

## Chapter 72

## (Senate Bill 2)

AN ACT concerning

**Maryland Environmental Service Reform Act of 2021**

FOR the purpose of altering the type of membership position the Executive Director of the Maryland Environmental Service holds on the Board of Directors of the Maryland Environmental Service from being a voting member to being a nonvoting member; removing the Director and Deputy Director of the Maryland Environmental Service from the Board of Directors of the Maryland Environmental Service; requiring the Secretary and the Treasurer of the Service to be selected by the Board from among the Board's members; providing that the Secretary and the Treasurer serve at the pleasure of the Board; providing for the compensation of the Secretary and the Treasurer; altering the size ~~and~~, membership, and qualifications of the Board; requiring a certain member of the Board to be selected from a certain list of recommendations; prohibiting the Executive Director and State Treasurer from serving as the Secretary, Treasurer, or Chair of the Board; requiring the Executive Director to present certain expense information at each regular meeting of the Board; prohibiting the Governor from appointing a certain employee to the Board; altering the number of members that constitutes a quorum for the transaction of business of the Board; ~~altering the number of votes necessary for certain actions of the Board;~~ requiring the Board to select a Chair from among the Board's members; requiring the voting members of the Board to establish certain criteria and procedures for evaluating the Executive Director in a certain manner and to publish the criteria and procedures on the Service's website; authorizing the Secretary to delegate certain duties to a certain person under certain circumstances; requiring the approval of the Board before the Service may employ certain counsel; requiring the approval of the Board on certain expenditures that exceed a certain amount; requiring the Service to notify the Board of a certain expenditure; altering certain requirements for submitting a certain budget of the Service to the Department of Budget and Management; requiring the Board to establish a personnel system in accordance with certain provisions of law and that includes certain procedures for the redress of certain discipline or discharge; requiring the Service to take certain actions for certain open positions in the Service; authorizing employees of the Service to enter into certain collective bargaining agreements in accordance with certain provisions of law; requiring the Board to adopt, on or before a certain date, a certain conflict of interest policy for members of the Board and to send the conflict of interest policy to the President of the Senate and the Speaker of the House under certain circumstances; requiring Board members to observe a certain standard of care; prohibiting the Board from awarding a severance package to a certain executive under certain circumstances; requiring a certain former executive to reimburse the Service for the value of a certain severance package within a certain amount of time under certain circumstances; requiring the Executive Director to appoint a Diversity Officer for certain purposes; requiring the Board to adopt or readopt policies,

consistent with certain provisions of this Act, governing certain matters on or before a certain date; requiring the Board to periodically review and revise certain policies; requiring the Board to submit a certain report to certain committees of the General Assembly in accordance with certain provisions of law on or before a certain date and within a certain number of days after a certain policy is revised; requiring Board members, the Executive Director, and the Deputy Director to receive annual training on certain topics; requiring the Board to make a certain annual report to the General Assembly in accordance with a certain provision of law on or before certain dates; requiring the Board to make publicly available on the Service's website certain agendas, meeting minutes, and videos within certain timeframes; requiring the Service to maintain on its website certain meeting minutes and video recordings for certain periods of time; providing for the citation to certain provisions of this Act; requiring the Board to obtain a certain assessment of the Board's operations on or before certain dates; requiring the Board to review a certain assessment and make certain changes or recommendations; requiring the Board to submit a certain assessment to the Governor and the General Assembly; requiring the Service to post a copy of a certain assessment on the Service's website in a certain manner; requiring the review and approval of the Board of Public Works on certain contracts, subject to certain exceptions; requiring the Service to obtain a certain audit to be reviewed by the Board in a certain manner; requiring the Service to provide a copy of a certain audit and certain information to the Department of Budget and Management; requiring the Board to post a certain audit on the Service's website in a certain manner; applying certain provisions of the State Personnel and Pensions Article to employees of the Service; authorizing the State Labor Relations Board to designate a certain number of bargaining units for certain employees; requiring and authorizing the Service to take certain actions related to the provision of certain employee information under certain circumstances and certain new employee programs; requiring the Board to participate as a party in certain bargaining under certain circumstances; requiring a certain memorandum of understanding to be executed by the Board; requiring a certain employee to provide certain proof to the Board under certain circumstances; prohibiting a certain employee from being required to negotiate over a certain matter; authorizing a certain employee to negotiate and reach an agreement on a certain matter under certain circumstances; requiring a certain memorandum of understanding to be ratified by the Board and a certain majority; authorizing an exclusive representative to file a certain action against the Service; repealing the definition of "Director" and replacing it with the definition of "Executive Director"; altering a certain definition; providing for the terms of certain Board members; requiring the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, to correct any cross-references or terminology rendered incorrect by this Act and to describe any corrections made in an editor's note following the section affected; ~~making this Act an emergency measure;~~ making technical, stylistic, and conforming changes; and generally relating to the Maryland Environmental Service.

BY repealing and reenacting, without amendments,

Article – Natural Resources  
 Section ~~3–101(a), and (b), and (f)~~  
 Annotated Code of Maryland  
 (2018 Replacement Volume and 2020 Supplement)

BY repealing

Article – Natural Resources  
Section 3–101(f)  
Annotated Code of Maryland  
(2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – Natural Resources  
 Section 3–101(g) and (p), 3–103, 3–103.1(b) and ~~(e)(8), and (c)(4) and (8), 3–106(a)~~  
and (b), 3–107, 3–109(c)(3), and 3–126(d)  
 Annotated Code of Maryland  
 (2018 Replacement Volume and 2020 Supplement)

BY adding to

Article – Natural Resources  
 Section 3–101(g) and 3–103.3 through 3–103.5  
 Annotated Code of Maryland  
 (2018 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, without amendments,

Article – State Personnel and Pensions  
Section 3–101(a) and 3–208(b)  
Annotated Code of Maryland  
(2015 Replacement Volume and 2020 Supplement)

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions  
 Section 3–101(b), 3–102(a), 3–205(a) and (c), 3–208(a), (c), and (d), 3–307, 3–405(a),  
3–501(a) and (d), 3–502(b) and (c), 3–601, and 3–603(c)  
 Annotated Code of Maryland  
 (2015 Replacement Volume and 2020 Supplement)

BY adding to

Article – State Personnel and Pensions  
Section 3–205(d)  
Annotated Code of Maryland  
(2015 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 – Natural Resources**

3–101.

- (a) In this subtitle the following words and terms have the meanings indicated.
- (b) “Board” means the Board of Directors of the Maryland Environmental Service.
- ~~(f) “Director” means Director of the Maryland Environmental Service.~~

~~[(g)] (F) “Energy project” means any service, facility, system, or property, real or personal, used, useful, or having present capacity for use in connection with:~~

- ~~(1) Energy conservation; or~~
- ~~(2) The production, generation, or distribution of energy from a renewable or other energy source.~~

**(G) “EXECUTIVE DIRECTOR” MEANS THE EXECUTIVE DIRECTOR OF THE MARYLAND ENVIRONMENTAL SERVICE.**

~~(p) “Service region” means a geographic area which the Maryland Environmental Service designates and within which the EXECUTIVE Director, after consultation with the municipalities affected, causes surveys, plans, studies, and estimates to be made for the purpose of determining the most dependable, effective, and efficient means of providing services through water supply projects, solid waste disposal projects, or wastewater purification projects. Service regions shall be based upon needs set forth in approved State–county master water and sewerage plans, or solid waste disposal plans, if any, adopted pursuant to the Environment Article, but they may also take account of other plans and studies.~~

3–103.

