

Department of Legislative Services
Maryland General Assembly
2003 Session

FISCAL AND POLICY NOTE

House Bill 807 (Washington County Delegation)
Appropriations

Washington County - Collective Bargaining - Hagerstown Community College

This bill authorizes Hagerstown Community College (HCC) to establish collective bargaining procedures for its classified employees. HCC may establish an orderly procedure for its classified employees and their representatives to participate in the formulation of labor relations and personnel policies and may recognize the right of classified employees to organize and bargain collectively through representatives of their choice. HCC may adopt policies and procedures that specify matters such as the rights of each party, the designation of unfair labor practices and remedies, and procedures for negotiating a collective bargaining agreement for wages, hours, and working conditions and resolving any impasse. The bill does not authorize a strike by any classified employee.

The authority provided by the bill, as well as any procedures, decisions, actions, or agreements made pursuant to that authority, expires if a general law on collective bargaining applicable to community college employees becomes effective.

Fiscal Summary

State Effect: None. The bill does not materially affect State finances or activities.

Local Effect: Administrative expenditures of HCC could increase if it chooses to implement collective bargaining. In addition, personnel expenditures could increase from 1% to 1.5% per year or more as a result of collective bargaining. Revenues would not be affected.

Small Business Effect: None.

Analysis

Current Law: Prince George's and Baltimore County Community colleges are authorized or required to allow collective bargaining. The board of trustees for Baltimore County Community College must recognize the right of classified employees to organize and bargain collectively and adopt rules and regulations that specify issues such as the designation of unfair labor practices, the procedure for negotiating a collective bargaining agreement, and the definition of a grievance. Strikes are prohibited under both colleges' procedures.

Local Expenditures: The bill does not define a classified employee so it is unclear how many HCC employees would be covered by collective bargaining or whether part-time employees would be included. Presumably, HCC would establish bargaining units that contain employees of similar classifications.

The bill only authorizes HCC to provide collective bargaining, it does not require it. However, if the college chooses to provide it, it could incur administrative and personnel expenses, described below.

Administrative Costs

Collective bargaining may entail the use of contractual services depending upon how the bargaining is implemented. Fact-finding services are estimated to cost at least \$5,000 to \$8,000 (for each party) and a labor relations administrator can cost \$60,000 annually. The Department of Legislative Services (DLS) observes that the administrative costs for Prince George's Community College (PGCC) were anticipated to be as much as \$88,000 annually; however, the law requiring PGCC to bargain collectively also called for an election, which is not required under this bill.

Personnel Costs

Based on a DLS study of collective bargaining, it is estimated that, on average, collective bargaining increases costs associated with salaries and fringe benefits by 1% to 1.5%. According to the *Higher Education Data Book*, HCC's fiscal 2003 workforce consists of 349 employees (including almost 200 part-time) and the entire payroll, including fringe benefits, is \$12.6 million. The classification of those employees is listed below:

Hagerstown Community College Employees

Administrative	17
Instructional	177
Support	122
Other professional	33

If all employees of all classifications participated in collective bargaining, costs could increase by \$189,000 if salaries and fringe benefits increase by 1.5% as a result of the bill. However, if only full-time employees were included, costs would be considerably lower.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Washington County, Maryland Association of Community Colleges, Department of Legislative Services

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