

Chapter 737

(House Bill 13)

AN ACT concerning

**Influence on Collective Bargaining – Prohibition on Use of Public Funds ~~and~~
~~Income Tax Addition Modification~~**

FOR the purpose of prohibiting a unit of State, county, or municipal government from knowingly using certain funds to influence certain decisions of certain employees relating to collective bargaining; ~~requiring an addition modification under the Maryland income tax for certain expenses to assist, promote, or deter collective bargaining; defining a certain term; providing for the application of certain provisions of this Act;~~ and generally relating to influencing decisions of employees relating to collective bargaining.

BY adding to

Article – Local Government
Section 1–1314
Annotated Code of Maryland
(2013 Volume and 2020 Supplement)

BY adding to

Article – State Finance and Procurement
Section 2–108
Annotated Code of Maryland
(2015 Replacement Volume and 2020 Supplement)

~~BY repealing and reenacting, without amendments,~~

~~Article – Tax – General
Section 10–204(a) and 10–305(a)
Annotated Code of Maryland
(2016 Replacement Volume and 2020 Supplement)~~

~~BY adding to~~

~~Article – Tax – General
Section 10–204(m)
Annotated Code of Maryland
(2016 Replacement Volume and 2020 Supplement)~~

~~BY repealing and reenacting, with amendments,~~

~~Article – Tax – General
Section 10–305(d)
Annotated Code of Maryland
(2016 Replacement Volume and 2020 Supplement)~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Local Government

1–1314.

(A) A UNIT OF A COUNTY OR MUNICIPAL GOVERNMENT MAY NOT KNOWINGLY USE PUBLIC FUNDS TO INFLUENCE THE DECISIONS OF COUNTY OR MUNICIPAL EMPLOYEES TO:

(1) SUPPORT OR OPPOSE AN EMPLOYEE ORGANIZATION THAT REPRESENTS OR SEEKS TO REPRESENT THE EMPLOYEES OF THE COUNTY OR MUNICIPALITY; OR

(2) BECOME A MEMBER OF AN EMPLOYEE ORGANIZATION.

(B) THIS SECTION DOES NOT APPLY TO AN ACTIVITY PERFORMED OR AN EXPENSE INCURRED IN CONNECTION WITH:

(1) ADDRESSING A GRIEVANCE OR NEGOTIATING OR ADMINISTERING A COLLECTIVE BARGAINING AGREEMENT;

(2) ALLOWING AN EMPLOYEE ORGANIZATION OR A REPRESENTATIVE OF AN EMPLOYEE ORGANIZATION ACCESS TO AND USE OF A COUNTY’S OR MUNICIPALITY’S FACILITIES OR PROPERTIES;

(3) PERFORMING AN ACTIVITY REQUIRED BY FEDERAL OR STATE LAW OR A COLLECTIVE BARGAINING AGREEMENT;

(4) NEGOTIATING, ENTERING INTO, OR CARRYING OUT A VOLUNTARY RECOGNITION AGREEMENT WITH AN EMPLOYEE ORGANIZATION; OR

(5) PAYING WAGES TO A REPRESENTED EMPLOYEE WHILE THE EMPLOYEE IS PERFORMING DUTIES IF THE PAYMENT IS PERMITTED UNDER A COLLECTIVE BARGAINING AGREEMENT.

Article – State Finance and Procurement

2–108.

(A) A UNIT OF STATE GOVERNMENT MAY NOT KNOWINGLY USE PUBLIC FUNDS TO INFLUENCE THE DECISIONS OF STATE EMPLOYEES TO:

(1) SUPPORT OR OPPOSE AN EMPLOYEE ORGANIZATION THAT REPRESENTS OR SEEKS TO REPRESENT THE EMPLOYEES OF THE UNIT OF STATE GOVERNMENT; OR

(2) BECOME A MEMBER OF AN EMPLOYEE ORGANIZATION.

