

SECTION 12. SERVICE INCREMENTS

(As amended January 18, 2005, February 14, 2006, December 11, 2007, October 21, 2008, July 12, 2011, June 30, 2015, July 17, 2018, and June 17, 2025)

12-1. Definitions.

- (a) ***Service increment:*** An increase in base salary granted on an annual basis to an eligible employee whose performance is at least satisfactory.
- (b) ***Service increment date:*** An employee's date of employment, unless the increment date has been reassigned to a different date.

12-2. Eligibility for service increment.

- (a) An employee with merit system status is eligible to receive a service increment if:
 - (1) the employee's performance rating during the rating period is higher than the "Does Not Meet Expectations" performance rating; and
 - (2) the employee's salary is below the maximum salary in the employee's pay grade.
- (b) An employee without merit system status is eligible to receive a service increment if the employee is:
 - (1) a probationary police officer or deputy sheriff whose department director has approved a service increment under Section 12-5(e); or
 - (2) a temporary employee whose department director has approved a service increment under Section 12-5(f).
- (c) Any employee who is eligible to receive a service increment and whose position is reclassified or reallocated to a higher pay grade is still eligible to receive a service increment on the effective date of the position's reclassification or reallocation. In this case, the OHR Director must change the employee's service increment date to the effective date of the reclassification or reallocation of the employee's position.

12-3. Effective date of a service increment. A service increment must be effective on the first day of the pay period in which the employee's increment date falls.

12-4. Amount of service increment.

- (a) The CAO must establish the percentage or amount of the service increment pay increase.

- (b) An eligible employee's salary cannot exceed the maximum salary for the employee's pay grade. In cases where a service increment would make an eligible employee's salary greater than the maximum salary of their pay grade, the OHR Director must give the employee a reduced service increment pay increase that would make the employee's salary equal to the maximum salary for the employee's pay grade.

12-5. Policy on service increments.

- (a) A department director must approve a service increment for an eligible employee, unless the department director notifies the OHR Director that the employee should not receive the service increment at least 15 calendar days before the beginning of the pay period that contains the employee's assigned increment date.
- (b) A department director must notify an employee when a service increment is denied.
- (c) The OHR Director must take appropriate action to ensure that an eligible employee receives a service increment unless a department director notifies the OHR Director that the employee should be denied the service increment.
- (d) An MLS or PLS employee is not eligible to receive a service increment, but is eligible to receive a performance-based pay increase if recommended by an Executive Branch department director and the CAO approves a performance-based pay increase for an eligible MLS or PLS Executive Branch employee and if a Legislative Branch department director approves a performance-based pay increase for an eligible MLS Legislative Branch employee.
- (e) The OHR Director must give a service increment to a probationary police officer or deputy sheriff if recommended by the department director.
- (f) The OHR Director must give a service increment to a temporary employee if recommended by the department director and is determined to be in the County's best interest.
- (g) The OHR Director must give service credit toward a service increment to a former temporary employee who was appointed to a full-time or part-time position without a break in service. The increment date must be the employee's next anniversary date with the County.

12-6. Reassignment of a service increment date.

- (a) A department director must assign an employee a new service increment date if the employee's:

- (1) probationary period for merit status is extended;
 - (2) service increment is delayed;
 - (3) service increment date occurs during a period of within-grade salary reduction described in subsection 33-3(d) or during a suspension described in subsection 33-3(e);
 - (4) leave without pay (LWOP) exceeds 10 consecutive workdays, excluding LWOP for FMLA, parental leave, military service, professional improvement or used under Section 23-7(a) and (c) by an employee who is a member of the Maryland General Assembly; or
 - (5) position is reclassified or reallocated to a higher pay grade.
- (b) If the employee's probationary period for merit status is extended, the new service increment date is the date when the employee's merit system status is granted.
- (c) If a service increment is delayed, the employee's new service increment date is the date when the delayed service increment is finally granted.
- (d) If the employee's position is reclassified or reallocated to a higher pay grade, the employee's new service increment date is the effective date of the reclassification or reallocation.
- (e) A department director may reassign an employee's service increment date for the following reasons:
- (1) to prevent or resolve pay inequities;
 - (2) to serve the County's best interest, provided that the reassignment will not adversely affect the employee; or
 - (3) in conjunction with a disciplinary action.
- (f) An employee's reassigned service increment date becomes effective only with the OHR Director's approval.
- (g) The OHR Director must assign a new service increment date to an employee in an MLS or PLS position who is promoted, demoted, or reassigned to a non-MLS or non-PLS position.
- (1) If the County employee was in a non-MLS or non-PLS position and had a service increment date before taking the MLS or PLS position, the OHR Director must assign as the new service increment date the last service increment date that the employee had before becoming an MLS or PLS

employee.

- (2) If the employee was not in a non-MLS or non-PLS position before taking the MLS or PLS position, the OHR Director must assign a new service increment date as the date when the employee was first employed in a County merit system position.

12-7. Delay of a service increment.

- (a) A supervisor should promptly provide to the department director a written recommendation to delay an employee's service increment for any employee who has a less than satisfactory annual or interim performance rating or unsatisfactory performance, attendance, or conduct.
- (b) To delay an eligible employee's service increment, a department director must:
 - (1) provide the OHR Director written documentation of the decision and the reason for the delay at least 15 calendar days before the beginning of the pay period that contains the employee's assigned increment date in order to obtain the OHR Director's approval for the delay;
 - (2) give written notice to the employee before the beginning of the pay period that contains the employee's increment date;
 - (3) include in the written notice to the employee:
 - (A) the reasons for the delay;
 - (B) the next date on which the employee's performance will be reviewed and the service increment may be granted if the employee's performance or attendance has improved; and
 - (C) whether the employee may file a grievance over the decision and, if so, the deadline for filing such a grievance.
- (c) A department director may delay an employee's service increment if the employee's performance was unsatisfactory during the rating period or if the employee was absent for more than 50 percent of the work year, excluding periods of compensatory time, annual leave, parental leave, disability leave, military leave, or LWOP for political purposes under Section 23-7(c).
- (d) A supervisor's failure to follow the performance planning and evaluation procedures established under Section 11 of these Regulations must not prevent a department director from delaying a service increment if the employee's work performance, attendance, or conduct has been unsatisfactory.

