

SB 28 B&T 02-18-2026 - SLEOLA - FAV.pdf

Uploaded by: Brian Gill

Position: FAV



**State Law Enforcement
Officers Labor Alliance**
542 Ritchie Highway
Severna Park, Maryland 21146



February 18, 2026

The Honorable Guy Guzzone
Chair, Budget and Taxation Committee
3 West Miller Senate Office Building
11 Bladen Street
Annapolis, Maryland 21401

Re: SB 28 – Arbitration Reform for State Employees Act of 2026 - SUPPORT

Dear Chair Guzzone:

The State Law Enforcement Labor Alliance (SLEOLA) is the exclusive representative for 1,757 active state law enforcement officers, including the following agencies:

- Maryland State Police
- Maryland Natural Resources Police
- Field Enforcement Bureau
- Maryland State Fire Marshall
- Maryland Capitol Police
- Department of Health Police
- Maryland Vehicle Administration Police
- Department of Public Safety and Correctional Services Intelligence and Investigative Division
- Warrant Apprehension Unit of the Division of Parole and Probation in the Department of Public Safety and Correctional Services

We are writing in support of Senate Bill 28. Senate Bill 28 is seeking to modify the current collective bargaining process for State employees. The current collective bargaining process that is used by the State is both unfair and unproductive. Binding Interest arbitration does not guarantee the employees will receive raises, rather it ensures the reasonableness and fairness of the collective bargaining process. Binding Interest arbitration would help make the process fair for both SLEOLA and the State.

This is an important proposal for each of the members of SLEOLA, and we ask for a favorable report of SB 28.

Sincerely,

Brian Gill
President

cc: Members, Senate Budget and Taxation Committee

SB 28 - Arbitration Reform for State Employees Act

Uploaded by: Brian Wivell

Position: FAV

Amalgamated Transit Union Local 1300

126 W. 25th Street, Baltimore, Maryland 21218
Telephone: 410-889-3566 Facsimile: 410-243-5541
www.atu1300.org

Proudly representing the transit workers of the MTA!



SB 28 - Arbitration Reform for State Employees Act of 2026 FAVORABLE

Senate Budget and Taxation Committee
February 18, 2026

Chair Guzzone and members of the committee, thank you for the opportunity to speak with you today. ATU Local 1300 represents over 3,000 transit workers at the Maryland Transit Administration (MTA). Our members keep Maryland moving every day.

We support this bill for a very simple reason, binding arbitration works. We know this because we've been through the arbitration process ourselves. MTA workers were granted this dispute resolution process back when they were still employees of the Baltimore Transit Company (BTC) and kept it when they transitioned to becoming part of the state's workforce.

Our country had a patchwork of different approaches to collective bargaining, with some transit workers agreeing in the 1950s to binding arbitration with their employers as a less confrontational form of negotiations. Other systems still maintained their right to strike. During the 1960s and 1970s, federal aid and regulations transformed the transit systems across the country. Recognizing that the federal government had an interest in making sure that this federal aid did not undermine the existing collective bargaining practices of transit workforces, Congress passed Section 13C of the Urban Mass Transportation Act of 1964. Put simply, this guaranteed that transit workers that had binding arbitration would keep their binding arbitration and transit workers that had the right to strike would keep their right to strike.

Just because you have binding arbitration, does not mean that it will be used. Of the last five contract negotiation cycles (e.g. 2022, 2019, 2015, 2012, and 2010) binding arbitration was only invoked twice. Simply having the option to invoke arbitration forces both parties to act in good faith. Arbitration also cuts both ways. Both parties can win or lose, but what ultimately matters is finding a common ground and reasonable position that can sway a neutral arbitrator.

We are always available to answer any questions that the Committee may have on my experience with arbitration as a state employee.

***Examples of Arbitration - Already In Use by State Employees
2018 to 2022 Collective Bargaining Agreement - ATU Local 1300 & Maryland Transit Administration***

Article (9) - ARBITRATION

Section (1) Should any grievance be unsettled as provided in Step 2 of Article (8) hereof, the Union may forgo Step 3 by notifying the other party within forty-five (45) calendar days thereafter, and request in writing that the dispute be submitted directly to standard arbitration. If neither Step 2 within Article 8 nor the option contained in this Article is exercised within the 45-calendar day period, the matter shall be considered closed and withdrawn. Upon such request, an arbitrator shall be selected in accordance with the parties' Bilateral Arbitration Selection Agreement.

Section (2) The arbitrator, after being selected, shall commence hearings as expeditiously as possible and shall render his/her decision in writing four (4) weeks, if possible, following the closing of the hearing (which shall include the filing of post-hearing briefs, if applicable).

