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Patrick Moran - President

**Testimony**  
**SB 827 – State Personnel –**  
**Employee Compensation – Overtime Pay**  
**Support**

AFSCME Council 3 supports SB 827. This legislation would begin compensating state employees who work an excess of 100 hours in a standard two-week, 80-hour, pay period at twice their regular rate of pay (or double-time). The state already has a precedent to provide this type of compensation to essential employees when there is a state closure and are required to remain at work due to a declared state of emergency. SB 827 extends this state of emergency pay to state employees earning cash overtime who are required to work more than 20 hours of overtime in a pay period.

**The State's Staffing Crisis is a State of Emergency**

According to DLS, since 2014 vacancy rates across the executive branch have increased by 46% (7.6% to 11.1%). On average there is a 13% vacancy in the agencies involving Public Safety, Health and Human and Juvenile Services. With thousands of unfilled positions, state government has had to increasingly rely on staff overtime to cover critical shifts and maintain services. For state employees working in our 24/7 institutions this often means being required to work 16-hour double shifts, multiple times in a week, and often on short notice. In addition to the disruption that these extended hours have on the employee's personal life, safety and the quality of services the state is charged with providing is also compromised. To employees working these long hours, it makes little difference if the cause is due to a weather emergency or a staffing emergency.

**Overtime Spending Exceeds Amount to Recruit and Retain Additional Staff**

The DLS reported in the Fall of 2019 that,

*"In these agencies, the State is expected to spend at least \$239.1 million in overtime costs in fiscal 2020, with more than half of that amount attributable to the Department of Public Safety and Correctional Services (DPSCS) (\$122 million). Given that actual overtime spending in fiscal 2018 totaled over \$255 million and vacancy rates for DPSCS and several other key agencies have continued to increase, it is likely that the fiscal 2020 allowance for overtime spending is underfunded."*

Every AFSCME Maryland State and University contract guarantees a right to union representation.  
An employee has the right to a union representative if requested by the employee.  
800.492.1996

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Assuming an average salary of \$42,000 annually, \$255M could provide a \$10,000 salary increase to all of our frontline state employees, and those hit hardest by the staffing crisis, and have money left over to fill over 2,000 PINS.

**Excessive Overtime Should be the Exception, Not the Norm**

SB 827 recognizes that there will always be some amount of overtime. The first 20 hours of overtime a state employee works will still be compensated at the regular overtime rate of time-and-a-half. When an employee works an excessive amount of overtime however, SB 827 would provide for additional compensation in those circumstances and would help to ensure that this reliance on excessive overtime is the exception and does not become the norm.

For all of these reasons, we urge the committee to provide a favorable report. Thank you.

**Exhibit 1**  
**State Overtime Costs**  
**Fiscal 2017-2020 Allowance**

<u>Department/Service Area</u>	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2019 Working</u>	<u>2020 Allowance</u>
Public Safety	\$84,406,780	\$110,372,010	\$118,374,938	\$121,953,373
Transportation	51,427,927	65,057,784	44,758,306	46,930,853
Police and Fire Marshal	24,820,050	27,287,281	19,184,754	25,627,469
Health	21,505,924	24,964,477	20,936,525	19,601,284
Juvenile Services	12,178,942	12,010,595	12,439,200	13,114,230
Human Services	9,294,258	9,605,075	8,068,908	8,064,153
Natural Resources	1,328,094	1,131,316	989,327	989,577
General Services	927,636	879,772	837,256	797,623
Labor	603,550	613,174	276,012	520,759
Financial and Revenue Administration	677,257	542,197	398,963	499,030
Legislature	228,898	230,116	249,000	249,000
Education	833,820	1,013,649	186,527	197,734
Environment	0	0	182,000	182,000
Executive and Administrative Control	1,307,931	1,057,893	174,072	173,482
Budget and Management and Information Technology	167,428	114,757	76,320	111,320
Retirement	64,653	64,582	55,595	61,332
Agriculture	103,426	117,019	52,000	53,910
Commerce	5,918	14,163	6,250	6,250
Legal (excluding Judiciary)	29,427	32,231	5,000	5,000
Housing and Community Development	36,432	43,845	0	0
<b>Total</b>	<b>\$209,948,351</b>	<b>\$255,151,936</b>	<b>\$227,250,953</b>	<b>\$239,138,379</b>

Source: Department of Legislative Services

**Exhibit 13**  
**Vacancy Rates by Department**  
**January 2020**

<u>Department/Service Area</u>	<u>Positions</u>	<u>January Vacancies</u>	<u>Actual Vacancy Rate</u>
<b>Public Safety, Health and Human Services</b>			
Public Safety and Correctional Services*	9,097	1,657	18.2%
Health	6,347	753	11.9%
Human Services	6,119	606	9.9%
Police and Fire Marshal	2,458	208	8.5%
Juvenile Services	1,987	179	9.0%
<b>Subtotal</b>	<b>26,008</b>	<b>3,403</b>	<b>13.1%</b>
<b>Transportation</b>	<b>9,058</b>	<b>563</b>	<b>6.2%</b>
<b>Other Executive</b>			
Legal (Excluding Judiciary)	1,508	120	8.0%
Executive and Administrative Control	1,608	184	11.4%
Financial and Revenue Administration	2,095	213	10.1%
Budget and Management and DoIT	530	83	15.7%
Retirement	189	28	14.8%
General Services	645	70	10.8%
Natural Resources	1,344	140	10.4%
Agriculture	410	42	10.2%
Labor	1,378	186	13.5%
MSDE and Other Education	1,986	222	11.2%
Housing and Community Development	331	25	7.6%
Commerce	188	26	13.8%
Environment	893	120	13.4%
<b>Subtotal</b>	<b>13,105</b>	<b>1,458</b>	<b>11.1%</b>
<b>Executive Branch</b>	<b>48,172</b>	<b>5,424</b>	<b>11.3%</b>

DoIT: Department of Information Technology  
MSDE: Maryland State Department of Education

\*The fiscal 2021 budget bill includes language that abolishes 521 vacant positions in the Department of Public Safety and Correctional Services. Abolished positions have been removed from this chart.

Source: Department of Budget and Management, Department of Legislative Services