(a) **(1)** There is a body politic and corporate known as the “Maryland Environmental Service”.

**(2)** The Service is an instrumentality of the State and a public corporation by that name, style, and title, and the exercise by the Service of the powers conferred by this subtitle is the performance of an essential governmental function of the State.

- (b) (1) There are four officers of the Service: [a]
  - (I) ~~A Director~~ AN EXECUTIVE DIRECTOR[, a];**
  - (II) A Deputy Director[, a];**

(III) A Secretary[,]; and [a]

(IV) A Treasurer.

(2) (I) The four officers of the Service shall be appointed [as follows:] **IN ACCORDANCE WITH THIS PARAGRAPH.**

~~(i)~~ (II) 1. The EXECUTIVE Director shall be appointed by the Governor, with the advice and consent of the Senate solely with regard to the qualifications for the duties of the office.

2. The EXECUTIVE Director serves at the pleasure of the Board with the concurrence of the Governor and shall receive such compensation as may be determined by the Board[; and].

~~(ii)~~ (III) 1. The Deputy Director[, the Secretary and the Treasurer] shall be appointed by the EXECUTIVE Director with the approval of the Governor solely with regard to the qualifications for the duties of the office.

2. The Deputy Director[, the Secretary and the Treasurer serve] **SERVES** at the pleasure of the EXECUTIVE Director and shall receive such compensation as may be determined by the Board.

(IV) 1. **THE SECRETARY AND THE TREASURER SHALL BE SELECTED BY THE BOARD FROM AMONG THE BOARD’S MEMBERS.**

2. **THE SECRETARY AND THE TREASURER SERVE AT THE PLEASURE OF THE BOARD AND SHALL RECEIVE SUCH COMPENSATION AS MAY BE REASONABLY DETERMINED BY THE BOARD.**

~~(2)~~ (3) The Board of Directors of the Service shall consist of [nine] ~~SEVEN~~ THE FOLLOWING members ~~as follows:~~

(i) ~~{The EXECUTIVE Director, Deputy Director, Secretary, and Treasurer of the Service}~~ WHO SHALL SERVE AS A NONVOTING MEMBER;

(II) THE STATE TREASURER, OR THE STATE TREASURER’S DESIGNEE;

~~(ii)~~ (III) Three members from the public sector in the State in positions responsible for ENVIRONMENTAL, water, wastewater, or solid waste management; ~~and~~

~~(iii)~~ **(IV)** [Two] ~~THREE members~~ **ONE MEMBER** from the private sector in the State with technical, financial, development, or legal experience related to **ENVIRONMENTAL**, water, wastewater, or solid waste management;

**(V) ONE MEMBER FROM THE PRIVATE SECTOR IN THE STATE WITH FINANCIAL EXPERIENCE RELATED TO ENVIRONMENTAL, WATER, WASTEWATER, OR SOLID WASTE MANAGEMENT; AND**

**(VI) ONE MEMBER FROM THE PRIVATE SECTOR IN THE STATE WITH EXPERIENCE OR EXPERTISE IN MATTERS RELATED TO BUSINESS ETHICS, PREFERABLY INVOLVING BOARD OF DIRECTOR ETHICS AND CONFLICTS OF INTEREST.**

~~[(3)]~~ **(4)** **(I)** [The] **SUBJECT TO SUBPARAGRAPHS (II) AND (III), (III), AND (IV) OF THIS PARAGRAPH**, THE public sector and private sector members of the Board, as set forth in paragraph [(2)(ii)] ~~(3)(ii) and (iii)~~ **(3)(III) THROUGH (VI)** of this subsection shall be appointed by the Governor with the advice and consent of the Senate.

**(II) THE GOVERNOR SHALL SELECT AT LEAST ONE OF THE PUBLIC SECTOR MEMBERS OF THE BOARD FROM A LIST OF RECOMMENDATIONS JOINTLY COMPILED BY THE MARYLAND ASSOCIATION OF COUNTIES AND THE MARYLAND MUNICIPAL LEAGUE.**

**(III) THE GOVERNOR MAY NOT APPOINT AN EMPLOYEE OF THE SERVICE TO THE BOARD.**

**(IV) AT LEAST ONE OF THE PUBLIC SECTOR OR PRIVATE SECTOR MEMBERS SHALL BE A RESIDENT OF A RURAL COUNTY IN THE STATE.**

~~[(4)]~~ **(5)** **(I)** [Six] **FIVE** members constitute a quorum for the transaction of business of the Board.

**(II)** The affirmative vote of at least ~~five~~ **FOUR** members is necessary for any action taken by the Board.

~~[(5)]~~ **(6)** Those members of the Board not already holding a public office shall receive from the Service:

- (i) Per diem compensation as established by the Board; and
- (ii) Reimbursement for expenses under Standard State Travel Regulations.

~~[(6)] (7)~~ The term of a member [who is not an officer of the Service] **OTHER THAN THE STATE TREASURER** is 4 years.

~~[(7)] (8)~~ The terms of members [who are not officers of the Service] **OTHER THAN THE STATE TREASURER** are staggered as required by the terms provided for those members of the Board on July 1, [1993] **2021**.

~~[(8)] (9)~~ At the end of a term, a member continues to serve until a successor is appointed and qualifies.

~~[(9)] (10)~~ A member who is appointed after a term has begun serves only the remainder of that term and until a successor is appointed and qualifies.

**(11) ~~THE~~ A MEMBER OF THE BOARD WHO IS APPOINTED UNDER PARAGRAPH (3)(III) THROUGH (VI) OF THIS SUBSECTION MAY SERVE ONLY TWO CONSECUTIVE FULL 4-YEAR TERMS, PLUS ANY PARTIAL TERM SERVED BEFORE THE INITIAL 4-YEAR TERM.**

**(12) SUBJECT TO PARAGRAPHS (13) AND (14) OF THIS SUBSECTION, THE BOARD SHALL SELECT A CHAIR FROM AMONG THE BOARD'S MEMBERS.**

**~~(12)~~ (13) THE EXECUTIVE DIRECTOR MAY NOT SERVE AS THE SECRETARY, TREASURER, OR CHAIR OF THE BOARD.**

**(14) THE STATE TREASURER MAY NOT SERVE AS THE SECRETARY, TREASURER, OR CHAIR OF THE BOARD.**

(c) (1) The **EXECUTIVE** Director [is both]:

(I) **IS** the administrative head of the Service [and the presiding officer of the Board. The Director is];

(II) **IS** directly responsible to the Board and shall advise the Board on all matters assigned to the Service[. The Director shall];

(III) **SHALL** carry out the Board's policies related to the Service[. He is];

**(IV) SHALL, AT EACH REGULAR MEETING OF THE BOARD, PRESENT A DETAILED AND ITEMIZED ACCOUNTING AND EXPLANATION OF ALL EXPENSES INCURRED BY OR ON BEHALF OF THE EXECUTIVE DIRECTOR AND THE DEPUTY DIRECTOR THAT, IN THE AGGREGATE AND CALCULATED FROM THE DATE OF THE PREVIOUS REGULAR MEETING THROUGH THE DAY BEFORE THE DATE OF**

**THE REGULAR MEETING AT WHICH THE EXPENSES WILL BE PRESENTED, EXCEED \$500; AND**

~~(IV)~~ **(V)** IS responsible for the exercise of all powers and duties conferred upon the Service by the provisions of this subtitle except for those powers and duties specifically conferred by this subtitle on the Secretary, Treasurer, or Board.

