



SENATE FINANCE COMMITTEE

February 21, 2020

Senate Bill 660

Collective Bargaining - Chancellor of the University System of Maryland - Negotiations Urging an Unfavorable Report

Chair Kelley, Vice Chair Feldman and members of the committee, thank you for the opportunity to share our thoughts regarding Senate Bill 660. This bill would fundamentally change the collective bargaining process at each of the University System of Maryland's ("USM") twelve constituent institutions without any demonstrated benefit to university employees. It would (1) revoke the legislative authority of the twelve institution presidents by assigning to the USM Chancellor the authority to designate a representative to negotiate on behalf of their institution; (2) require the Chancellor to engage in consolidated negotiations on behalf of all bargaining units at all of the 12 institutions that are represented by the same labor union, rather than make such consolidated bargaining a voluntary decision by each institution president, as current law provides; and (3) give the labor union the power to veto the institution president's right to negotiate matters "particular to an institution" and require such matters to be negotiated at the System level by the Chancellor.

We believe such a broad transfer of authority from the institutions to the System will damage the institutions and undermine the president's legal role as "chief executive officer" of the institution, as set forth in Title 12 of the Education Article. In describing the many powers and duties of an institution president, the law states that the presidents shall have the power to "...appoint, promote, fix salaries, grant tenure, assign duties, and terminate personnel..." as well as "create any position within existing funds available to the University..." The USM believes that in order for institution presidents to responsibly carry out these responsibilities, they must retain the authority to determine whether it is in the institution's best interest to engage in consolidated bargaining with other institutions, rather than ceding this authority to a labor union, and they must retain their authority to designate a collective bargaining representative who they believe can best represent the institution.

Unlike some highly centralized systems of higher education across the country, the University System of Maryland was deliberately designed to be decentralized, with a small system office, and to provide a high degree of autonomy to each of its institutions. Under Maryland law, the USM Board of Regents is responsible for the broad management of the USM, but the Board is

required to consult with university presidents in developing guidelines, policies, and plans for the System, such as policies that establish high standards of operation, including managing personnel equitably. The law states that, with the exception of property sales and issues related to establishing or consolidating institutions, the Board, “shall delegate to the president of each institution authority needed to manage that institution ... including the authority to establish policies appropriate to the institution’s mission, size, location and financial resources.” If the Board were to overstep that authority and engage in hands-on management of institution personnel, it would usurp the president’s statutory authority. This bill would do just that.

Each institution is responsible for developing its own pay structure and pay administration program for exempt positions and has the obligation to compensate employees in a manner that is “competitive within each institution’s respective employment market.” Jobs shall be assigned to pay ranges that “reflect the relative value of jobs within each institution” and employees are to be paid according to “job value and their contribution to the institution’s mission.”

Each institution develops its own recruitment and performance management policies, its own holiday calendar, institutional workweek and work schedules, and determines whether compensatory leave shall be available to exempt employees. Within its existing budget, each institution may create positions deemed necessary, without authorization from the Board.

There are 26 bargaining units within the USM’s twelve institutions, represented by three different labor unions. The Fraternal Order of Police represents eight police units, AFSCME represents five exempt units and one police unit, MCEA represents two nonexempt units and one police unit, and AFSCME represents nine nonexempt units.

Required consolidated bargaining, as opposed to the voluntary system under current law, likely will hurt the USM’s smaller institutions that have fewer financial and other resources. It would create pressure on the USM to “average” the participating institutions’ interests, failing to account for the individual needs and desires of employees at different institutions.

Senate Bill 660 weakens the president’s authority as chief executive officer to manage the institution’s workforce. The USM respectfully urges an unfavorable report on Senate Bill 660.