

Department of Legislative Services  
Maryland General Assembly  
2013 Session

FISCAL AND POLICY NOTE  
Revised

House Bill 667

(Delegate Hixson, *et al.*)

Ways and Means

Finance

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**Public School Employees - Collective Bargaining - Representation Fees**

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This bill requires each local board of education and the employee organizations representing either certificated or noncertificated public school employees in the State to negotiate a reasonable service or representation fee to be charged to nonmembers of the employee organizations.

The bill takes effect July 1, 2013.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Any additional administrative workload for the local school systems can be managed with existing personnel and resources.

**Small Business Effect:** None.

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**Analysis**

**Bill Summary:** The employee organizations must establish and maintain a procedure that provides nonmembers with an adequate explanation of the basis for the service or representation fee and an opportunity to challenge the amount of the fee.

As is the case under current law for certificated employees in Baltimore City and Baltimore, Howard, Montgomery, and Prince George's counties, an employee whose religious beliefs are opposed to joining or financially supporting any collective bargaining organization is not required to pay a service or representation fee. However,

the employee is required to pay an amount equal to the fee to a nonreligious, nonunion charity, or to such other charitable organization as may be mutually agreed upon.

The public school employer must deduct the service or representation fee from the earnings of the nonmember employees and promptly transmit the amount deducted to the employee organization.

An employee who is a home or hospital teacher and who works on a short-term day-to-day basis is not required to pay a service or representation fee.

In a county in which a service or representation fee has been negotiated before July 1, 2013, the fee must be implemented under the provisions of the agreement negotiated before July 1, 2013, without the need for further negotiations. In a county in which a service or representation fee was not negotiated before July 1, 2013, the bill specifies that members of the employee organization and nonmembers affected by the fee are eligible to vote on the agreement that implements a service or representation fee, and a majority of those voting is required for ratification.

The bill also specifies that when negotiating a service or representation fee, whether the fee is applicable to current employees must be negotiated first.

The bill also standardizes specified conditions regarding payment and nonpayment of service or representation fees, and repeals specified provisions related to individual counties.

Finally, the bill may not be construed to require further negotiations regarding the exempt status of employees based on the date of hire for agreements that provide for a service or representation fee negotiated prior to July 1, 2013. Thus, current employees who are in a unit with a negotiated service or representation fee who are exempt from paying the fee may not be subject to any further negotiations regarding their exempt status.

### **Current Law/Background:**

#### *Local School Systems with Authorized or Required Service Fees*

Nonmember service or representation fees for certificated school employees are *authorized* in Baltimore City and in Allegany, Anne Arundel, Baltimore, Calvert, Charles, Garrett, Howard, Montgomery, Prince George's, and Washington counties.

Nonmember service or representation fees for noncertificated school employees are *required* in Allegany, Charles, Howard, Montgomery, and Prince George's counties and *authorized* in Baltimore City and in Anne Arundel, Baltimore, and Garrett counties.

## *State Employees May Be Assessed Service Fees*

Chapter 187 of 2009 (SB 264) authorizes the State to collectively bargain with the exclusive representative of a bargaining unit for service fees from State employees who are not members of that exclusive representative. Thus, employees who are in a bargaining unit but are not members of any employee organization must pay the service fee if a fee is successfully negotiated. Likewise, employees who are dues-paying members of an employee organization that is not the exclusive representative must also pay any negotiated service fee.

Chapter 187 specifies that service fees may not be bargained for in negotiations between an employee organization and a University System of Maryland (USM) institution, Morgan State University, St. Mary's College of Maryland, or Baltimore City Community College. These higher education institutions bargain separately with employee organizations representing eligible nonfaculty employees.

**Local Fiscal Effect:** The employee organizations representing certificated or noncertificated school employees that do not currently have service or representation fees for nonmembers will receive additional revenues from nonmembers' fees, but local school system finances will not be affected.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** SB 422 (Senator Pugh, *et al.*) - Finance.

**Information Source(s):** Baltimore City; Charles, Garrett, Harford, Montgomery, and Washington counties; Department of Legislative Services

**Fiscal Note History:** First Reader - February 18, 2013  
ns/rhh Revised - House Third Reader - March 25, 2013  
Revised - Enrolled Bill - May 13, 2013

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