Section (3) The arbitrator shall be confined to the issues presented in writing, and shall not have the power to add to or subtract from, or to modify any of the terms of this agreement or of any other agreements made supplementary thereto.

Section (4) The decision of the arbitrator when submitted to the parties, in writing, together with the finding of facts, and the reasons in support thereof, shall be final and binding upon MTA and the UNION.

Article (64) -- DURATION

This Agreement shall become effective July 1, 2018 and shall remain in force and effect through June 30, 2022 and shall continue in force and effect from year to year thereafter unless written notice of amendment, revision, modification or termination is given by either party to the other party by registered mail on or before the 30th day of April prior to the expiration period of this contract or any renewals thereof.

In the event that, pursuant to the preceding section of this Agreement, either party gives written notice of amendment, revision or modification of this Agreement or requests termination of all or any part of this Agreement, and negotiations fail to result in an Agreement between the parties, all issues in dispute shall be submitted to a Board of Arbitration on written demand of either party.

The Board of Arbitration shall be composed of three (3) persons, one (1) to be chosen by the Administration, one (1) to be chosen by the UNION, and the two (2) thus selected to select the disinterested arbitrator. The findings of a majority of said Board of Arbitration shall be final and binding on the parties hereto.

Each of the parties hereto shall name its arbitrator within ten (10) days after having received written notice from the other party hereto, and if either party fails to name its arbitrator it shall forfeit its case. If, after a period of ten (10) days from the date of the appointment of the two (2) arbitrators representing the UNION and the Administration the disinterested arbitrator has not been selected, then either arbitrator may request the American Arbitration Association to furnish a list of five (5) persons from which the arbitrator shall be selected. The American Arbitration Association shall be asked to furnish such list within seven (7) days of the receipt of the request. The arbitrators appointed by the parties, no later than five (5) days after the receipt of such list, shall determine by lot the order of elimination and thereafter each shall in that order alternately eliminate one (1) name until only one (1) name remains, and that person on the list shall be the disinterested arbitrator and chairman of the Board. All the conditions in this

contract shall remain undisturbed during the arbitration proceedings. Each of the parties hereto shall bear the expense of its own arbitrator, and the parties hereto shall jointly bear the expenses of the impartial arbitrator.

Favorable IAFF SB28.pdf

Uploaded by: Christian Rejonis

Position: FAV



Christian A. Rejonis
President

Michael L. Miller Jr.
Vice President

Sherreka R. Jackson
Secretary

Christopher P. Ryder
Treasurer

BWI AIRPORT PROFESSIONAL FIRE FIGHTERS

AFFILIATED WITH THE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS AFL-CIO-CLC
LOCAL 1742 – CHARTERED DECEMBER 7, 1967

02/16/2026

The Honorable Guy Guzzone

Chair, Budget and Taxation Committee

3 West Miller Senate Building

11 Bladen Street, Annapolis MD 21401

Favorable testimony- Senate Bill 28 Arbitration Reform for State Employees Act of 2026

Dear Chair Guzzone,

The IAFF Local 1742 represents the Women and Men of the BWI Airport Fire and Rescue department through the rank of captain. The BWI Airport Fire and Rescue Department is also the only group of Fire Fighters that are employees of The State of Maryland.

SB28 would truly give employees a fair process to bargain. As of now, most state employees have no path to resolution when bargaining ends in impasse; this bill would just give labor unions a fair seat at the table.

If you research jurisdictions that have binding interest arbitration, you will find that rarely is arbitration used. Instead, arbitration is used to encourage all parties to work in good faith to reach an agreement.

Please give SB28 a favorable committee report.

Sincerely,
Christian A. Rejonis

President- IAFF Local 1742

SEIU Local 500 - Testimony in Support of SB 28 202

Uploaded by: Christopher Cano

Position: FAV



Testimony - SB 28, Arbitration Reform for State Employees Act of 2026
Favorable
Senate Budget & Taxation Committee
February 18, 2026
Christopher C. Cano, MPA
Director of Political & Legislative Affairs on Behalf of SEIU Local 500

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.

Christopher C. Cano, MPA
Director of Political & Legislative Affairs
SEIU Local 500

Trone SB28 FAV.pdf

Uploaded by: David Trone

Position: FAV

From the Desk of Congressman David Trone

February 18, 2026

The Honorable Guy Guzzone
Chair, Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, Maryland 21401

The Honorable Jim Rosapepe
Vice Chair, Budget and Taxation Committee
3 West Miller Senate Office Building
Annapolis, Maryland 21401

Dear Chair Guzzone, Vice Chair Rosapepe, and Members of the Committee,

I write in support of *Senate Bill 28 - Arbitration Reform for State Employees Act of 2026* because it affirms a basic principle that should guide our work in public service: every worker deserves a meaningful voice in negotiating the terms of their employment.