- (e) After delaying an employee's service increment, a department director may grant an employee's service increment at the employee's next annual or interim performance review if the employee's performance or attendance has improved to the satisfactory level.

12-8. Performance-based longevity increments for employees on the General Salary Schedule.

- (a) A performance-based longevity increment is a one-time differential added to an employee's base salary.
- (b) The CAO must determine the amount of the performance-based longevity increment.
- (c) A department director must award a one-time performance-based longevity increment to an employee in a position on the General Salary Schedule if the employee has:
 - (1) earned 16, 20, or 25 years of actual County service;
 - (2) earned a base salary equal to the maximum salary of the pay range at the time the employee achieves 16, 20, or 25 years of actual County service; and,
 - (3) received an annual overall performance rating of *Highly Successful Performance* or *Exceptional Performance* for the most recent performance year.
- (d) An employee is eligible to receive only one 16-year, one 20-year, and one 25-year performance-based longevity increment.
- (e) Awarding performance-based longevity increments to promoted employees.
 - (1) When an employee is promoted from a non-bargaining unit position to another non-bargaining unit position:
 - (A) the promotional increase is added to the employee's base salary and cannot exceed the maximum salary of the new grade's pay range;
 - (B) if the employee's new base salary reaches the maximum salary of the new grade's pay range, the previously earned performance-based longevity increment(s) is re-added onto the new base salary; and,
 - (C) the employee remains eligible for any future performance-based

longevity increments as outlined in Section 12-8(c).

- (2) When an employee receives a promotion from a non-bargaining unit position to a bargaining unit position:
 - (A) the promotional increase is added to the employee's base salary; and,
 - (B) the new base salary cannot exceed the maximum salary of the new pay range; however,
 - (C) if the employee's new base salary is equal to the maximum salary of the new pay range, then the employee may be eligible to receive a bargaining unit longevity increment(s) as stipulated in the respective collective bargaining agreement.
- (3) When an employee receives a promotion from a bargaining unit position to a non-bargaining unit position:
 - (A) The promotional increase is first added to the employee's base salary;
 - (B) the employee's new base salary cannot exceed the maximum salary of the new pay range;
 - (C) if the employee's new base salary reaches the maximum salary of the new grade's pay range, the previously earned longevity increments are then added using the comparable performance-based longevity increment(s); and,
 - (D) the employee remains eligible for any future performance-based longevity increments as outlined in Section 12-8(c).
- (f) Awarding longevity increments to transferred employees. An employee who has a performance-based longevity increment(s) and who:
 - (1) transfers from a non-bargaining unit position to another non-bargaining unit position, the longevity/performance increment remains the same;
 - (2) transfers from a non-bargaining unit position to a bargaining unit position is eligible to receive a bargaining unit longevity increment(s) as provided in the respective collective bargaining agreement; or,
 - (3) transfers from a bargaining unit position to a non-bargaining unit position is eligible to receive the comparable performance-based longevity increment(s) based on years of service.

- (g) A department director must not give an employee a lump-sum award and a performance-based longevity increment for the same annual overall performance rating.
- (h) The effective date of all performance-based longevity increments will be at the beginning of the pay period in which the employee meets the years of service indicated in 12-8(c)(2).

12-9. Longevity increments for correctional and sheriff management.

- (a) A department director must award a longevity increment to an employee who has:
 - (1) completed 16, 20, or 25 years of active service (excluding temporary service); and
 - (2) is in a position on the correctional management or sheriff management salary schedules.
- (b) The employee's annual base salary does not have to be at the maximum of the respective pay range to receive the longevity increment.
- (c) The CAO must determine the amount of the longevity increment.

12-10. Longevity increments for fire management.

- (a) A department director must award a longevity increment to an employee who has:
 - (1) completed 17, 20, or 24 years of active service (excluding temporary service); and
 - (2) is in a position on the fire management salary schedule.
- (b) The employee's annual base salary does not have to be at the maximum of the respective pay range to receive the longevity increment.
- (c) The CAO must determine the amount of the longevity increment.

12-11. Appeal of a reassignment of service increment date or of a delay of service increment pay increase. An employee with merit system status may appeal a department director's decision to reassign an employee's service increment date or to delay an employee's service increment by filing a grievance under Section 34 of these Regulations.

Editor's note – The subjects covered in this section of the Personnel Regulations are addressed for bargaining unit employees in the current collective bargaining agreements as indicated below:

Bargaining unit	Articles of current agreements with references to service increments
Firefighter/Rescuer	12, Leave Without Pay 48, Job Sharing Program
OPT/SLT	5, Wages, Salary and Employee Compensation 6, Service Increments 7, Accelerated Within Grade Advancement 9, Working Conditions 16, Leave Without Pay 18, Parental Leave Appendix IX, Performance Planning and Evaluation for Bargaining Unit Members
Police	11, Chronic Incapacity 16, Parental Leave 20, Leave Without Pay 36, Wages 50, Reduction-in-Force and Furlough 55, Job Sharing Program 28, Service Increments