**(2) THE VOTING MEMBERS OF THE BOARD SHALL:**

**(I) ESTABLISH THE CRITERIA AND PROCEDURES FOR EVALUATING THE EXECUTIVE DIRECTOR;**

**(II) PUBLISH THE CRITERIA AND PROCEDURES ESTABLISHED UNDER ITEM (I) OF THIS PARAGRAPH ON THE SERVICE'S WEBSITE; AND**

**(III) ANNUALLY EVALUATE THE EXECUTIVE DIRECTOR IN ACCORDANCE WITH THE CRITERIA AND PROCEDURES ESTABLISHED UNDER ITEM (I) OF THIS PARAGRAPH.**

**(3)** The Deputy Director shall have the duties provided by law or delegated by the **EXECUTIVE** Director.

(d) (1) The Secretary [shall]:

**(I) SHALL** keep a record of the proceedings of the Board and be custodian of all books, documents, and papers filed with the Service and of the minute book or journal of the Service and its official seal[. He may];

**(II) MAY** have copies made of all minutes, records, and documents of the Service and certify them to be true copies under the official seal of the Service[. Any person dealing with the Service may rely upon these certificates, and certified copies shall be received as evidence in any court or other tribunal in the State, in the same manner and with the same effect as if the original books, papers, entries, records, or proceedings could be produced.]; **AND**

**[(2)] (III) [The Secretary] MAY**, with the approval of the Board, [may] delegate to [the Deputy Director] **ANOTHER MEMBER OF THE BOARD**, during an absence of the Secretary, any duty enumerated in [paragraph (1) of this subsection] **ITEMS (I) AND (II) OF THIS PARAGRAPH.**

**(2) ANY PERSON DEALING WITH THE SERVICE MAY RELY ON THE CERTIFICATES DESCRIBED IN PARAGRAPH (1)(II) OF THIS SUBSECTION, AND CERTIFIED COPIES SHALL BE RECEIVED AS EVIDENCE IN ANY COURT OR OTHER TRIBUNAL IN THE STATE, IN THE SAME MANNER AND WITH THE SAME EFFECT AS IF**

**THE ORIGINAL BOOKS, PAPERS, ENTRIES, RECORDS, OR PROCEEDINGS COULD BE PRODUCED.**

(e) (1) **(I)** The Treasurer shall [develop]:

1. **DEVELOP** and maintain a detailed and accurate accounting system for all financial transactions of the Service[.]; and [he shall perform]

2. **PERFORM** other duties relating to the financial affairs of the Service as required by law or by a directive of the Board.

**(II)** Unless any money of the Service is otherwise held by or payable to a trustee appointed pursuant to a resolution authorizing the issuance of bonds or notes or under a trust agreement securing the bonds or notes, the Treasurer shall [receive]:

1. **RECEIVE** money of the Service until otherwise prescribed by law; and [he shall deposit]

2. **DEPOSIT** the money as soon as it is received to the credit of the Service in any financial institution in which the State Treasurer is authorized to deposit State funds. [He]

**(III)** **THE TREASURER** shall disburse money for the purposes of the Service according to law, only upon [his] **THE TREASURER'S** warrant. [He]

**(IV)** **THE TREASURER** shall make arrangements for the payment of the interest on and principal of the Service debt.

**(V)** Upon entering the performance of [his] **OFFICIAL** duties, the Treasurer shall be covered by a surety bond in accordance with the provisions of law concerning the State Employees Surety Bond Committee.

(2) **(I)** With the approval of the Board, the Treasurer may authorize an employee of the Service to serve as [his deputy] **DEPUTY TREASURER** and to disburse money for the purposes of the Service as provided by law, and subject to restrictions and other conditions that the Treasurer establishes.

**(II)** The Deputy Treasurer shall be covered by a surety bond in accordance with the provisions of law concerning the State Employees Surety Bond Committee.

(f) **(1)** The Attorney General of Maryland shall [be]:

**(I)** **BE** the legal advisor for the Service and the Board[. He shall enforce]; **AND**

(II) **ENFORCE** compliance with the requirements of this subtitle through any appropriate legal remedy and prosecute violations in accordance with the provisions of this subtitle.

(2) (I) The Attorney General shall assign to the Service the number of assistant Attorneys General and other staff requested by the Service.

(II) One of the assistant Attorneys General shall be designated by the Attorney General as counsel to the Service.

(III) The counsel to the Service shall have no other duty than to render, subject to the discretion and control of the Attorney General, the legal aid, advice, and counsel required by the **EXECUTIVE** Director, the Board, and the other officials of the Service and, also subject to the discretion and control of the Attorney General, to supervise the other assistant Attorneys General assigned to the Service.

(IV) The counsel and every other assistant Attorney General assigned to the Service shall be practicing lawyers of this State in good standing and shall be entitled to a salary from the funds of the Service.

(V) After the Attorney General has designated an assistant Attorney General to serve as counsel to the Service, the Attorney General may not reassign the counsel without consulting with the **EXECUTIVE** Director and the Board.

(VI) With the approval of the Attorney General **AND THE BOARD**, the Service may employ additional counsel that it considers necessary to carry out the provisions of this subtitle.

(g) (1) The Service is exempt from the provisions of Subtitles 3, 4, 5, and 7 of Title 4 of the State Finance and Procurement Article.

(2) The Service is exempt from the provisions of Division II of the State Finance and Procurement Article, but is not exempt from Subtitle 3 of Title 14, Subtitle 4 of Title 12, Title 16, and Title 17 of the State Finance and Procurement Article.

(3) (i) Except as otherwise provided in this paragraph, all procurements by the Service for materials, equipment, services, or supplies performed or furnished in connection with the planning, development, design, equipping, construction, or operation of any project owned or controlled by the Service, shall be awarded in accordance with rules and regulations adopted pursuant to the Administrative Procedure Act.

(ii) The Service may procure materials, equipment, services, or supplies by utilizing:

1. Competitive sealed bids;
2. Competitive sealed proposals;
3. Sole source procurement;
4. Intergovernmental cooperative purchasing agreements;
5. A small procurement process, if the procurement is estimated by the Service to result in an expenditure of \$25,000 or less; or
6. An emergency procurement process, if the procurement is necessary to avoid or to mitigate serious damage to public health, safety, or welfare.

(4) **(I) THE APPROVAL OF THE BOARD SHALL BE REQUIRED ON ANY NONEMERGENCY EXPENDITURE THAT EXCEEDS ~~\$25,000~~ \$200,000.**

**(II) THE SERVICE SHALL NOTIFY THE BOARD OF ANY NONEMERGENCY EXPENDITURE THAT EXCEEDS \$25,000.**

(5) The Service may adopt rules and regulations to provide a process to resolve disputes between the Service and its contractors, that may include alternative dispute resolution by the parties to the dispute.