Collective bargaining is not a partisan issue—it is a public safety and good-governance issue. When workers have access to fair negotiation processes and impartial arbitration, it reduces conflict, strengthens accountability, and ensures stability in the delivery of essential government services. SB 28 provides important guardrails to make sure disputes can be resolved responsibly and transparently, while still respecting budget realities and the interests of taxpayers.

I have seen firsthand why these protections matter.

In 2018, the professional firefighters of Frederick County fought for the right to bargain collectively and to use binding arbitration when negotiations reached an impasse. I stood with them because politics should never undermine public safety. Voters agreed, approving a charter amendment that strengthened negotiation rights and improved labor-management relations. In 2022, when the rights won by the firefighters were once again threatened by legislation authored by the County Council, I again stood publicly with Frederick County firefighters to defend the will of the voters and support their right to binding arbitration.

As the International Association of Fire Fighters made clear at the time, limiting firefighters' collective bargaining rights put politics ahead of public safety. Strong negotiation tools do not weaken government—they strengthen it by ensuring experienced professionals can advocate for the resources, staffing, and working conditions necessary to keep communities safe.

Public employees perform uniquely vital roles. They respond to emergencies, maintain infrastructure, educate our children, and keep our communities functioning. Because their work directly impacts the health and safety of our neighbors, we must use every responsible tool available to ensure the government works effectively and fairly. That includes protecting meaningful collective bargaining and arbitration rights.

Senate Bill 28 - Arbitration Reform for State Employees Act of 2026 is a practical step toward ensuring Maryland's public institutions remain strong, responsive, and rooted in respect for the people who make them work.

For these reasons, I urge your support of this measure.

Respectfully,

A handwritten signature in blue ink, appearing to read "David Trone".

David Trone

Former Member of Congress

SB28_Michaels_FAV.pdf

Uploaded by: Deborah Michaels

Position: FAV

**DEBBIE MICHAELS
PO BOX 1611
WESTMINSTER, MD 21158**

Written Testimony

SB028

Arbitration Reform for
State Employees Act of 2026
FAVORABLE

I have worked at UMBC as support staff for seventeen years, have served as the president of our workers union since 2014 and am a USM/AFSCME MOU bargaining team member. I want to bring to your attention some of the reasons why binding arbitration is so important and would benefit both the USM, the state and the unions that negotiate with them.

During our negotiations on the MOU that was ratified in July 2024, we met multiple times over a 2-year period. At all of these meetings, there was a minimum of one, often times two representatives from the universities HR and Labor Management staff and USM administrators, each earning generous six figure salaries. Additionally, there was the union team, with much more modest salaries, averaging around 50k. Moreover, there is the expense of USM's legal counsel, which does not come cheap. I bring this up to highlight that there is a cost when negotiations are unnecessarily dragged out on impasse.

Not only did USM delay starting negotiating the consolidated contract for eight months, these negotiations should not have taken as long as they did once we began. We were not starting from scratch. We already had multiple contracts in place with very similar language. This was a matter of blending these contracts, updating wording to clarify the intent of the agreements, and making much needed improvements to benefit both parties.

Though fact-finding is a current option, should we proceed with this step, there is no guarantee of a satisfactory outcome. Additionally, we must tighten up timelines for such negotiations. Continuing to meet multiple times, without moving to sign tentative agreements, is a waste of time to everyone at the table and expensive in terms of achieving nothing for all that time spent.

Binding arbitration would help resolve many of these expensive issues by compelling both parties to come together in an efficient manner prior to needing to escalate the process. Should the need arise and an impasse is not resolved, a third party review can assess all the facts and provide an unbiased binding solution.

Thank you for your consideration to support SB028.

Sincerely,

Debbie Michaels
President, AFSCME Local 1459
University of Maryland, Baltimore County (UMBC)

SB28_AFSCME3_FAV.pdf

Uploaded by: Denise Gilmore

Position: FAV



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Patrick Moran – President

SB 28 – Arbitration Reform for State Employees Act of 2026
Budget and Taxation Committee
February 18, 2026

Position: FAVORABLE

AFSCME Maryland Council 3 represents 55,000 public service workers across varying levels of government including in our city, county, state, K-12, and higher education institutions and agencies. AFSCME members are on the frontlines every day delivering critical public services our communities depend on. AFSCME strongly supports SB 28. Under current law, when contract negotiations for state and higher education employees reach an impasse, a neutral factfinder is selected to evaluate the parties' proposals and make non-binding recommendations. As a result, management can still impose the budget proposals they want, and non-budgetary issues remain unresolved. Because the outcome of these negotiations is non-binding, the process often leads to unproductive dynamics. Management does not have to negotiate in good faith towards an agreement since they can ultimately just impose what they want, regardless.

