# **Department of Legislative Services**

Maryland General Assembly 2025 Session

## FISCAL AND POLICY NOTE Third Reader - Revised

Senate Bill 652

(Senator Jennings)

Finance Appropriations

## Local Government - Local Personnel - Leave With Pay

This bill authorizes county or municipal governments to provide disaster service leave with pay to specified employees. Eligible employees may use up to 15 days of disaster service leave in any 12-month period only after obtaining approval from their local governmental unit. The bill also authorizes local governmental employers to provide leave with pay for jury service, attendance at employee organizational events, uniformed services training (as defined in federal law), court testimony, or administrative leave, as specified.

# **Fiscal Summary**

**State Effect:** None. The bill pertains only to local governments.

**Local Effect:** Local expenditures may increase, potentially significantly, to the extent local governments award additional leave to employees, as discussed below. Revenues are not affected.

**Small Business Effect:** None.

## **Analysis**

#### **Bill Summary:**

Disaster Service Leave

On request, an employee of a county or municipality may be entitled to disaster service leave with pay if (1) the employee is certified by the American Red Cross as a disaster service volunteer and the American Red Cross requests the services of the employee during

certain disasters designated at level II or above or (2) the employee is a member of the Civil Air Patrol, U.S. Coast Guard Auxiliary, Maryland Voluntary Organizations Active in Disaster (VOAD), a volunteer emergency medical services department, a volunteer fire department, a volunteer rescue company or volunteer rescue squad, or a community emergency response team.

During a prolonged or recurrent disaster, and if doing so would be in the best interest of the county or municipality, an employee's local governmental unit may (1) waive the requirement that the employee obtain approval before using the leave and (2) increase the number of days of disaster service leave that an employee may use.

### Leave with Pay

Each county and municipal governmental unit may provide leave with pay to employees: (1) for jury service; (2) to attend employee organization events approved for this purpose by the head of the governmental unit; (3) for up to 30 days for uniformed services training or active uniformed services duty in a reserve unit of the armed forces or in the organized militia; (4) to appear in court, before a grand jury, before an administrative unit, or for a deposition in compliance with a subpoena, unless the employee is a party to the action or a paid witness; (5) to remove an employee from the work site if the employee is incapable of properly performing their duties because of extraordinary circumstances or if the employee poses a threat to self, others, or county or municipal property; and (6) for any other paid leave the head of a governmental unit considers necessary.

#### **Current Law:**

#### Disaster Service Leave

On request, a State employee in the Executive, Judicial, and Legislative branches, including temporary employees, may be entitled to disaster service leave with pay if (1) the employee is certified by the American Red Cross as a disaster service volunteer and the American Red Cross requests the services of the employee during certain disasters or (2) the employee is a member of the Civil Air Patrol, U.S. Coast Guard Auxiliary, Maryland VOAD, a volunteer emergency medical services department, a volunteer fire department, a volunteer rescue company or volunteer rescue squad, or a community emergency response team.

An employee in the Judicial and Legislative branches may use up to 15 days of disaster service leave in any 12-month period, while an employee of the Executive Branch may use up to 30 days, after obtaining approval from the employee's appointing authority. During a prolonged or recurrent disaster, and if doing so would be in the best interest of the State, an employee's appointing authority may (1) waive the eligibility requirements for disaster

service leave, including the requirement that the employee obtain approval before using the leave and (2) increase the number of days of disaster service leave that an employee may use.

For purposes of workers' compensation and the Maryland Tort Claims Act, an employee on disaster service leave is not considered a State employee.

### Federal Family and Medical Leave Act

A private-sector employer is covered by the Federal Family and Medical Leave Act (FMLA) if it employs 50 or more employees in 20 or more workweeks in the current or previous calendar year. An employee is considered to be employed each working day of the calendar week if the employee works any part of the week. FMLA generally requires covered employers to provide eligible employees with up to 12 work weeks of unpaid leave during any 12-month period for qualifying family and medical reasons (including for the birth, adoption, or foster placement of a child) and requires continuation of their group health benefits under the same conditions as if they had not taken leave.

FMLA leave may be unpaid or used at the same time as employer-provided paid leave. Employees must be restored to the same or virtually identical position when they return to work after FMLA leave.

Eligible employees are individuals employed by a covered employer who have been employed for at least 12 months, have at least 1,250 hours of service with the employer during the 12 months before their FMLA leave starts, and work at a location where the employer has at least 50 employees within 75 miles.

### Family and Medical Leave Insurance Program

Chapter 48 of 2022 established the FAMLI Program, to be administered by the Maryland Department of Labor. Chapters 258 and 259 of 2023 and Chapters 266 and 267 of 2024 made several modifications to the program, including delaying the program's start date. Employer, employee, and self-employed individual contributions to the program begin July 1, 2025, and claims for benefits begin July 1, 2026.

The program generally provides up to 12 weeks of benefits to a covered individual who is taking leave from employment due to caring for or bonding with certain family members, the individual's own serious health condition, or a qualifying exigency arising out of a family member's military deployment. The weekly benefit is based on an individual's average weekly wage and is indexed to inflation.

**Local Expenditures:** County and municipal governments may incur additional costs to the extent that paid leave is awarded to employees. Since the bill is both authorizing in nature and requires that the local governmental unit approve the employee's leave request, any potential fiscal impact generated by the employee's leave would be at the discretion of the local government.

In response to a request for information on the potential impact of this legislation, several local governments indicated that the bill may lead to increased local costs and negative impacts on government services.

Frederick County Public Schools advises that the legislation may lead to an increase in payroll and overtime expenditures to the extent that the school system provides increased coverage for teachers on leave. In addition, granting additional leave to school employees could lead to temporary staff shortages.

Harford, Talbot, and Wicomico counties also advise that the provisions of the bill may lead to an increase in local expenditures for overtime and temporary coverage for employees on leave.

Since the legislation is only authorizing in nature, several local governments, including the City of Frederick, indicate that they would not be affected unless the governmental unit decides to move forward with the authority to provide additional paid employee leave.

Anne Arundel County Public Schools indicates that the legislation will have a minimal fiscal impact since the school system can control the number of staff members that are receiving the new disaster leave.

#### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** HB 1080 (Delegate Griffith) - Appropriations.

**Information Source(s):** Maryland Department of Health; Allegany, Harford, Montgomery, Talbot, and Wicomico counties; City of Frederick; Anne Arundel County Public Schools; Frederick County Public Schools; Maryland Municipal League; Department of Legislative Services

**Fiscal Note History:** First Reader - February 19, 2025 km/mcr Third Reader - March 24, 2025

Revised - Amendment(s) - March 24, 2025

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