(h) (1) The Service:

(i) May create and establish 1 or more project reserve funds in such amounts as the Board considers appropriate, including the following project reserve funds:

1. An Eastern Correctional Institution Steam Turbine Contingency Fund;
2. A Department of Natural Resources Project Contingency Fund; and
3. A Reimbursable Project Contingency Fund; and

(ii) Subject to paragraph (2) of this subsection, may pay into such funds:

1. Any money appropriated and made available by the State for the purposes of such funds;
2. Any proceeds from the sale of bonds or notes, to the extent provided in the resolution authorizing the issuance of the bonds or notes;

3. Revenues derived from a project of the Service; and

4. Any other money that may be received by or otherwise made available to the Service from any other source or sources which the Service has designated for deposit into such funds.

(2) Money held in or credited to a project reserve fund established under this subsection shall be used solely to accomplish the purposes of this subtitle, as determined by the Board and, subject to paragraph (3) of this subsection, may be retained by the Service in the appropriate project reserve fund based on the project for which the money was received by the Service.

(3) (i) The Service may credit to a project reserve fund established under paragraph (1)(i)1 through 3 of this subsection only money that is reimbursable to the State.

(ii) The Service may not retain more than:

1. \$1,500,000 in the Eastern Correctional Institution Turbine Project Contingency Fund;

2. \$500,000 in the Department of Natural Resources Project Contingency Fund; or

3. \$1,000,000 in the Reimbursable Project Contingency Fund.

(iii) If at the end of a fiscal year the balance in a project reserve fund exceeds the limits stated in subparagraph (ii) of this paragraph, the Service shall revert the excess to the State fund from which the money in the project reserve fund was originally appropriated.

(4) Money appropriated or made available to the Service by the State shall be expended in accordance with the provisions of this subtitle.

(i) **(1) ~~The~~ SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE** Service shall submit annually a **FULL AND DETAILED** budget reflecting the operating and capital program of the Service to the Department of Budget and Management for inclusion for informational purposes in the State budget book.

**(2) THE BUDGET SUBMITTED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL:**

**(1) BE SUBMITTED IN A MANNER REQUIRED BY THE DEPARTMENT OF BUDGET AND MANAGEMENT; AND**

**(II) SPECIFY THE SOURCE OF THE SERVICE’S REVENUES IN A MANNER REQUIRED BY THE DEPARTMENT OF BUDGET AND MANAGEMENT.**

3–103.1.

(b) (1) The Service shall adopt regulations to govern the employees of the Service.

(2) The Service shall, **IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 3 OF THE STATE PERSONNEL AND PENSIONS ARTICLE**, establish a personnel system that:

(i) Is based on merit and compensates employees based on performance;

(ii) Includes fair and equitable procedures for the redress of grievances and for the hiring, promotion, **DISCIPLINE OR DISCHARGE FOR JUST CAUSE**, and laying off of employees; and

(iii) Allows State employees who are employed by the Service prior to July 1, 1993 and members of the State retirement or pension systems to continue membership in the Employees’ Retirement System of the State of Maryland or the Employees’ Pension System of the State of Maryland.

(3) (i) The Service shall be liable for and shall pay to the State Retirement Agency the employer’s share of employee retirement or pension costs for Service employees who participate in the State retirement or pension systems, as provided in Title 21, Subtitle 3 of the State Personnel and Pensions Article.

(ii) The Service shall be liable for and shall pay the employer’s share of health insurance costs for Service employees.

**(4) FOR EACH OPEN POSITION IN THE SERVICE THAT IS NOT ASSIGNED TO A PROJECT, THE SERVICE SHALL REASONABLY ADVERTISE, CONDUCT A SEARCH, AND CONDUCT A COMPETITIVE INTERVIEW PROCESS.**

~~(4)~~ **(5)** In carrying out the requirements of this subsection, the Service may:

(i) Create or abolish any position other than one specifically provided for in this subtitle;

(ii) Determine employee qualifications, appointment and removal procedures, terms of employment including compensation, benefits, holiday schedules, and leave policies, and any other matter concerning employees; and

(iii) Subject to the provisions of subsection (c) of this section, take such actions that are necessary for the transition to a new personnel system.

(c) (4) The EXECUTIVE Director and the Secretary of Personnel will use their combined resources to facilitate, prior to January 1, 1995, the placement, reassignment, or transfer of Service State employees who elect not to transfer to the new personnel system.

~~(e)~~ (8) [As State employees in general are authorized under Title 3 of the State Personnel and Pensions Article to] **EMPLOYEES OF THE SERVICE MAY** enter into binding collective bargaining agreements [with units of State government] establishing wages, hours, pension rights, or working conditions [for State employees, the Service shall, consistent] **IN ACCORDANCE** with the provisions of Title 3 of the State Personnel and Pensions Article[, recognize and deal with an employee organization once elected as an exclusive representative, collectively bargain, and enter into the same type of agreements for employees of the Service].

### 3-103.3.

**(A) ON OR BEFORE OCTOBER 31, 2021, THE BOARD SHALL ADOPT A CONFLICT OF INTEREST POLICY FOR MEMBERS OF THE BOARD THAT INCLUDES:**

**(1) STANDARDS FOR THE DISCLOSURE OF FINANCIAL INTERESTS;**

**(2) STANDARDS FOR BOARD MEMBER PARTICIPATION IN CONTRACTS WITH THE SERVICE IN ACCORDANCE WITH THIS SUBTITLE, INCLUDING AN ATTESTATION THAT THE BOARD MEMBER HAS COMPLIED WITH THE CONFLICT OF INTEREST STANDARDS ADOPTED BY THE BOARD;**

**(3) STANDARDS FOR RECUSAL FROM VOTING;**

**(4) A REQUIREMENT THAT A BOARD MEMBER MAY NOT USE THE BOARD MEMBER'S POSITION ON THE BOARD FOR PERSONAL GAIN WHEN CONTRACTING WITH THE SERVICE; AND**

**(5) A REQUIREMENT THAT A BOARD MEMBER PROVIDE AN ATTESTATION OF ANY BUSINESS RELATIONSHIP WITH THE SERVICE.**

**(B) THE BOARD SHALL SEND A COPY OF THE CONFLICT OF INTEREST POLICY ADOPTED UNDER SUBSECTION (A) OF THIS SECTION TO THE GOVERNOR, THE PRESIDENT OF THE SENATE, AND THE SPEAKER OF THE HOUSE:**

**(1) AFTER THE POLICY IS INITIALLY ADOPTED; AND**

**(2) EACH TIME A SUBSTANTIVE CHANGE IS MADE TO THE POLICY.**

**3-103.4.**

(A) BOARD MEMBERS SHALL OBSERVE THE SAME STANDARD OF CARE REQUIRED OF CORPORATE DIRECTORS UNDER § 2-405.1 OF THE CORPORATIONS AND ASSOCIATIONS ARTICLE.

(B) (1) THE BOARD MAY NOT AWARD A SEVERANCE PACKAGE TO AN EXECUTIVE OF THE SERVICE ~~WHO RESIGNS TO ACCEPT ANOTHER POSITION IN THE STATE GOVERNMENT~~ IF THE EXECUTIVE ACCEPTS ANOTHER POSITION IN THE STATE GOVERNMENT WITHIN 1 YEAR AFTER THE DATE ON WHICH THE EXECUTIVE'S EMPLOYMENT WITH THE SERVICE IS TERMINATED.