SB 28 encourages the parties to bargain in good faith by establishing clearer and more workable timelines, ensuring that negotiations are completed in time for budget submissions. The bill also allows for the selection of a neutral arbitrator to mediate if necessary and, in the event of an impasse, introduces a process for binding interest arbitration. Under this bill, negotiations for both state and higher education employees would occur between July 1 and September 30. If negotiations are not concluded by October 1, either party may declare an impasse. In the event of an impasse, the arbitrator must issue a preliminary written award by December 5. The parties then have five days to mutually request changes or adjustments. A final award must be issued by December 15. The goal here again, is to have completed this process, should an impasse occur, before the budget submission deadline is due to the legislature on January 20.

Unlike factfinding, which results in non-binding recommendations, **binding interest arbitration involves a neutral third party who evaluates the proposals based on objective, rational evidence and issues a binding decision**. This creates a pathway for a true resolution to the dispute. Additionally, SB 28 includes a constitutional amendment that requires the Governor to include the appropriations necessary to fund the terms agreed upon in the memoranda of understanding with state personnel unions within the Governor's budget proposal. The legislature's budgetary powers remain unaltered.

SB 28 is important because unlike State employees in Pennsylvania and in 9 other states¹, Maryland state employees cannot strike. Without the right to strike, arbitration is a much-needed tool for successful and cooperative public-sector labor relations. Most states in America allow binding interest arbitration for some or all employees². Most Big 10 Institutions, including all four schools recently added through conference realignment have arbitration provisions in their union contracts with staff. In Maryland state government, the Maryland Transit Administration already has binding interest arbitration authorized in the Transportation Article for their state employees.

At the local government level in Maryland, binding arbitration is not new or controversial. Eight Maryland county and municipal jurisdictions have authorized binding arbitration for some or all its employees³. This past October, Anne Arundel County passed a charter resolution authorizing binding interest arbitration for its county employees by a unanimous [7-0 vote](#). All our K-12 county school boards have binding arbitration for their employees. Where binding arbitration exists, it has consistently resulted in the parties reaching a settlement and coming to an agreement far more often than it has led to actual arbitration. The prospect of a binding decision encourages both sides to negotiate more seriously and work toward a mutually agreeable solution, reducing the need for arbitration.

SB 28 simply ensures that the parties work together in good faith to reach an agreement and avoid an impasse. However, should an impasse occur, it guarantees that there will ultimately be a resolution. The dedicated public servants who choose a career in state employment deserve to have the same collective bargaining rights that their peers in other state agencies and across the state have.

We urge you support our hard-working state employees by modernizing our collective bargaining laws and passing the Arbitration Reform for State Employees Act of 2026. It's time for Maryland to catch up.

We urge a favorable report on SB 28.

¹**States where state employees have the right to strike:** Alaska, California, Hawaii, Illinois, Minnesota, Montana, Ohio, Oregon, Pennsylvania, and Vermont.

²**States with binding interest arbitration for some or all state employees:** Alaska, California, Connecticut, District of Columbia, Hawaii, Illinois, Iowa, Maine, Massachusetts, Michigan, Minnesota, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Texas, Vermont, Washington, Wisconsin, & Wyoming

³**Maryland jurisdictions with binding arbitration authorized for some or all employees:** Anne Arundel County, Baltimore City, Baltimore County, Frederick County, Howard County, Montgomery County, Prince George's County, and the Town of Ocean City.



SB28_FAV.pdf

Uploaded by: Donna Edwards

Position: FAV



MARYLAND STATE & D.C. AFL-CIO

Affiliated with the National AFL-CIO

Donna S. Edwards
President

Samuel Epps, IV
Secretary-Treasurer

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SB 28 - Arbitration Reform for State Employees Act of 2026

Senate Budget and Taxation Committee

February 18, 2026

SUPPORT

Donna S. Edwards

Maryland State and DC AFL-CIO

Chairman and members of the Committee, thank you for the opportunity to submit testimony in support of SB 28. On behalf of 700 affiliated unions, I offer the following comments.

Binding arbitration is mutually beneficial to our state government, our state employees, and taxpayers.

SB 28 proposes amending the Maryland Constitution to establish binding arbitration for certain state worker collective bargaining. Binding arbitration is a common dispute resolution process in both private and public sector labor relations all around the country. SB 28 provides balance in the negotiations process, giving both parties every motivation to bargain in good faith and work toward a timely agreement.

