

**PRINCE GEORGE'S COUNTY COUNCIL
AGENDA ITEM SUMMARY**

Meeting Date: 7/29/97

Reference No.: CB-39-1997

Proposer: Maloney

Draft No.: 1

Sponsors: Maloney

Item Title: A Bill to amend the provisions of the Personnel Law concerning severance pay for employees who are separated from service due to a reduction in force

Drafter: Ralph E. Grutzmacher
Legislative Officer

Resource Personnel: Andrew D. Eppelmann
Legislative Aide

LEGISLATIVE HISTORY:

Date Presented: 4/1/97

Executive Action: __/__/__ __

Committee Referral:(1) 4/1/97 PSFM

Effective Date: __/__/__

Committee Action:(1) 6/5/97 HELD

Committee Action:(2) 7/3/97 FAV

Date Introduced: 7/8/97

Pub. Hearing Date: (1) 7/29/97 10:30 A.M.

Council Action: (1) 7/29/97 MOTION TO ENACT

Council Votes: DB:N, SD:N, JE:A, IG:N, WM:A, RVR:A, AS:A, MW:N

Pass/Fail: F

Council Action: (2) __/__/__ _____

Council Votes: DB:__, SD:__, JE:__, IG:__, WM:__, RVR:__, AS:__, MW:__

Pass/Fail: _

Remarks: _____

7/29/97: Prior to the motion to enact, Council Member Del Giudice offered a motion to table CB-39-1997; seconded by Council Member Wilson; motion failed by vote of 4-4. (In favor: Council Members Bailey, Del Giudice, Gourdine and Wilson; Opposed: Council Members Estep, Maloney, Russell and Scott)

CB-39-1997 is eligible to appear on the next agenda or any agenda prior to close of the legislative year.

PUBLIC SAFETY AND FISCAL MANAGEMENT COMMITTEE REPORT Date: 7/3/97

Committee Vote: Favorable, 4-1, (In favor: Council Members Wilson, Estepp, Maloney, and Scott. Opposed: Gourdine).

This bill will amend the Personnel Law concerning severance pay for employees separated from employment with the County due to a reduction-in-force (RIF). Council Member Maloney stated that this bill is designed as a disincentive for displacing senior management.

The County Executive states that he is opposed to this legislation and will veto it if enacted. He said, "this bill in its current form restricts management's discretion and has a fiscal impact, at a time when we are asking many agencies for a 15% reduction in staff." Also, the fiscal impact of this legislation may necessitate even more RIF's and adversely affect a greater number of employees.

Thomas McEachin, President of Fire Fighters Local 1619, and John Bartlett, President of the Fraternal Order of Police (FOP), support this legislation.

There will be some negative fiscal impact on the County if any reduction-in-force occurs in the future. An amount, however, cannot be estimated at this time.

BACKGROUND INFORMATION/FISCAL IMPACT

(Includes reason for proposal, as well as any unique statutory requirements)

The existing provisions of the Personnel Law provide for the payment of severance pay to permanent status employees who are separated from employment due to a reduction in force (RIF). Severance pay is in the amount of two weeks of base pay for each three full years of service. Severance pay is only payable if specifically provided in the budget and only if the employee is not covered by unemployment compensation provisions of State law. The proposed amendments would delete the budget requirement and the unemployment compensation eligibility requirement.

CODE INDEX TOPICS: