

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 775
Appropriations

(Delegate Smith, *et al.*)

Collective Bargaining - Baltimore City Community College - Faculty

This bill extends collective bargaining rights to specified full-time faculty at Baltimore City Community College (BCCC). The bill also authorizes the establishment of one additional bargaining unit for faculty at BCCC. **The bill takes effect July 1, 2020.**

Fiscal Summary

State Effect: Expenditures for BCCC increase minimally to reimburse the State Higher Education Labor Relations Board (SHELRB) for collective bargaining expenses. Accordingly, SHELRB reimbursable revenues and expenditures increase minimally. In addition, BCCC administrative and personnel expenditures, including those related to State retirement, may increase.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: “Faculty” is defined as an employee who has been designated with faculty status by the president of BCCC. The term does not include officers, supervisory employees, part-time faculty, or student assistants.

Current Law: Chapter 341 of 2001 provided collective bargaining for some employees of the University System of Maryland (USM), Morgan State University (MSU), St. Mary’s College of Maryland (SMCM), and BCCC. At BCCC, specified nonfaculty employees, including nonexempt, exempt, and sworn police officers, have collective bargaining rights.

Certain employees were exempt from collective bargaining, including administrators, faculty, student employees, and contractual employees.

Most local community college employees do not have collective bargaining rights. However, there are employees with collective bargaining rights at the Community College of Baltimore County, Montgomery College, and Prince George's Community College. At the Community College of Baltimore County, classified (nonfaculty) employees have collective bargaining rights. At Montgomery College, all employees (including faculty) except supervisory, confidential employees, and student assistants have collective bargaining rights. At Prince George's Community College, all eligible classified (nonfaculty) employees of the college, including all skilled professional service and skilled and nonskilled service employees, have collective bargaining rights.

SHELRB is responsible for enforcing collective bargaining laws with respect to employees of USM, MSU, SMC, and BCCC.

SHELRB may investigate and take appropriate action in response to complaints of unfair labor practices and lockouts. Among the nine unfair labor practices included in statute is refusing to bargain in good faith. The State and its officers, employees, agents, or representatives are prohibited from engaging in unfair labor practices.

Background: Since enactment of Chapter 341 in 2001, most of the bargaining units for State higher education employees have elected an exclusive representative. In 2015, there were 39 bargaining units from 15 public higher education institutions certified as "eligible for exclusive representative election" by SHELRB.

The administration of SHELRB was consolidated with the State Labor Relations Board in 2006, and the proposed fiscal 2021 State budget includes \$428,356 and three full-time regular positions for the administration of the boards, including the Public School Labor Relations Board. Of that, \$94,456 is reimbursable funds from institutions of higher education, and the remainder is State general funds.

According to the National Center for the Study of Collective Bargaining in Higher Education and the Professions' directory published in 2012, in the United States, approximately 370,000 faculty members at 519 institutions of higher education were represented by a union. About half (48%) of the covered faculty were in two states, California and New York. Nearly all of them (93%) were employed at a public institution, and slightly more than half worked on a full-time basis. Nationally, just over half were employed by two-year institutions. In addition, thousands of more faculty participate in nonbargaining units, and roughly 60,000 graduate student employees are covered by contracts.

Inside Higher Ed reported in 2016 that, due to collective bargaining, adjunct faculty at Northeastern University, a four-year institution, negotiated a new contract with salary increases of 12% over three years. A 2011 study published in the *Journal of Labor Research* found that the collective bargaining rights for faculty at two-year institutions of higher education increased basic salary by 2.8% and total salary by 3.0%.

State Fiscal Effect:

State Higher Education Labor Relations Board

SHELRB reimbursable revenues and expenditures increase by an estimated \$312 per election (for all eligible employees at BCCC). SHELRB advises that postage for election ballots and election supplies are required. These costs are approximately \$3 per eligible employee. Based on 2018 data from the Integrated Postsecondary Education Data System (IPEDS), there are approximately 104 full-time BCCC faculty; it is assumed that the majority will qualify to collectively bargain.

State Aid for Community Colleges and Potential Retirement Costs

Since the State funds BCCC based on a per-student formula, any increase in personnel costs does not affect community college formula aid. Nevertheless, as a State institution, BCCC retirement costs are paid by the State and, to the extent BCCC's personnel costs increase more than they otherwise would have and affect retirement costs, general fund expenditures increase for that purpose. Any such impact cannot be reliably estimated at this time; the potential impact of collective bargaining on salaries is discussed further below.

Baltimore City Community College

Higher education expenditures increase for BCCC to reimburse SHELRB for expenses related to collective bargaining. For the purposes of this estimate, it is assumed that BCCC expenditures increase by an estimated \$3 per eligible employee; however, actual costs depend on whether eligible employees decide to collectively bargain and the reimbursable amount. Based on 2018 data from IPEDS, approximately 104 additional BCCC employees are eligible to collectively bargain under the bill. Thus, BCCC higher education expenditures increase by an estimated \$312 to reimburse SHELRB for collective bargaining elections.

BCCC administrative expenditures may increase to expand collective bargaining to faculty.

Salary and salary-driven fringe benefit costs may increase due to collective bargaining. Although actual increases cannot be reliably estimated, increases of 1% to 3% are probable. BCCC would have to fund any such additional costs within its formula funding and from tuition revenues.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): State Higher Education Labor Relations Board; Baltimore City Community College; *Inside Higher Ed*; National Center for the Study of Collective Bargaining in Higher Education; Department of Legislative Services

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