Council 3 AFSCME MARYLAND
1410 Bush Street (Suite A)
Baltimore, MD 21230
Phone: 410-547-1515
Email: info@afscmemd.org

Patrick Moran – President

HB 795 – Federal Public Service Loan Forgiveness Program – Employee Certification and Awareness Materials
Economic Matters Committee
February 13, 2025

Position: FAVORABLE

AFSCME Council 3 represents 45,000 state, county, and municipal employees, many of whom are currently benefiting from or could potentially benefit from the Federal Public Service Loan Forgiveness (PSLF) Program. We support HB 795. This legislation requires the Student Loan Ombudsman to create and distribute information about the PSLF program for public service employers in Maryland. This helps raise awareness and ensure that employers are equipped to guide their employees through the forgiveness process. Additionally, the bill allows public service employers to annually certify their employees' employment directly with the Department of Education and requires them to proactively provide clarification forms to employees who have previously requested them.

These changes will help simplify the often complex and evolving landscape of student loan forgiveness, making it more accessible for the dedicated public servants who, in choosing to work for state and local governments, frequently forgo higher-paying opportunities in the private sector to serve their communities.

HB 795 is a good bill. We urge the committee to provide a favorable report.

The following states that have collective bargaining for state employees, AK, CA, CT, DC, DE, HI, IL, ME, MN, NE, NJ, NM, NV, OH, OR, PA, MT, RI, WA have a terminal point for negotiations, either binding interest arbitration, the right to strike, or a legislative process. These processes create a level playing field for both parties.

This legislation would create a mutual incentive to compel parties to reach an agreement around collective bargaining negotiations by instilling a binding interest arbitration process, whereby if the two sides cannot come to agreement through negotiations by a specified deadline the proposals.

From the two sides would be presented to a professional, neutral third- party arbitrator – hearing from witnesses and experts, with data and evidence – for consideration of all the facts involved with the purpose of determining which proposal is most appropriate to implement. The choice by the arbitrator would then be considered a binding resolution to be implemented by the Governor and exclusive bargaining representative for whatever appropriations are necessary to implement and fund the memorandum of understanding. The budgetary powers of the Maryland General Assembly remain unaltered.

SB 188 is a strong and positive step toward enhancing fairness, balance, and efficiency, and resolution. It follows a model that is well-established in other states and among Maryland counties. We urge a favorable report.