(2) ANY FORMER EXECUTIVE OF THE SERVICE AWARDED A SEVERANCE PACKAGE IN VIOLATION OF THIS SUBSECTION SHALL REIMBURSE THE SERVICE FOR THE VALUE OF THE SEVERANCE PACKAGE WITHIN 1 YEAR AFTER TERMINATING EMPLOYMENT WITH THE SERVICE.

(C) THE EXECUTIVE DIRECTOR SHALL APPOINT A DIVERSITY OFFICER TO:

(1) COORDINATE THE DEVELOPMENT AND IMPLEMENTATION OF A DIVERSITY POLICY FOR THE SERVICE; AND

(2) ASSIST EMPLOYEES WITH THE RESOLUTION OF GRIEVANCES RELATING TO ALLEGED VIOLATIONS OF:

(I) THE SERVICE'S DIVERSITY POLICY; OR

(II) STATE OR FEDERAL ANTIDISCRIMINATION LAWS.

(D) (1) ON OR BEFORE DECEMBER 1, 2021, THE BOARD SHALL ADOPT OR READOPT POLICIES, CONSISTENT WITH THIS SECTION, GOVERNING:

(I) SEVERANCE PACKAGES;

(II) BONUSES, INCLUDING A LIMIT ON BONUSES FOR EXECUTIVES CALCULATED AS A PERCENTAGE OF THE EXECUTIVE'S SALARY;

(III) TUITION REIMBURSEMENTS, INCLUDING LIMITS ON THE AMOUNTS THAT MAY BE REIMBURSED;

(IV) EXPENSE REIMBURSEMENTS, INCLUDING:

1. LIMITS ON THE AMOUNTS THAT MAY BE REIMBURSED;

**2. LIMITS ON HOW LONG AN EXPENSE MAY BE REIMBURSED AFTER IT IS INCURRED; AND**

**3. REQUIREMENTS REGARDING THE NEXUS BETWEEN REIMBURSABLE EXPENSES AND SERVICE FUNCTIONS;**

**(V) WORKFORCE DIVERSITY;**

**(VI) WHISTLEBLOWER COMPLAINTS;**

**(VII) TRAVEL; AND**

**(VIII) THE USE OF CARS, LAPTOPS, CELL PHONES, AND OTHER VEHICLES AND DEVICES OWNED BY THE SERVICE, INCLUDING POLICIES ON WHETHER AND HOW THESE VEHICLES AND DEVICES MAY BE TRANSFERRED TO AN EMPLOYEE OR ANOTHER AGENCY.**

**(2) THE BOARD PERIODICALLY SHALL REVIEW THE POLICIES REQUIRED UNDER THIS SUBSECTION AND REVISE THE POLICIES AS NEEDED.**

**(3) IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE BOARD SHALL SUBMIT A REPORT CONTAINING COPIES OF THE POLICIES REQUIRED UNDER THIS SUBSECTION TO THE LEGISLATIVE POLICY COMMITTEE, THE SENATE BUDGET AND TAXATION COMMITTEE, AND THE HOUSE APPROPRIATIONS COMMITTEE:**

**(I) ON OR BEFORE DECEMBER 31, 2021; AND**

**(II) WITHIN 30 DAYS AFTER ANY POLICY IS REVISED.**

**(E) (1) BOARD MEMBERS, THE EXECUTIVE DIRECTOR, AND THE DEPUTY DIRECTOR SHALL RECEIVE ANNUAL TRAINING ON:**

**(I) ETHICS;**

**(II) HARASSMENT;**

**(III) DIVERSITY; AND**

**(IV) POLICIES ADOPTED UNDER SUBSECTION (D) OF THIS SECTION.**

**(2) IN ADDITION TO THE TRAINING SPECIFIED IN PARAGRAPH (1) OF THIS SUBSECTION, BOARD MEMBERS SHALL RECEIVE ANNUAL TRAINING ON THE STANDARD OF CARE REQUIRED UNDER SUBSECTION (A) OF THIS SECTION.**

**(F) ON OR BEFORE DECEMBER 31, 2021, AND EACH DECEMBER 31 THEREAFTER, THE SERVICE SHALL, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, REPORT TO THE GENERAL ASSEMBLY ON THE SERVICE'S EFFORTS TO REDUCE GREENHOUSE GAS EMISSIONS IN FURTHERANCE OF THE GOALS AND REQUIREMENTS ESTABLISHED UNDER TITLE 2, SUBTITLE 12 OF THE ENVIRONMENT ARTICLE.**

**(G) (1) THE BOARD SHALL MAKE PUBLICLY AVAILABLE ON THE SERVICE'S WEBSITE:**

**(I) EACH OPEN MEETING AGENDA:**

**1. AT LEAST 48 HOURS IN ADVANCE OF EACH MEETING;**

**OR**

**2. IF THE MEETING IS BEING HELD DUE TO AN EMERGENCY, A NATURAL DISASTER, OR ANY OTHER UNANTICIPATED SITUATION, AS FAR IN ADVANCE OF THE MEETING AS PRACTICABLE;**

**(II) MEETING MINUTES FROM THE PORTIONS OF A MEETING THAT WERE HELD IN OPEN SESSION, NOT MORE THAN 2 BUSINESS DAYS AFTER THE MINUTES ARE APPROVED; AND**

**(III) LIVE VIDEO STREAMING OF EACH PORTION OF A MEETING THAT IS HELD IN OPEN SESSION.**

**(2) THE SERVICE SHALL MAINTAIN ON ITS WEBSITE:**

**(I) MEETING MINUTES MADE AVAILABLE UNDER PARAGRAPH (1) OF THIS SUBSECTION FOR A MINIMUM OF 5 YEARS AFTER THE DATE OF THE MEETING; AND**

**(II) A COMPLETE AND UNEDITED ARCHIVED VIDEO RECORDING OF EACH OPEN MEETING FOR WHICH LIVE VIDEO STREAMING WAS MADE AVAILABLE UNDER PARAGRAPH (1) OF THIS SUBSECTION FOR A MINIMUM OF 1 YEAR AFTER THE DATE OF THE MEETING.**

**(H) THIS SECTION MAY BE CITED AS THE MARYLAND ENVIRONMENTAL SERVICE REFORM ACT OF 2021.**

**3-103.5.**

**(A) ON OR BEFORE DECEMBER 31, 2021, AND EACH DECEMBER 31 EVERY 5 YEARS THEREAFTER, THE BOARD SHALL OBTAIN AN ASSESSMENT OF THE BOARD'S OPERATIONS BY AN INDEPENDENT CONSULTANT OR ACCOUNTANT.**

