

Department of Legislative Services
 Maryland General Assembly
 2025 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1055 (Delegate Fair, *et al.*)
 Health and Government Operations

Commission on Nondiscrimination - Establishment

This emergency bill establishes the Commission on Nondiscrimination, staffed jointly by the Maryland Commission on Civil Rights (MCCR) and the Civil Rights Division of the Office of the Attorney General (OAG). Among other duties, the commission must monitor and study the potential and actual actions of the federal government on civil rights and nondiscrimination enforcement at the federal, State, and local levels. The commission may hold public meetings across the State to carry out its duties and convene workgroups to solicit input from stakeholders. The commission must submit a report on its findings and recommendations, including any legislative proposals, to the Governor and the General Assembly by December 15 each year. **The bill terminates June 30, 2029.**

Fiscal Summary

State Effect: General fund expenditures increase by at least \$135,900 in FY 2026 for commission staff, as discussed below. Future years reflect inflation and termination of the commission after FY 2029. Revenues are not affected.

(in dollars)	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	135,900	118,200	123,400	128,900	0
Net Effect	(\$135,900)	(\$118,200)	(\$123,400)	(\$128,900)	\$0

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The commission must, among other tasks, (1) study how the State can afford greater protections against unequal or unfair treatment under State and local law; (2) identify gaps, inconsistencies, or deficiencies in the current State and local frameworks for civil rights and nondiscrimination enforcement; and (3) recommend legislation to address any adverse impacts and potential gaps, inconsistencies, or deficiencies in civil rights and nondiscrimination laws or regulations.

A member of the commission may not receive compensation as a member of the commission but is entitled to reimbursement for expenses under the standard State Travel Regulations.

Current Law:

Maryland Commission on Civil Rights

MCCR is the State agency generally charged with the enforcement of laws prohibiting discrimination in specified areas. Generally, an individual alleging discrimination may file an inquiry with MCCR, which initiates the intake process. Once a complaint has been properly filed, the case is assigned to an MCCR investigator to determine whether there is probable cause that discrimination has occurred. If at the conclusion of the investigatory stage, MCCR believes there is probable cause that discrimination occurred, MCCR issues a finding and attempts to resolve the matter through conciliation. If an agreement to remedy and eliminate the discrimination cannot be reached, the matter is certified for litigation and may proceed in a number of ways, including being heard before an administrative law judge. Available remedies vary depending on the type of discrimination alleged; such remedies may, under certain circumstances, include injunctive relief, the imposition of civil penalties, and actual and/or punitive damages, as specified.

Office of the Attorney General

The Civil Rights Division within OAG may investigate, prosecute, and remediate, on behalf of the residents of the State, any conduct that constitutes a “civil rights violation.” OAG may not bring a civil rights action (1) on behalf of an individual; (2) against a political subdivision; (3) against any unit of State or local government established by law; or (4) against any employee or agent of an aforementioned entity who is acting under the color of law. In areas of overlapping jurisdiction, OAG and MCCR must coordinate and make referrals to minimize and eliminate duplication of effort and promote collaboration.

“Civil rights violation” means an act of discrimination prohibited under the U.S. Constitution, the Maryland Constitution, or State or federal law. A civil rights

violation includes a discriminatory act as defined in § 20-101 of the State Government Article, which includes discrimination (1) in places of public accommodation; (2) by persons licensed or regulated by the Maryland Department of Labor; (3) in leasing of commercial property; (4) in employment; and (5) in housing. Discriminatory acts also include aiding, abetting, or attempting a discriminatory act or obstructing compliance, as specified.

State Expenditures: General fund expenditures increase by at least \$135,938 in fiscal 2026, which reflects anticipated staffing needs for MCCR and OAG. Additional expenses may be incurred depending on the extent to which the commission undertakes its duties under the bill (*e.g.*, costs associated with holding any public meetings); such expenditures, however, cannot be reliably predicted beforehand. Any expense reimbursements for commission members are assumed to be minimal and absorbable within existing budgeted resources.

Maryland Commission on Civil Rights

General fund expenditures increase by at least \$39,558 in fiscal 2026, which assumes a July 1, 2025 starting date for staff. This estimate reflects the cost of hiring one part-time administrative aide to assist with supporting the commission. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Contractual Position	0.5
Salary and Fringe Benefits	\$32,465
Operating Expenses	<u>7,093</u>
FY 2026 MCCR Expenditures	\$39,558

Future year expenditures reflect a full salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses. There are no assumed expenditures after June 30, 2029, reflecting the termination date of the commission.

This estimate does not include any health insurance costs that could be incurred for specified contractual employees under the State’s implementation of the federal Patient Protection and Affordable Care Act.

Office of the Attorney General

General fund expenditures increase by at least \$96,380 in fiscal 2026, which assumes a July 1, 2025 starting date for staff. This estimate reflects the cost of hiring one part-time assistant Attorney General to assist with supporting the commission. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Position	0.5
Salary and Fringe Benefits	\$89,287
Operating Expenses	<u>7,093</u>
FY 2026 OAG Expenditures	\$96,380

Future year expenditures reflect a full salary with annual increases and employee turnover as well as annual increases in ongoing operating expenses. There are no assumed expenditures beyond fiscal 2029, reflecting the termination of the commission.

Additional Information

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

Designated Cross File: None.

Information Source(s): Maryland Commission on Civil Rights; Office of the Attorney General; Department of Legislative Services

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km/jkb

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