



THE PRINCE GEORGE'S COUNTY GOVERNMENT
Office of Audits and Investigations

October 16, 2017

MEMORANDUM

TO: Robert J. Williams, Jr.
Council Administrator

William M. Hunt
Deputy Council Administrator

THRU: David H. Van Dyke *DHV*
County Auditor

FROM: Inez N. Claggett *INC*
Senior Legislative Auditor

RE: Fiscal Impact Statement
CB-087-2017 Earned Sick and Safe Leave

Pursuant to your request, we have reviewed CB-087-2017 to estimate its fiscal impact on Prince George's County, Maryland.

CB-087-2017 will require certain employers in the County to provide earned sick and safe leave to certain employees working in the County due to domestic violence, sexual assault, or stalking; provide enforcement by the Human Relations Commission; and regulate the sick and safe leave benefits provided to an employee working in the County for certain employers.

The Bill requires employers to provide each employee earned sick and safe leave for work performed in the County at a rate of at least one (1) hour for every thirty (30) hours an employee works in the County, at the same rate and with the same benefits as the employee normally earns. The employee cannot earn more than fifty-six (56) hours of earned sick and safe leave in a calendar year and cannot use more than eighty (80) hours of earned sick and safe leave in a calendar year. The Executive Director of the Human Relations Commission shall be responsible for administering and enforcing these requirements.

Enactment of CB-087-2017 will have a negative impact on the County to the extent of resources required by the Human Relations Commission to administer and enforce the requirements of the Bill. It is assumed that the regulation of these requirements would be monitored through complaints filed with the Human Relations Commission. Typically complaints tend to increase following the implementation of new laws, and assuming there is a minimal increase in complaints, the additional volume could be absorbed by existing staff. A large volume of complaints could be

14741 Governor Oden Bowie Drive, Upper Marlboro, Maryland 20772
VOICE (301) 952-3431; FAX (301) 780-2097; TDD (301) 925-5167

Robert J. Williams, Jr.

Page 2

assumed to require additional staffing. There is no way to estimate the number of complaints in the future related to these regulations.

The Bill will have a fiscal impact on employers in the County who are required to provide earned sick and safe leave. An amount, however, cannot be estimated, and the impact could have an indirect effect on the County Government. Small businesses who find the benefits too costly may decide to relocate or discontinue their business in the County. Furthermore, businesses could choose to reduce the hours of its employees, which could cause underemployment issues and indirectly affect spending in the local economy and impact sales and income taxes. However, businesses may also benefit by experiencing reduced turnover and increased productivity, which could also reduce the burden on the Government's Social Services network.

If you require additional information, or have questions about this fiscal impact statement, please call me.