(B) THIS SECTION DOES NOT APPLY TO AN ACTIVITY PERFORMED OR TO AN EXPENSE INCURRED IN CONNECTION WITH:

(1) ADDRESSING A GRIEVANCE OR NEGOTIATING OR ADMINISTERING A COLLECTIVE BARGAINING AGREEMENT;

(2) ALLOWING AN EMPLOYEE ORGANIZATION OR A REPRESENTATIVE OF AN EMPLOYEE ORGANIZATION ACCESS TO AND USE OF STATE FACILITIES OR PROPERTIES;

(3) PERFORMING AN ACTIVITY REQUIRED BY FEDERAL OR STATE LAW OR A COLLECTIVE BARGAINING AGREEMENT;

(4) NEGOTIATING, ENTERING INTO, OR CARRYING OUT A VOLUNTARY RECOGNITION AGREEMENT WITH AN EMPLOYEE ORGANIZATION; OR

(5) PAYING WAGES TO A REPRESENTED EMPLOYEE WHILE THE EMPLOYEE IS PERFORMING DUTIES IF THE PAYMENT IS PERMITTED UNDER A COLLECTIVE BARGAINING AGREEMENT.

~~SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:~~

~~Article Tax General~~

~~10-204.~~

~~(a) To the extent excluded from federal adjusted gross income, the amounts under this section are added to the federal adjusted gross income of a resident to determine Maryland adjusted gross income.~~

~~(M) (1) (I) IN THIS SUBSECTION, "ASSIST, PROMOTE, OR DETER COLLECTIVE BARGAINING" MEANS ANY ATTEMPT BY A TAXPAYER TO INFLUENCE THE DECISIONS OF THE TAXPAYER'S EMPLOYEES TO:~~

~~1. SUPPORT OR OPPOSE AN EMPLOYEE ORGANIZATION THAT REPRESENTS OR SEEKS TO REPRESENT THE EMPLOYEES OF THE TAXPAYER; OR~~

~~2. BECOME A MEMBER OF AN EMPLOYEE ORGANIZATION.~~

~~(H) "ASSIST, PROMOTE, OR DETER COLLECTIVE BARGAINING" DOES NOT INCLUDE:~~

~~1. ADDRESSING A GRIEVANCE OR NEGOTIATING OR ADMINISTERING A COLLECTIVE BARGAINING AGREEMENT;~~

~~2. ALLOWING AN EMPLOYEE ORGANIZATION OR A REPRESENTATIVE OF AN EMPLOYEE ORGANIZATION ACCESS TO AND USE OF THE TAXPAYER'S FACILITIES OR PROPERTIES;~~

~~3. PERFORMING AN ACTIVITY REQUIRED BY FEDERAL OR STATE LAW OR A COLLECTIVE BARGAINING AGREEMENT;~~

~~4. NEGOTIATING, ENTERING INTO, OR CARRYING OUT A VOLUNTARY RECOGNITION AGREEMENT WITH AN EMPLOYEE ORGANIZATION; OR~~

~~5. PAYING WAGES TO A REPRESENTED EMPLOYEE WHILE THE EMPLOYEE IS PERFORMING DUTIES IF THE PAYMENT IS PERMITTED UNDER A COLLECTIVE BARGAINING AGREEMENT.~~

~~(2) THE ADDITION UNDER SUBSECTION (A) OF THIS SECTION INCLUDES ANY AMOUNT EXPENDED DURING THE TAXABLE YEAR TO ASSIST, PROMOTE, OR DETER COLLECTIVE BARGAINING.~~

~~10-305.~~

~~(a) To the extent excluded from federal taxable income, the amounts under this section are added to the federal taxable income of a corporation to determine Maryland modified income.~~

~~(d) The addition under subsection (a) of this section includes the additions required for an individual under:~~

~~(1) § 10-204(b) of this title (Dividends and interest from another state or local obligation);~~

~~(2) § 10-204(c)(2) of this title (Federal tax exempt income);~~

~~(3) § 10-204(e) of this title (Oil percentage depletion allowance);~~

~~(4) § 10-204(i) of this title (Deduction for qualified production activities income);~~

~~(5) § 10-204(j) of this title (Deduction for costs for security clearance administrative expenses and construction and equipment costs incurred to construct or renovate a sensitive compartmented information facility); [and]~~

~~(6) § 10-204(l) of this title (Deduction for donations to qualified permanent endowment funds); AND~~

~~(7) § 10-204(m) OF THIS TITLE (DEDUCTION FOR EXPENSES TO ASSIST, PROMOTE, OR DETER COLLECTIVE BARGAINING).~~

~~SECTION 3. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall be applicable to all taxable years beginning after December 31, 2020.~~

SECTION ~~4~~ 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2021.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 30, 2021.