Public sector workers in the following states have some form of binding interest arbitration for their collective bargaining processes: Alaska, California, Connecticut, District of Columbia, Hawaii, Illinois, Iowa, Maine, Massachusetts, Michigan, Minnesota, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Texas, Vermont, Washington, Wisconsin, and Wyoming. Even in Maryland, certain county workers in Anne Arundel, Baltimore City, Baltimore County, Frederick County, Howard, Montgomery, Prince George's, and the Town of Ocean City have binding interest arbitration for some or all of their units. Maryland is in the minority of states with public sector collective bargaining that do not also have binding interest arbitration.

The process listed in SB 28 for the selection of neutral arbitrators is shared by many unions and employers all over the country. This bill is a fair and balanced approach to providing effective and efficient negotiations for our state employees.

For these reasons, we urge a favorable report on SB 28.



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SB28_Noble-FAV.pdf

Uploaded by: Ginger Noble

Position: FAV

Written Testimony: Ginger L. Noble
SB28 (Arbitration Reform for State Employees Act of 2026)

I've been a member of the AFSCME Maryland Bargaining Team for over 9 years. This has provided me with a wide range of experience on how things are handled from both sides. The current system for negotiating contracts in state government and higher education lacks a meaningful impasse procedure. I personally witnessed this occur on multiple occasions. I was even a witness during the Unfair Labor Practice case. Currently, an impasse results negotiations and can carry on for a long time without resolution and/or disputes end with management just doing whatever they want to anyways. It's disheartening to be told that the fact-finder agrees with just about everything, but has no authority to enact the decision nor did it impact the urgency to fairly negotiate.

The only way to properly address the impasse issue is to pass binding arbitration. This is when a neutral third party is brought in to evaluate proposals and make binding decisions. This ensures both parties are accountable to negotiating in good faith.

A number of our surrounding local jurisdictions already have won the right to binding arbitration; however, the Maryland state government is behind the curve on this. I've personally helped get out the vote to assist our other labor brothers earn the right to have binding arbitration. Eight Maryland jurisdictions already allow binding arbitration at the local government level (including in our own Western region), all of our public K-12 schools have binding arbitration, as well as 26 states and D.C. nationally for their employees. Those entities that have binding arbitration have been shown to have a greater success of settling an agreement before arbitration is necessary far more than those negotiations actually ending up in arbitration.

Please pass SB 28 to help us negotiate more efficiently.

Thank you,

Ginger L. Noble, MBA

AFSCME Council 3 – Western Region Unit Vice-President
AFSCME Local 354, President
Washington and Frederick County Employees

SB28_MSEA_Cook_FAV.pdf

Uploaded by: Jessica Cook

Position: FAV

**Favorable
Senate Bill 28
Arbitration Reform for State Employees Act of 2026**

**Budget and Taxation Committee
February 18, 2026**

**Jessica Cook
Government Relations**

The Maryland State Education Association supports Senate Bill 28. This legislation amends the collective bargaining process for state employees by establishing specified timelines for the commencement and termination of negotiations, requiring the selection of a neutral arbitrator to oversee the collective bargaining process, and creating an arbitration process to resolve impasse in bargaining including final and binding arbitration on the parties.

MSEA represents 76,000 educators and school employees who work in Maryland's public schools and community colleges, teaching and supporting our almost 900,000 K-12 students so they can pursue their dreams. MSEA represents more than 44 local affiliates in every county across the state of Maryland, and our parent affiliate is the 3-million-member National Education Association (NEA).

While the bill does not directly affect our members, Senate Bill 28 represents a significant step forward to ensure state employees receive the dignity and respect they deserve by establishing an effective dispute resolution process in collective bargaining negotiations. Unlike private sector employees and certain public employees in other state jurisdictions, Maryland public employees do not have the right to strike. Binding arbitration provides a peaceful, timely, and final resolution to disputes between public employers and public employees concerning essential terms and conditions of employment such as compensation, benefits, leave, and working conditions. These issues are of profound importance to workers and their families and weigh heavily on retaining current employees and attracting new



workers into state government to deliver essential services to the residents of Maryland.

Twenty-seven states and the District of Columbia have authorized binding arbitration for certain categories of public employees or all public employees including Alaska, California, Connecticut, Hawaii, Illinois, Iowa, Maine, Massachusetts, Michigan, Minnesota, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Texas, Vermont, Washington, Wisconsin, and Wyoming.

In Maryland, binding interest arbitration is authorized for certain state, county and municipal employees. Additionally, binding interest arbitration provided by the Public Employee Relations Board is available to public school employers and exclusive representatives of public-school employees to resolve impasse in negotiations.

Under current law, fact finding is the only alternative dispute resolution mechanism available to resolve impasse in negotiations between the state and the exclusive representative representing state employees. Fact-finding only provides the parties with non-binding recommendations and is inadequate to promote the timely resolution of impasse in negotiations.

