ 4,601,355	\$ 5,278,713	\$ 677,358	14.7%

Note: The fiscal 2024 appropriation does not include deficiencies or across-the-board reductions. The fiscal 2025 allowance does not include cost-of-living adjustments.