Department of Legislative Services

Maryland General Assembly 2021 Session

FISCAL AND POLICY NOTE First Reader

House Bill 913

(Delegate Bhandari)

Appropriations

Board of Community College Trustees for Baltimore County - Collective Bargaining - Faculty

This bill expands collective bargaining rights to the faculty of the Community College of Baltimore County (CCBC). The bill takes effect July 1, 2021.

Fiscal Summary

State Effect: State retirement expenditures may increase, as discussed below. Revenues are not affected.

Local Effect: CCBC administrative and personnel expenditures, including retirement, may increase. Revenues are not affected. **This bill may impose a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Bill Summary: The Community College Board of Trustees for Baltimore County must adopt rules and regulations for the collective bargaining process for faculty. Faculty are not authorized to strike.

Current Law: Only classified employees at CCBC have the right to organize and bargain collectively. The Community College Board of Trustees for Baltimore County must adopt rules and regulations for the collective bargaining process.

Local community college boards of trustees oversee policy and operations with funding provided by State and local governments and generated through student tuition and fees.

Most local community college employees do not have collective bargaining rights. However, some employees who work for Baltimore City Community College (BCCC), CCBC, Montgomery College, and Prince George's Community College have collective bargaining rights. At Montgomery College, all employees (including faculty) except supervisory, confidential employees, and student assistants have collective bargaining rights.

The State Higher Education Labor Relations Board is responsible for enforcing collective bargaining laws with respect to employees of the University System of Maryland, Morgan State University, St. Mary's College of Maryland, and BCCC.

State Expenditures: Since the State funds CCBC based on a per student formula, any increase in personnel costs does not affect CCBC formula aid. However, because retirement costs for certain CCBC employees are paid by the State on behalf of CCBC, to the extent that their personnel costs increase more than they otherwise would have, general fund expenditures increase. Any such impact cannot be reliably estimated at this time; the potential impact of collective bargaining on salaries is discussed further below.

For illustrative purposes, a 1% increase in CCBC salaries (above an estimated 2% annual increase) would increase State contributions to the Employees' and Teachers' Retirement System and the Optional Retirement Program by approximately \$74,300. Salary increases affect retirement contributions two years later. This estimate may include employees who already have collective bargaining rights. Any actual increases will depend on actual negotiations made by employees and the community college. Any such increase cannot be reliably estimated.

Local Expenditures: CCBC administrative expenditures may increase to implement collective bargaining for faculty. These costs may be meaningful in the years that there is a labor dispute. Any such costs largely depend on the collective bargaining process developed by the Community College Board of Trustees for Baltimore County and cannot be reliably estimated.

In addition, salary and salary-driven fringe benefits costs for faculty may increase 1% to 3% due to collective bargaining. In 2018, at CCBC, there were approximately 420 faculty that do not currently qualify to have collective bargaining rights.

Baltimore County has the option of whether to provide funding for any terms that may be negotiated under a collective bargaining agreement. If Baltimore County does not provide

additional funds, the college can choose to fund the additional costs from tuition revenues or choose to reopen negotiations with the employee bargaining units.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Governor's Office; Department of Legislative Services

Fiscal Note History: First Reader - February 24, 2021

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