Maryland must do all it can to compete with neighboring jurisdictions and the private sector to make employment with the state competitive and attractive. The peaceful, timely resolution of disputes in collective bargaining negotiations through binding arbitration is a significant step forward to accomplish that goal. MSEA applauds the sponsors for bringing this legislation forward and standing with working families.

We urge the committee to issue a Favorable Report on Senate Bill 28.

SB0028.pdf

Uploaded by: Kathleen Thompson

Position: FAV

Chair and Members of the Committee,

My name is Kathleen Thompson, and I am writing as a Maryland resident in support of Senate Bill 28, the Arbitration Reform for State Employees Act.

This legislation is about fairness, stability, and respect for the public servants who keep Maryland running. When collective bargaining reaches an impasse, workers should have access to a clear, reliable path forward. Establishing a structured arbitration process ensures that negotiations do not simply stall indefinitely and that both parties remain accountable to reaching workable agreements.

I support SB0028 because it strengthens the integrity of the bargaining process. Agreements that are reached should be meaningful and implementable. Requiring the budget to reflect negotiated terms promotes transparency, predictability, and good-faith negotiations.

Maryland's state employees provide essential services in public safety, health, transportation, education, and many other areas. A fair process for resolving disputes helps recruitment, retention, and morale, while also supporting consistent delivery of services for residents.

Thank you for your consideration, and I respectfully urge a favorable report on Senate Bill 28.

Sincerely,

Kathleen Thompson

SB 28 Testimony_Cory McCray.pdf

Uploaded by: Marvin "DOC" Cheatham

Position: FAV

CORY V. MCCRAY
Legislative District 45
Baltimore City



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Cory.Mccray@senate.state.md.us

Budget and Taxation Committee
Capital Budget Subcommittee
Health and Human Services Subcommittee

THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Vote Yes On Senate Bill 28

Bill Title: Arbitration Reform for State Employees Act of 2026

Committee: Budget and Taxation and Finance Committee

Hearing Date: February 18th, 2026

Dear Chair and Honorable Members of the Committee,

I submit this testimony in strong support of **Senate Bill 28**, the Arbitration Reform for State Employees Act of 2026.

Senate Bill 28 modernizes Maryland's collective bargaining framework by establishing a structured and transparent arbitration process when negotiations between the State and employee representatives reach an impasse. The bill provides for the selection of a neutral arbitrator, outlines clear timelines, and ensures that disputes are resolved in an orderly and accountable manner.

The proposal maintains legislative oversight by making funding decisions contingent on approval by the General Assembly in accordance with Article III, § 52 of the Maryland Constitution. It also requires arbitrators to consider the State's financial condition, the interests of the public, and budgetary limitations when issuing decisions.

Respectfully,

A handwritten signature in blue ink, appearing to read "Cory V. McCray".

Cory V. McCray
45th District

AFT_SB28. Binding Arbitration.pdf

Uploaded by: Todd Reynolds

Position: FAV

**Written Testimony Submitted to the
Maryland Senate Budget and Taxation Committee
SB 28
Arbitration Reform for State Employees Act of 2026
February 18, 2026
SUPPORT**

Good afternoon, Chair Guzzone, Vice Chair Rosapepe, and members of the Senate Budget and Taxation Committee. AFT-Maryland is the state federation for a number of public K-12 education, public higher education, and public employee unions in our state, representing over 20,000 employees in the Baltimore Teachers Union, the Maryland Classified Employees Association, county and municipal government employees in Baltimore City and Baltimore County, the full-time faculty at eight of the state's community colleges, and state employees in the Maryland Professional Employees Council (state employees in Unit G), AFT Healthcare-Maryland (state employees in Unit E), Maryland Classified Employees Association (representing staff at Salisbury University and UMCES), and the Maryland School for the Deaf (state employees in Unit K). On behalf of these workers, and especially the 4 state employee unions this bill would benefit, we call for a favorable report to SB 28, the bill that would ensure a fair bargaining process in contract negotiations between the Governor and the state's workforce.

During the last three years of bargaining, our unions have had an amicable, professional, and productive relationship with the administration, engaging in a real, good faith exchange of ideas to resolve problems our employees face in various state agencies. Each of our unions have every year come to an agreement with management on a collective bargaining agreement. Our support of this bill should not be seen as an indictment of that relationship; rather, our unions realize that sometimes those relationships can change depending on who occupies these offices in the future, and that an objective process to resolve disputes at the bargaining table is in the best interest of the state and its employees. What this bill would do is create a rational process by which impasses during contract negotiations may be resolved. Additionally, even offering the potential for either side to request an arbitrator whose decision regarding an impasse at bargaining will further advance and ensure that each side will be working in good faith to come to a resolution at the bargaining table.

