

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

Senate Bill 759
Finance

(Senator Ramirez)

State Personnel - Equality for Maryland Caregivers Act of 2013

This bill expands the applicability of the State's collective bargaining law to include employees of the University of Maryland Medical Center within the University of Maryland Medical System (UMMS).

Fiscal Summary

State Effect: None. UMMS is not a State agency.

Local Effect: None.

Small Business Effect: None. UMMS is not a small business.

Analysis

Current Law: UMMS is organized for charitable, scientific, and educational purposes; it is not a State agency, political subdivision, public body, public corporation, or municipal corporation. Statute specifies that UMMS is not subject to any provisions of law affecting only governmental or public entities.

Collective Bargaining

Chapter 298 of 1999 (HB 179) established statutory collective bargaining rights for approximately 40,000 State employees; previously, collective bargaining rights had been established by a 1996 executive order. Chapter 341 of 2001 (SB 207) expanded collective bargaining to include employees of public institutions of higher education in the State. Chapters 581 and 582 of 2012 (SB 783/HB 537) further expanded collective

bargaining rights to include employees of four additional State agencies. The collective bargaining law currently applies to employees of the:

- principal departments within the Executive Branch;
- Maryland Insurance Administration;
- State Department of Assessments and Taxation;
- State Lottery Agency;
- University System of Maryland (USM), Morgan State University (MSU), St. Mary's College of Maryland (SMCM), and Baltimore City Community College (BCCC);
- Maryland Transportation Authority, for police officers at the rank of first sergeant and below and civilian employees;
- Comptroller;
- State Retirement Agency; and
- Maryland State Department of Education.

The following personnel are not included:

- employees of the Maryland Transit Administration;
- Legislative and Judicial Branch personnel;
- elected and appointed officials;
- the Governor's and Lieutenant Governor's staff;
- special appointees and executive service personnel in the State Personnel Management System (SPMS);
- senior administrators, faculty members, student employees, and other designated employees of USM, MSU, SMCM, or BCCC;
- the chief, deputy, or assistant administrator of a unit with an independent personnel system;
- temporary or contractual employees in SPMS;
- an employee who is entitled to participate in collective bargaining under another law;
- an employee whose participation in a labor organization is contrary to the State's ethics laws; and
- any supervisory, managerial, or confidential employee as defined by regulation.

The State Labor Relations Board (SLRB) is a five-member independent unit of State government responsible for administering and enforcing the State's collective bargaining law, particularly the establishment of new collective bargaining units and the certification of exclusive employee representatives for those units. In that capacity, the board holds

elections for exclusive employee representatives when petitioned to do so and also adjudicates dispute resolution cases related to the collective bargaining process. The State Higher Education Labor Relations Board (SHELRB) serves the same purpose for public institutions of higher education in the State.

Parties to the collective bargaining process must make every reasonable effort to conclude their negotiations by January 1 for any item requiring appropriation for the fiscal year that begins the following July 1. If the parties do not conclude negotiations for the next fiscal year before October 25, either party may request that a neutral fact finder be employed to resolve the issues. The outcome of collective bargaining must be incorporated into a memorandum of understanding.

Exclusive employee representatives must represent fairly and without discrimination all employees in a bargaining unit, whether or not they are members of the organization. They may negotiate all matters related to wages, hours, and other terms and conditions of employment.

Service Fees: The Fair Share Act of 2009 (Chapter 187) authorizes the State to collectively bargain with the exclusive representative of a bargaining unit for service fees from State employees who are not members of that exclusive representative. Thus, employees who are in a bargaining unit but are not members of any employee organization must pay the service fee if a fee is successfully negotiated. Likewise, employees who are dues-paying members of an employee organization that is not the exclusive representative must also pay any negotiated service fee.

Chapter 187 specifies that service fees may not be bargained for in negotiations between an employee organization and a USM institution, MSU, SMCM, or BCCC.

Employees may not be required to pay a service fee due to specified religious objections. However, such employees are required to pay up to an amount equal to the negotiated service fee to a nonprofit charitable organization. To receive this exemption, employees must provide proof of payment to the exclusive representative and the Department of Budget and Management.

Background:

Maryland Bargaining Units

Exhibit 1 shows the number of State employees in each bargaining unit, which totals 26,546.

Exhibit 1
State of Maryland Bargaining Units
(Excluding Higher Education Units)

<u>Unit</u>	<u>Unit Name</u>	<u>Employees</u>	<u>Exclusive Representative</u>
A	Labor and Trades	730	AFSCME MD
B	Administrative, Technical, and Clerical	3,487	AFSCME MD
C	Regulatory, Inspection, and License	312	AFSCME MD
D	Health and Human Services (nonprof.)	1,690	AFSCME MD
E	Health Care Professionals	1,719	AFT – Healthcare MD
F	Social and Human Services Professionals	3,875	AFSCME MD
G	Engineering, Scientific, and Administrative Professionals	3,686	MPEC
H	Public Safety and Security	9,385	AFSCME/Teamsters
I	Sworn Police Officers	1,662	SLEOLA

Note: AFSCME = American Federation of State, County, and Municipal Employees; AFT = American Federation of Teachers; MPEC = Maryland Professional Employees Council; SLEOLA = State Law Enforcement Officers' Labor Alliance.

Source: Department of Budget and Management, January 2012

Service Fees

While an exclusive representative bargains for all members of a particular bargaining unit, only a portion of these individuals pays union membership dues to the representing organization. A service fee is paid by an employee to his or her bargaining unit's exclusive representative to offset costs attributable to the collective bargaining process. Generally, this fee is less than the fee charged for union dues. The fee assessed by the American Federation of State, County, and Municipal Employees, which represents the largest group of State employees, is \$13.89 per biweekly pay period, or \$361 per year.

Additional Comments: The Department of Legislative Services advises that the bill does not assign responsibility for administering and enforcing the bill's provisions to

either SLRB or SHELRB. Therefore, it is unclear how the bill's provisions will be implemented and enforced.

In 2012, the national median weekly earnings for union members were \$943, while nonunion members had median weekly earnings of \$742. Therefore, allowing specified UMMS employees to collectively bargain may increase personnel expenditures by UMMS.

Additional Information

Prior Introductions: None.

Cross File: HB 893 (Delegate M. Washington, *et al.*) - Appropriations.

Information Source(s): Department of Budget and Management, University of Maryland Medical System, U.S. Department of Labor, Department of Legislative Services

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