**(B) THE ASSESSMENT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION SHALL INCLUDE AN EVALUATION OF:**

**(1) THE STRUCTURE OF THE BOARD, INCLUDING THE BOARD'S:**

**(I) COMPOSITION;**

**(II) CHARTER, BYLAWS, AND OTHER GOVERNING DOCUMENTS AND PROCEDURES;**

**(III) DIVERSITY;**

**(IV) SUBCOMMITTEES OR WORKGROUPS; AND**

**(V) FREQUENCY OF MEETINGS;**

**(2) THE DYNAMICS AND FUNCTIONING OF THE BOARD, INCLUDING:**

**(I) THE BOARD'S ANNUAL CALENDAR;**

**(II) ACCESS TO INFORMATION;**

**(III) COMMUNICATION WITH SERVICE PERSONNEL;**

**(IV) PLANNING; AND**

**(V) COHESIVENESS AND CONDUCT OF BOARD MEETINGS;**

**(3) THE BOARD'S ROLE IN THE SERVICE'S SHORT-TERM AND LONG-TERM STRATEGY;**

**(4) THE FINANCIAL REPORTING PROCESS, INTERNAL AUDIT, AND INTERNAL CONTROLS;**

**(5) THE BOARD'S ROLE IN MONITORING THE SERVICE'S POLICIES, STRATEGIES, AND SYSTEMS;**

**(6) THE BOARD'S ROLE IN SUPPORTING AND ADVISING THE SERVICE;**

**(7) THE ROLE OF THE CHAIR OF THE BOARD; AND**

**(8) ANY OTHER ISSUE RELEVANT TO THE BOARD'S OPERATIONS.**

**(C) THE BOARD SHALL:**

**(1) REVIEW EACH ASSESSMENT REQUIRED UNDER THIS SECTION AT A MEETING OF THE BOARD; AND**

**(2) MAKE ANY CHANGES OR RECOMMENDATIONS THAT THE BOARD CONSIDERS APPROPRIATE BASED ON THE ASSESSMENT.**

**(D) (1) THE BOARD SHALL SUBMIT EACH ASSESSMENT REQUIRED UNDER THIS SECTION TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.**

**(2) THE SERVICE SHALL POST A COPY OF EACH ASSESSMENT ON THE SERVICE'S WEBSITE, INCLUDING A LINK TO A COPY OF THE MOST RECENT ASSESSMENT ON THE HOMEPAGE OF THE WEBSITE.**

3-106.

**(a) The EXECUTIVE Director, after consultation with the Secretary of Natural Resources, the Secretary of the Environment, the Director of Planning, and the municipalities affected, shall determine appropriate boundaries for water supply service regions, wastewater purification service regions, and solid waste disposal service regions. Service regions shall be based upon needs set forth in, and provide integration of, approved State-county master plans for water and sewerage or solid waste disposal, adopted pursuant to the Environment Article, but also may take account of other plans and studies.**

**(b) As soon as possible after the determination of appropriate boundaries, the EXECUTIVE Director, after consultation with the municipalities affected, shall establish priorities for designating water supply service regions, wastewater purification service regions, and solid waste disposal service regions and formally designate the regions.**

3-107.

**(a) (1) Any municipality or person may request the Service to provide the water supply, wastewater purification, solid waste disposal, or energy projects, or any other services, authorized by this subtitle.**

**(2) The request shall set forth the type of proposed project or services to be furnished and the proposed boundaries of the area within which a project or services are requested.**

(b) **(1)** Notwithstanding any limitations or other provisions to the contrary of Division II, Title 9, Subtitle 2 or Subtitle 3, Title 10, or Title 11 of the Local Government Article, or of any charter or local law regulating the procurement or awarding of public contracts, a municipality may enter into contracts with the Service for the purpose of the Service providing any of the projects or services requested by the municipality.

**(2)** As soon as possible after receipt of a duly authorized request from a municipality or person, the Service shall draft a proposed contract with the municipality or person in accordance with the provisions of this subtitle specifying the type of project or services to be provided, whether or not a service district will be established, the boundaries and effective date of any service district, and the terms, conditions, and costs under which the project or services will be provided.

**(3)** Upon execution of the contract, the Service as soon as possible shall establish any service district provided for in the contract and provide, maintain, and operate the necessary project.

**(4)** For the purposes of this subsection, the express powers contained and enumerated in Division II and Title 10 of the Local Government Article and in the Charter of the City of Baltimore are deemed to incorporate and include the power and authority contained in this subsection.

(c) The charges levied against a service district shall be reduced by the full amount of federal and State grants which the Service receives and is entitled to retain to defray the cost of any project within the service district.

(d) **(1)** Existing facilities providing service of the type requested, including all rights, easements, laboratory facilities, vehicles, records, and all other property, equipment, and furnishings necessary and normally associated with the operation of the facility, shall be transferred to the sole ownership of the Service on the date a service district comes into existence unless the Service determines that it not be so transferred.

**(2)** Compensation for existing projects may be based on the original cost of the project minus an allowance for depreciation, or on other terms and conditions satisfactory to the municipality or person transferring the project.

**(3)** All costs and obligations assumed by the Service incidental to the transfer of ownership shall be included in the charge levied against the service district.

(e) At the request of any person or municipality having the responsibility for the collection of liquid waste or solid waste, the Service may enter into a contract to provide management and operation of waste collection services in any service district as an adjunct to the mandatory provision of projects as set forth in subsections (a) through (d) of this section, if:

(1) [as] AS a condition to the provision of management and operation of waste collection services, the municipality or person enters into a contract upon terms the Service determines reasonable; and

(2) [the] THE Service and the municipality or person requesting collection services determines by agreement from time to time the charges including the amount and frequency of payments to the Service.

(F) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE REVIEW AND APPROVAL OF THE BOARD OF PUBLIC WORKS SHALL BE REQUIRED ON ANY CONTRACT FOR THE PROVISION OF REQUESTED SERVICES WITH A VALUE OF \$250,000 OR MORE.

(2) THE REVIEW AND APPROVAL OF THE BOARD OF PUBLIC WORKS IS NOT REQUIRED ON A CONTRACT FOR THE PROVISION OF ~~REQUESTED~~:

(I) REQUESTED SERVICES TO A UNIT OF STATE OR LOCAL GOVERNMENT; OR

(II) SERVICES TO THE FEDERAL GOVERNMENT.

3-109.

(c) (3) (I) Funds to pay the Service for services rendered under this subsection shall be raised in the case of a municipality under Title 9 of the Environment Article.

(II) If the order is issued against a person, the Service shall bill the person for the full cost of services rendered.

(III) If payment is not made within 60 days, the costs become a lien against the sewerage system or refuse disposal works if it is recorded and indexed as provided in this subtitle, and the EXECUTIVE Director shall refer the matter to the Attorney General for collection.

3-126.

(d) (1) (I) 1. As soon as practical after the closing of the fiscal year, an audit shall be made of the financial books, records, and accounts of the Service.

2. The audit shall be made by independent certified public accountants, selected by the Service and licensed to practice in the State.

3. The accountants [may]:

A. MAY not have a personal interest either directly or indirectly in the fiscal affairs of the Service[. They shall]; AND

B. SHALL be experienced and qualified in the accounting and auditing of public bodies.

4. The report of audit shall be prepared in accordance with generally accepted auditing principles and point out any irregularities found to exist.

5. A. The accountants shall report the results of their examination, including their unqualified opinion on the presentation of the financial position of the various funds and the results of the Service's financial operations.

B. If [they] THE ACCOUNTANTS are unable to express an unqualified opinion they shall state and explain in detail the reasons for their qualifications, disclaimer, or opinion including recommendations necessary to make possible future unqualified opinions.