In Maryland, binding arbitration is already the norm for a large number of public sector employees. All local K12 public school systems in the state have the right to binding arbitration if contract negotiations come to an impasse, as do a number of municipal and county employee unions in their negotiations with management. Even a sector of state employees working within

the State Department of Transportation have access to binding arbitration. We must note, however, that while the local K12 School districts and their unions do utilize binding arbitration, because it is a state school, the negotiations between the teachers and staff union and the administration at the Maryland School for the Deaf do not have this right. Let us correct this error and bring a level of objectivity and fairness to the collective bargaining system to the rest of state employees by passing SB 28.

SB 28 Arbitration Reform State Employees 2026 Su

Uploaded by: Tom Clark

Position: FAV



International Brotherhood of Electrical Workers

CHRISTOPHER M. CASH: Business Manager • THOMAS C. MYERS: President • RICHARD D. WILKINSON: Vice President
WILLIAM T. NG: Financial Secretary • RICHARD G. MURPHY: Recording Secretary • MARK F. PONTELLO: Treasurer



SB 28-Arbitration Reform for State Employees Act of 2026 Senate Budget and Taxation Committee February 18, 2026 SUPPORT

TO: Chair Guzzone, Vice Chair Rosapepe, and Members of the Budget & Finance Committee

FROM: Tom Clark, Political Director, Intl' Brotherhood of Electrical Workers Local 26

Mr. Chair, Mr. Vice Chair and members of the Committee, I ask that support our State Workers and **Support SB 28**. This legislation gives employees in our great state the ability to bargain collectively with the use of binding arbitration.

Without the use of binding arbitration, our state employees have fallen woefully behind the rate of inflation. In fact, they have dropped to 16% below the rate of inflation. I repeat, the very workers that work for the state, the Governor and the Legislators are 16% below the rate of inflation. Why do the leaders of the State not want to bargain fairly with their own employees, their own citizens? The piece of legislation seeks fairness for the rank-and-file people in the Maryland. Most of you on this committee believe in collective bargaining. However, without binding arbitration, collective bargaining for state employees falls short of a "fair shot" for working people.

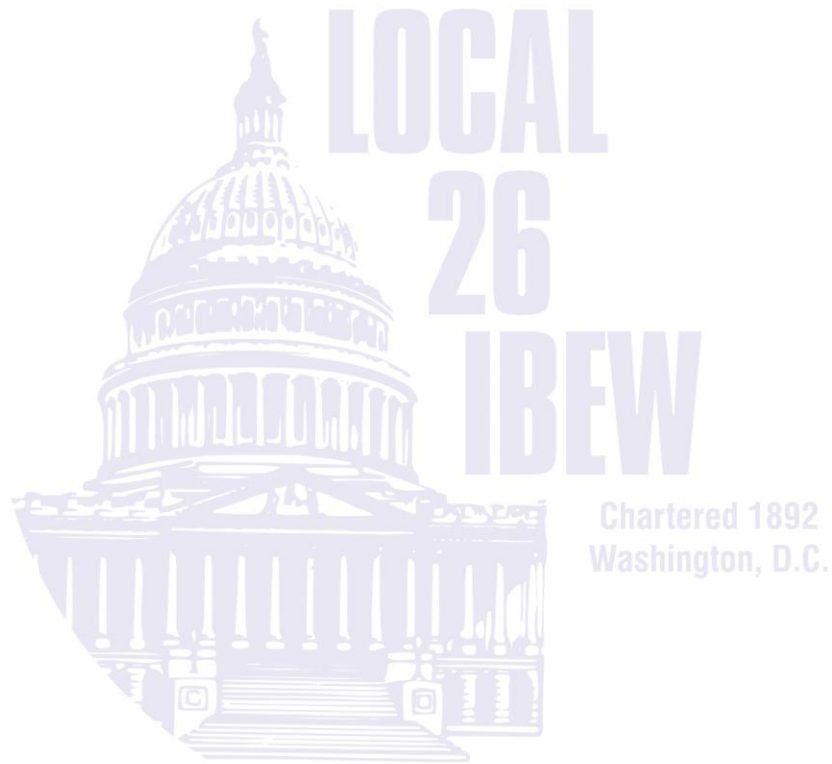
I ask that you give state employees a bargaining chip that so many in our state have. I ask you to allow these employees to keep their heads above water, and above the rate of inflation. I respectfully ask that you **support SB 28**. Thank you





International Brotherhood of Electrical Workers

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SB28_USM_UNF.pdf

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Position: UNF



SENATE BUDGET AND TAXATION COMMITTEE
Senate Bill 28
Arbitration Reform for State Employees Act of 2026
February 18, 2026
Unfavorable

Chair Guzzone, Vice Chair Rosapepe, and members of the committee, thank you for the opportunity to offer testimony on Senate Bill 28. Senate Bill 28 would represent the third significant and substantial overhaul to the collective bargaining statute in recent years. As written, the University System of Maryland (USM) respectfully opposes Senate Bill 28. The USM knows you're well aware of the current budget climate as we all are. We've suffered cuts over the past two fiscal years totaling 10%, equating to \$200 million. This is in addition to the \$133 million reduction in federal dollars, including grant funds. The imposition of additional policy changes at this time would be more than challenging for all of our campuses on top of these reductions.

