

**Department of Legislative Services**  
Maryland General Assembly  
2014 Session

**FISCAL AND POLICY NOTE**

Senate Bill 989  
Rules

(Senator Pugh)

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**State Personnel - Collective Bargaining - Sworn Police Officers - Binding Arbitration**

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This bill authorizes either side in an unresolved collective bargaining negotiation between the University System of Maryland (USM), Morgan State University (MSU), St. Mary's College of Maryland (SMCM), or Baltimore City Community College (BCCC) and the exclusive representative of sworn police officers employed at those institutions to request, under specified circumstances, that an arbitrator be employed to resolve outstanding issues.

The bill takes effect July 1, 2014.

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**Fiscal Summary**

**State Effect:** Minimal increase in higher education expenditures to the extent that arbitrators are employed and their expenses are covered, in part, by the affected institutions. To the extent that arbitration results in higher compensation levels than would otherwise be agreed to through continued negotiation, personnel costs for public institutions of higher education increase. No effect on revenues.

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Bill Summary:** Either side in an unresolved collective bargaining negotiation may request an arbitrator if negotiations for the next fiscal year between an employing institution and the exclusive representatives of sworn police officers do not conclude by October 1. The arbitrator must be employed by October 15 and be a neutral party appointed by alternate striking from a list provided by the federal Mediation and Conciliation Service or under the Labor Arbitration Rules of the American Arbitration Association.

The arbitrator may (1) give notice and hold hearings in accordance with the State's Administrative Procedure Act; (2) administer oaths and take testimony and other evidence; and (3) issue subpoenas.

By December 1, the arbitrator must make written findings; by December 15, the Secretary of Budget and Management must deliver the arbitrator's final decision to the Governor, the exclusive representative, the Presiding Officers of the General Assembly, and the president or governing board of the institution involved in the negotiation. The arbitrator's final decision is binding on all parties.

**Current Law:** Chapter 298 of 1999 established statutory collective bargaining rights for approximately 40,000 State employees; previously, collective bargaining rights had been established by a 1996 executive order. Except as otherwise specified, the collective bargaining law currently applies to all employees of the:

- principal departments within the Executive Branch;
- Maryland Insurance Administration;
- State Department of Assessments and Taxation;
- State Lottery and Gaming Control Agency;
- Office of the Comptroller;
- State Retirement Agency;
- Maryland State Department of Education
- USM, MSU, SMCM, and BCCC; and
- Maryland Transportation Authority employees and police officers who are at the rank of first sergeant and below.

The following personnel are not included:

- employees of the Maryland Transit Administration;
- Legislative and Judicial Branch personnel;

- elected and appointed officials;
- the Governor's and Lieutenant Governor's staff;
- special appointees and executive service personnel in the State Personnel Management System (SPMS);
- senior administrators, faculty members, student employees, and other designated employees of USM, MSU, SMCM, or BCCC;
- the chief, deputy, or assistant administrator of a unit with an independent personnel system;
- temporary or contractual employees in SPMS;
- an employee who is entitled to participate in collective bargaining under another law;
- an employee whose participation in a labor organization is contrary to the State's ethics laws; and
- any supervisory, managerial, or confidential employee as defined by regulation.

Parties to the collective bargaining process must make every reasonable effort to conclude their negotiations by January 1 for any item requiring appropriation for the fiscal year that begins the following July 1. If the parties do not conclude negotiations for the next fiscal year before October 25, either party may request that a neutral fact finder be employed to resolve the issues. The selection process for, and authority granted to, the fact finder are identical to those specified for the arbitrator in the bill. By November 20, the fact finder must make written recommendations regarding wages, hours, and working conditions, and any other terms or conditions of employment that may be in dispute. Those recommendations must be delivered to the same parties specified in the bill by December 1, but they are not binding. The outcome of collective bargaining must be incorporated into a memorandum of understanding.

Exclusive employee representatives must represent fairly and without discrimination all employees in a bargaining unit, whether or not they are members of the organization. They may negotiate all matters related to wages, hours, and other terms and conditions of employment.

## **Background:**

### *USM Bargaining Units*

Each of the 12 USM institutions is required to have a separate bargaining unit, and each has at least one bargaining unit. As of February 2014, they represent a total of 6,031 employees, of whom approximately 220 are police officers. **Exhibit 1** shows the composition of the bargaining units. The first exclusive representative listed represents employees, and the second represents campus police officers.

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**Exhibit 1**  
**USM Bargaining Units for Fiscal 2014**

	<b><u>Representative(s)</u></b>	<b><u>Total</u></b>
UM – College Park	AFSCME/FOP	3,122
UM – Baltimore	AFSCME/FOP	873
UM – Baltimore City	AFSCME/FOP	360
Frostburg State	AFSCME/MCEA	351
Salisbury Univ.	MCEA/MCEA	275
UM – Eastern Shore	AFSCME/AFSCME	447
Univ. of Baltimore	AFSCME/AFSCME	145
Bowie State	AFSCME/AFSCME	160
Coppin State	AFSCME/AFSCME	123
UM – Univ. College	AFSCME/NA	114
UM – Ctr. For Env. Studies	MCEA/NA	24
Towson University	NA/FOP	37

UM: University of Maryland

AFSCME: American Federation of State, County, and Municipal Employees

FOP: Fraternal Order of Police

MCEA: Maryland Classified Employees Association

Source: University System of Maryland

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**Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 1224 (Delegate DeBoy) - Appropriations.

**Information Source(s):** Judiciary (Administrative Office of the Courts), Office of Administrative Hearings, University System of Maryland, Department of Legislative Services

**Fiscal Note History:** First Reader - February 24, 2014  
mc/ljm

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