(II) SUBJECT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH AND EITHER AS A SEPARATE PART OF THE AUDIT REQUIRED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH OR AS AN INDIVIDUAL AUDIT, THE SERVICE SHALL OBTAIN AN AUDIT THAT FOCUSES ON UNAUTHORIZED SPENDING, MISALLOCATED EXPENSES, LACK OF CONFORMITY WITH STATE LAW OR BOARD POLICIES, AND OTHER ACCOUNTING ERRORS.

(2) THE BOARD SHALL REVIEW AN AUDIT PREPARED UNDER PARAGRAPH (1) OF THIS SUBSECTION AT A MEETING OF THE BOARD AND MAKE ANY CHANGES OR RECOMMENDATIONS THAT THE BOARD CONSIDERS APPROPRIATE BASED ON THE AUDIT.

(3) THE SERVICE SHALL:

(i) PROVIDE TO THE DEPARTMENT OF BUDGET AND MANAGEMENT:

1. A COPY OF AN AUDIT PREPARED UNDER PARAGRAPH (1) OF THIS SUBSECTION; AND

2. ANY CHANGES OR RECOMMENDATIONS OF THE BOARD BASED ON THE AUDIT; AND

**(II) POST A COPY OF AN AUDIT PREPARED UNDER PARAGRAPH (1) OF THIS SUBSECTION ON THE SERVICE’S WEBSITE, INCLUDING A LINK ON THE HOMEPAGE OF THE WEBSITE TO A COPY OF THE MOST RECENT AUDIT.**

**Article – State Personnel and Pensions**

3–101.

(a) In this title the following words have the meanings indicated.

(b) “Board” means:

(1) with regard to any matter relating to employees of any of the units of State government described in § 3–102(a)(1)(i) through (iv) and (vi) through (x) of this subtitle and employees described in § 3–102(a)(2) AND (3) of this subtitle, the State Labor Relations Board; and

(2) with regard to any matter relating to employees of any State institution of higher education described in § 3–102(a)(1)(v) of this subtitle, the State Higher Education Labor Relations Board.

3–102.

(a) Except as provided in this title or as otherwise provided by law, this title applies to:

(1) all employees of:

(i) the principal departments within the Executive Branch of State government;

(ii) the Maryland Insurance Administration;

(iii) the State Department of Assessments and Taxation;

(iv) the State Lottery and Gaming Control Agency;

(v) the University System of Maryland, Morgan State University, St. Mary’s College of Maryland, and Baltimore City Community College;

(vi) the Comptroller;

(vii) the Maryland Transportation Authority who are not police officers;

(viii) the State Retirement Agency;

(ix) the State Department of Education; and

(x) **THE MARYLAND ENVIRONMENTAL SERVICE;**

(2) firefighters for the Martin State Airport at the rank of captain or below who are employed by the Military Department; and

~~[(2)]~~ (3) all full-time Maryland Transportation Authority police officers at the rank of first sergeant and below.

3-205.

(a) The Board is responsible for administering and enforcing provisions of this title relating to employees described in § 3-102(a)(1)(i) through (iv) and (vi) through (x) [and], (2), AND (3) of this title.

(c) (1) The Board may not designate a unique bargaining unit for each of the units of government identified in § 3-102(a)(1)(vi) through [(x)] (IX) AND (2) of this title.

(2) At the request of the exclusive representative, the Board shall:

(i) determine the appropriate existing bargaining unit into which to assign each employee in the units of government identified in § 3-102(a)(1)(vi) through [(x)] (IX) AND (2) of this title; and

(ii) accrete all positions to appropriate existing bargaining units.

(3) (i) Notwithstanding Subtitle 4 of this title, at the request of the exclusive representative, the Board shall conduct a self-determination election for each bargaining unit representative for the accreted employees in units of government identified in § 3-102(a)(1)(vi) through [(x)] (IX) AND (2) of this title.

(ii) All elections shall be conducted by secret ballot.

(iii) For each election, the Board shall place the following choices on the ballot:

1. the name of the incumbent exclusive representative; and
2. a provision for “no exclusive representative”.

**(D) THE BOARD MAY DESIGNATE ONE OR MORE BARGAINING UNITS FOR EMPLOYEES OF THE MARYLAND ENVIRONMENTAL SERVICE.**

3-208.

(a) On written request of an exclusive representative, and within 30 days of a new employee's date of hire, for each employee in the bargaining unit represented by the exclusive representative, the Department OR THE MARYLAND ENVIRONMENTAL SERVICE, AS APPROPRIATE, shall provide the exclusive representative with the employee's:

- (1) name;
- (2) position classification;
- (3) unit;
- (4) home and work site addresses where the employee receives interoffice or United States mail;
- (5) home and work site telephone numbers;
- (6) work e-mail address; and
- (7) position identification number.

(b) Except as provided in subsection (d) of this section, an exclusive representative may present a request for employee information, as provided under subsection (a) of this section, once every 120 days.

(c) The Department OR THE MARYLAND ENVIRONMENTAL SERVICE, AS APPROPRIATE, shall provide the exclusive representative with the requested information in a searchable and analyzable electronic format.

(d) The Department OR THE MARYLAND ENVIRONMENTAL SERVICE, AS APPROPRIATE, may negotiate with the exclusive representative to provide:

- (1) the information described in subsection (a) of this section more frequently than once every 120 days; and
- (2) more detailed information than provided in subsection (a) of this section.

3-307.

(a) Each exclusive representative has the right to communicate with the employees that it represents.

(b) (1) The State, **THE MARYLAND ENVIRONMENTAL SERVICE**, a system institution, Morgan State University, St. Mary's College of Maryland, and Baltimore City Community College shall permit an exclusive representative to attend and participate in a new employee program that includes one or more employees who are in a bargaining unit represented by the exclusive representative.

(2) The new employee program in paragraph (1) of this subsection may be a new employee orientation, training, or other program that the State, **THE MARYLAND ENVIRONMENTAL SERVICE**, a system institution, Morgan State University, St. Mary's College of Maryland, or Baltimore City Community College and an exclusive representative negotiate in accordance with § 3-501 of this title.

(3) Except as provided in paragraph (4) of this subsection, the exclusive representative shall be permitted 20 minutes to collectively address all new employees in attendance during a new employee program.

(4) The State, **THE MARYLAND ENVIRONMENTAL SERVICE**, a system institution, Morgan State University, St. Mary's College of Maryland, and Baltimore City Community College and an exclusive representative may negotiate a period of time that is more than 20 minutes in accordance with § 3-501 of this title.

(5) The State, **THE MARYLAND ENVIRONMENTAL SERVICE**, a system institution, Morgan State University, St. Mary's College of Maryland, and Baltimore City Community College:

(i) shall encourage an employee to attend the portion of a new employee program designated for an exclusive representative to address new employees; and

(ii) may not require an employee to attend the portion of a new employee program designated for an exclusive representative to address new employees if the employee objects to attending.

(c) (1) Except as provided in paragraph (2) of this subsection, the State, **THE MARYLAND ENVIRONMENTAL SERVICE**, a system institution, Morgan State University, St. Mary's College of Maryland, and Baltimore City Community College shall provide the exclusive representative at least 10 days' notice in advance of a new employee program.

