

Department of Legislative Services
Maryland General Assembly
2004 Session

FISCAL AND POLICY NOTE

House Bill 530
Appropriations

(Delegate Minnick, *et al.*)

Board of Community College Trustees for Baltimore County - Collective
Bargaining - Faculty

This bill requires the Board of Community College Trustees for Baltimore County to extend collective bargaining rights to faculty at the Community College of Baltimore County (CCBC).

Fiscal Summary

State Effect: None.

Local Effect: CCBC costs for faculty compensation would increase by an estimated \$250,000 to \$375,000 annually. Baltimore County and CCBC administrative costs could also increase.

Small Business Effect: None.

Analysis

Current Law: Only classified employees at CCBC have the right to organize and bargain collectively. The Community College Board of Trustees for Baltimore County must adopt rules and regulations for the collective bargaining process.

Background: Collective bargaining rights were extended to personnel in State institutions of higher education, including the Baltimore City Community College, by legislation enacted in 2001 (Chapter 341). However, the rights were not extended to faculty at the institutions. Among community colleges, Baltimore, Montgomery, and

Prince George's counties offer collective bargaining to some of their employees. Only Montgomery College extends collective bargaining to faculty.

The proposed fiscal 2005 State budget includes an appropriation for CCBC of \$30.1 million through the Senator John A. Cade funding formula. The proposed allowance is equal to the fiscal 2004 appropriation.

Local Expenditures: *Baltimore County has not responded to requests for fiscal information on the bill. If the county provides relevant information by which cost estimates can be made, a revised fiscal note will be prepared.*

The Department of Legislative Services estimates costs for collective bargaining in three categories: (1) administrative expenses associated with bargaining; (2) increased employee compensation negotiated through collective bargaining; and (3) additional expenditures for other items negotiated in the bargaining process.

Administrative Expenses

Without information from Baltimore County, the additional administrative expenses that would be incurred to extend collective bargaining rights to faculty at CCBC is indeterminate. It is reasonable to assume, however, that additional personnel could be needed. By way of example, when the State granted collective bargaining rights to personnel at the State-run institutions of higher education, the fiscal note on the bill suggested that eight new employees for the University System of Maryland (USM) could administer a system of collective bargaining for approximately 9,000 employees working in 13 different institutions. The impact of this bill would be significantly less because there are fewer employees and because a system of collective bargaining is already established for classified employees at CCBC.

Employee Compensation

A study by the Department of Legislative Services found that collective bargaining increased salaries and salary-related fringe benefits by 1% to 1.5% per year as compared to the salaries that would have been provided without collective bargaining. CCBC estimates that this level of increase would result in cost increases for the college of \$250,000 to \$375,000 per year.

Expenses for Other Items Negotiated in Collective Bargaining

In addition to general salary increases, other compensation and noncompensation benefits are sometimes negotiated through the collective bargaining process. The cost of any

other items that might be negotiated through collective bargaining cannot be reliably estimated at this time.

Additional Information

Prior Introductions: None.

Cross File: SB 391 (Senator Stone, *et al.*) – Finance.

Information Source(s): Community College of Baltimore County, Maryland Higher Education Commission, Department of Legislative Services

Fiscal Note History: First Reader - February 17, 2004
ncs/hlb

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