



Testimony - SB 28, Arbitration Reform for State Employees Act of 2026
Favorable
Senate Budget & Taxation Committee
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Honorable Chairman Guzzone & Members of the Senate Budget & Taxation Committee:

SEIU Local 500 represents thousands of public service workers across Maryland. Our members understand that collective bargaining is vital to their livelihoods. SB 28 strengthens Maryland's collective bargaining framework by establishing clearer, more structured, and more workable timelines for negotiations, mediation, and arbitration. In doing so, it reinforces what good faith bargaining should mean in practice: timely engagement, transparency, accountability, and resolution.

For too long, collective bargaining timelines have been inconsistent and vulnerable to delay. When negotiations stretch without clear benchmarks, workers are left in uncertainty, budget planning becomes more complicated, and the process itself can lose credibility. SB 28 corrects this by:

- Requiring negotiations to begin between July 1 and September 30, with clear expectations for information exchange early in the process.
- Establishing firm deadlines for selecting a neutral arbitrator if negotiations stall.
- Creating a structured impasse process with defined milestones for last, best, and final offers, hearings, and written awards.
- Ensuring preliminary and final arbitration awards are issued in time to align with the State's budget cycle.

These provisions do not undermine good faith bargaining—they reinforce it. Clear timelines incentivize both parties to engage meaningfully and resolve disputes at the table. And where agreement cannot be reached, a transparent and predictable arbitration framework ensures closure without unnecessary delay.

Importantly, SB 28 aligns collective bargaining outcomes with Maryland's constitutional budget process by requiring that each budget include the appropriations necessary to implement the terms and conditions of employment negotiated in memoranda of understanding. This creates a coherent system in which negotiated agreements are not aspirational, but actionable. It ensures that agreements reached through mutual consent—or binding arbitration—are treated with the seriousness they deserve.

The bill also preserves important guardrails. Arbitration decisions remain subject to constitutional and budgetary constraints, and the General Assembly retains its role with respect to appropriations. At the same time, workers gain greater certainty that the process will move forward on a clear and reasonable schedule.

Good faith bargaining is not simply about meeting at the table. It is about engaging in a process designed to reach resolution. SB 28 modernizes Maryland's collective bargaining system to ensure that timelines are realistic, enforceable, and synchronized with fiscal planning. That clarity benefits workers, employers, and the public alike.

For these reasons, SEIU Local 500 respectfully urges a favorable report on Senate Bill 28. Thank you to Senator McCray for leading on this important issue.

Thank you for your time and consideration.

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