(2) The State, **THE MARYLAND ENVIRONMENTAL SERVICE**, a system institution, Morgan State University, St. Mary's College of Maryland, and Baltimore City Community College may provide the exclusive representative with less than 10 days' notice if there is an urgent need critical to the employer's new employee program that was not reasonably foreseeable.

(a) (1) Within 5 days of determination that a valid petition has been submitted, the Board shall notify interested employee organizations of the pending election petition.

(2) Within 10 days of determination that a valid petition has been submitted under § 3-402 of this subtitle or subsection (c)(2)(iii) of this section, the Department OR THE MARYLAND ENVIRONMENTAL SERVICE, AS APPROPRIATE, shall make available to all interested employee organizations reasonable and equivalent means to communicate by mail and in person with each employee in the appropriate bargaining unit for the purpose of soliciting the employee's vote in an election held under this section.

3-501.

(a) (1) The following individuals or entities shall designate one or more representatives to participate as a party in collective bargaining on behalf of the State or the following institutions:

(i) on behalf of the State, the Governor;

(II) ON BEHALF OF THE MARYLAND ENVIRONMENTAL SERVICE, THE BOARD OF DIRECTORS OF THE SERVICE;

[(ii)] (III) on behalf of a system institution, the president of the system institution; and

[(iii)] (IV) on behalf of Morgan State University, St. Mary's College of Maryland, or Baltimore City Community College, the governing board of the institution.

(2) The exclusive representative shall designate one or more representatives to participate as a party in collective bargaining on behalf of the exclusive representative.

(d) (1) A memorandum of understanding that incorporates all matters of agreement reached by the parties shall be executed by the exclusive representative and:

(i) for a memorandum of understanding relating to the State, the Governor or the Governor's designee;

(II) FOR A MEMORANDUM OF UNDERSTANDING RELATING TO THE MARYLAND ENVIRONMENTAL SERVICE, THE BOARD OF DIRECTORS OF THE SERVICE;

[(ii)] (III) for a memorandum of understanding relating to a system institution, the president of the system institution or the president's designee; and

[(iii)] (IV) for a memorandum of understanding relating to Morgan State University, St. Mary's College of Maryland, or Baltimore City Community College, the governing board of the institution or the governing board's designee.

(2) To the extent these matters require legislative approval or the appropriation of funds, the matters shall be recommended to the General Assembly for approval or for the appropriation of funds.

(3) To the extent matters involving a State institution of higher education require legislative approval, the legislation shall be recommended to the Governor for submission to the General Assembly.

3-502.

(b) (1) Collective bargaining may include negotiations relating to the right of an employee organization to receive service fees from nonmembers.

(2) An employee whose religious beliefs are opposed to joining or financially supporting any collective bargaining organization is:

(i) not required to pay a service fee; and

(ii) required to pay an amount of money as determined in collective bargaining negotiations, not to exceed any service fee negotiated under paragraph (1) of this subsection, to any charitable organization exempt from taxation under § 501(c)(3) of the Internal Revenue Code and to furnish written proof of the payment to:

1. A. the Department; [or]

B. IN THE CASE OF AN EMPLOYEE OF THE MARYLAND ENVIRONMENTAL SERVICE, THE BOARD OF DIRECTORS OF THE SERVICE; OR

[B.] C. in the case of an employee of an institution of higher education specified in § 3-102(a)(1)(v) of this title, the President of the institution or the President's designee; and

2. the exclusive representative.

(c) Notwithstanding subsection (a) of this section, the representatives of the State, THE MARYLAND ENVIRONMENTAL SERVICE, a system institution, Morgan State University, St. Mary's College of Maryland, and Baltimore City Community College:

(1) shall not be required to negotiate over any matter that is inconsistent with applicable law; and

(2) may negotiate and reach agreement with regard to any such matter only if it is understood that the agreement with respect to such matter cannot become effective unless the applicable law is amended by the General Assembly.

3-601.

(a) (1) A memorandum of understanding shall contain all matters of agreement reached in the collective bargaining process.

(2) The memorandum shall be in writing and signed by the exclusive representative involved in the collective bargaining negotiations and:

(i) for a memorandum of understanding relating to the State, the Governor or the Governor's designee;

**(II) FOR A MEMORANDUM OF UNDERSTANDING RELATING TO THE MARYLAND ENVIRONMENTAL SERVICE, THE BOARD OF DIRECTORS OF THE SERVICE;**

[(ii)] (III) for a memorandum of understanding relating to a system institution, the president of the system institution or the president's designee; and

[(iii)] (IV) for a memorandum of understanding relating to Morgan State University, St. Mary's College of Maryland, or Baltimore City Community College, the governing board of the institution or the governing board's designee.

(b) No memorandum of understanding is valid if it extends for less than 1 year or for more than 3 years.

(c) (1) Except as provided in [paragraph] PARAGRAPHS (2) AND (3) of this subsection, a memorandum of understanding is not effective until it is ratified by the Governor and a majority of the votes cast by the employees in the bargaining unit.

(2) In the case of a State institution of higher education, a memorandum of understanding is not effective until it is ratified by the institution's governing board and a majority of the votes cast by the employees in the bargaining unit.

**(3) IN THE CASE OF THE MARYLAND ENVIRONMENTAL SERVICE, A MEMORANDUM OF UNDERSTANDING IS NOT EFFECTIVE UNTIL IT IS RATIFIED BY THE BOARD OF DIRECTORS OF THE SERVICE AND A MAJORITY OF THE VOTES CAST BY THE EMPLOYEES IN THE BARGAINING UNIT.**

3-603.

(c) (1) Based on a verified complaint by an exclusive representative, the exclusive representative may file an action in a circuit court against the State, **THE**

MARYLAND ENVIRONMENTAL SERVICE, a system institution, Morgan State University, St. Mary's College of Maryland, or Baltimore City Community College to enforce the terms of this section.

(2) On receipt of an action submitted by the exclusive representative, the court shall issue a status quo order without a finding of irreparable harm to maintain a memorandum of understanding and the terms in effect pending a final order in the action.

SECTION 2. AND BE IT FURTHER ENACTED, That the Governor shall appoint three public sector members and three private sector members to the Board of Directors of the Maryland Environmental Service in accordance with § 3-103 of the Natural Resources Article, as enacted by Section 1 of this Act. The terms of the members are as follows:

(1) one public sector member and two private sector members shall serve for a term of 2 years, which shall begin on July 1, 2021, and shall terminate at the end of June 30, 2023, and the members shall serve until a successor is appointed and qualifies; and

(2) two public sector members and one private sector member shall serve for a term of 4 years, which shall begin on July 1, 2021, and shall terminate at the end of June 30, 2025, and the members shall serve until a successor is appointed and qualifies.

SECTION 3. AND BE IT FURTHER ENACTED, That the publisher of the Annotated Code of Maryland, in consultation with and subject to the approval of the Department of Legislative Services, shall correct, with no further action required by the General Assembly, cross-references and terminology rendered incorrect by this Act or by any other Act of the General Assembly of 2021 that affects provisions enacted by this Act. The publisher shall adequately describe any correction that is made in an editor's note following the section affected.

~~SECTION 3. 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2021 is an emergency measure, is necessary for the immediate preservation of the public health or safety, has been passed by a yea and nay vote supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, and shall take effect from the date it is enacted shall take effect July 1, 2021.~~

**Approved by the Governor, April 13, 2021.**