The USM is comprised of twelve distinguished institutions, and three regional centers. We award eight out of every ten bachelor's degrees in the State. Each of USM's 12 institutions has a distinct and unique approach to the mission of educating students and promoting the economic, intellectual, and cultural growth of its surrounding community. These institutions are located throughout the state, from western Maryland to the Eastern Shore, with the flagship campus in the Washington suburbs. The USM includes three Historically Black Institutions, comprehensive institutions and research universities, and the country's largest public online institution.

Collective bargaining has existed in the State of Maryland, including for employees of USM's institutions, for more than twenty years. For two decades, the institutions (including now the Chancellor as part of the consolidated collective bargaining process) have negotiated successfully, and in good faith, with the exclusive representatives (AFSCME, MCEA, and FOP) of the twenty-five individual bargaining units across the USM and have reached agreement without the need for third-party intervention in almost every instance. The current collective bargaining process provides every incentive for the parties to compromise, a vital aspect of any labor agreement. And AFSCME Maryland Council 3 and the USM were able to reach an agreement on the first ever system-wide contract for AFSCME-represented workers. The existing process under the statute works. Like the legislative process, the negotiation process can be challenging, but if allowed to work to its natural conclusion, it renders a good product.

Putting the ultimate decision-making authority into the hands of a single third party is inconsistent with the process of collective bargaining and could have serious fiscal consequences for the USM, particularly its smaller institutions. While Senate Bill 28 purports to bind the Governor to include appropriations in his budget necessary to fund implementation of all wage and other terms and conditions of employment in each MOU, it is unclear whether the General Assembly would be obligated to ultimately fund those terms. If those terms go unfunded, Senate Bill 28 would essentially create an unfunded mandate, binding the institutions to "take all actions necessary to carry out and effectuate the final written award and place into effect the memorandum of understand." The

unintended result of which would likely be an increase in tuition and fees and/or a reduction in services and positions.

Additionally, the bill significantly and unrealistically restricts the timeframe for negotiations to between July 1 and September 30. Not only does negotiation of a successor contract typically take more than three months to complete, but the negotiation of a new contract can take 18 months or more to negotiate if the parties are meeting on a frequent and regular basis. Note that, under existing law, all terms of an MOU continue in full force and effect until a successor agreement is negotiated. Senate Bill 28 creates a conflict of interest, real or perceived, on the part of the arbitrator, and infringes on the rights and authority of the Public Employee Relations Board. Utilization of a paid arbitrator throughout the process will easily total thousands or tens of thousands of dollars in addition to the attorney fees and costs of experts such as an economist.

While there are certain states and local jurisdictions that make a binding interest arbitration process available, binding interest arbitration is a process generally reserved to public safety employees such as those in police and fire units that are typically smaller and have a unique set of needs and circumstances. Even in those states where regular staff employees have access to an interest arbitration process, that process is often vastly different from the one outlined in Senate Bill 28. Many of those states utilize a multi-stage impasse resolution process, an appeal/review process is available, and they do not utilize the same decision-maker at every step of the process. States such as CA, IL, OH, PA, OR, MT, and WA, for example, do not have a binding interest arbitration requirement for public higher education employees.

Alternatives to the bill as proposed may include: exclusion of the USM from the bill; tightening and strengthening the existing statutory process without a complete overhaul of the collective bargaining statute; amending the bill so the third-party arbitrator's decision is binding as to non-economic matters only; amending the bill to apply only to public safety units; utilizing a multi-stage interest arbitration process that includes a panel of arbitrators; and/or pushing back the effective date to July 2028.

The USM greatly values the dedication and hard work of its employees who keep our institutions running in support of our providing an affordable and accessible education for Maryland students and their families. The USM remains committed to providing competitive wages and benefits to recruit and retain a highly skilled workforce. Both the institutions and the USM can continue to successfully do that, in part, through good faith negotiations under the existing process with the exclusive representatives across the System.

For these reasons, the USM respectfully opposes Senate Bill 28. If the committee is inclined to move this bill, the USM would appreciate inclusion in discussions of potential amendments.



UNIVERSITY SYSTEM
of MARYLAND

