

HOUSE BILL 458

P4

CONSTITUTIONAL AMENDMENT

2lr1282
CF 2lr1298

By: **Delegate Korman**

Introduced and read first time: January 20, 2022

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State Personnel – Collective Bargaining – Revisions and Budget Bill**
3 **Appropriations**

4 FOR the purpose of altering the collective bargaining process for State employees, including
5 by requiring the selection of a neutral arbitrator to oversee all aspects of collective
6 bargaining, establishing a process of arbitration in the event of impasse, and
7 providing that certain decisions of a neutral arbitrator are binding; altering the
8 matters that are required to be included in collective bargaining; requiring that each
9 budget bill contain the appropriations necessary to implement all terms and
10 conditions of employment in certain memoranda of understanding for the next
11 ensuing fiscal year; and generally relating to collective bargaining for State
12 employees.

13 BY repealing and reenacting, with amendments,
14 Article – State Finance and Procurement
15 Section 7–108
16 Annotated Code of Maryland
17 (2021 Replacement Volume)

18 BY repealing and reenacting, with amendments,
19 Article – State Personnel and Pensions
20 Section 3–103, 3–502, and 3–603
21 Annotated Code of Maryland
22 (2015 Replacement Volume and 2021 Supplement)

23 BY repealing and reenacting, with amendments,
24 Article – State Personnel and Pensions
25 Section 3–501
26 Annotated Code of Maryland
27 (2015 Replacement Volume and 2021 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (As enacted by Chapter 1 of the Acts of the General Assembly of the 2021 Special
2 Session)

3 BY adding to
4 Article – State Personnel and Pensions
5 Section 3–503
6 Annotated Code of Maryland
7 (2015 Replacement Volume and 2021 Supplement)

8 BY proposing an amendment to the Maryland Constitution
9 Article III – Legislative Department
10 Section 52

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

13 **Article – State Finance and Procurement**

14 7–108.

15 (a) In accordance with the Maryland Constitution and other law, the Governor
16 shall include in each budget bill:

17 (1) an appropriation to pay the principal of and interest on the State debt;

18 (2) without revision, the appropriations requested for public schools, as
19 certified by the State Superintendent of Schools;

20 (3) without revision, the appropriations requested for the Legislative
21 Branch of the State government, as certified by the presiding officers of the General
22 Assembly;

23 (4) without revision, the appropriations requested for the Judicial Branch
24 of the State government, as certified by the Chief Judge of the Court of Appeals;

25 (5) the appropriations requested by the Governor for the Executive Branch
26 of the State government;

27 (6) the appropriations required by law to be included with the
28 appropriations for the Executive Branch;

29 (7) appropriations for the salaries required by law to be paid by the State;
30 and

31 (8) any other appropriations required by the Maryland Constitution or
32 other law to be included in the budget bill.

1 (b) The Governor shall use the current salary plan of the Secretary of Budget and
2 Management as the basis for the appropriations to pay those salaries to which the plan
3 applies.

4 (c) **IN ADDITION TO THE APPROPRIATIONS REQUIRED IN SUBSECTION (A)**
5 **OF THIS SECTION, THE GOVERNOR SHALL INCLUDE IN EACH ANNUAL BUDGET BILL**
6 **THE APPROPRIATIONS NECESSARY TO IMPLEMENT AND FUND ALL TERMS WITHIN**
7 **EACH MEMORANDUM OF UNDERSTANDING BETWEEN:**

8 (1) **THE STATE AND THE EXCLUSIVE REPRESENTATIVES OF STATE**
9 **EMPLOYEES;**

10 (2) **STATE INSTITUTIONS OF HIGHER EDUCATION AND EACH**
11 **EXCLUSIVE REPRESENTATIVE OF THEIR EMPLOYEES; AND**

12 (3) **THE MARYLAND ENVIRONMENTAL SERVICE AND THE EXCLUSIVE**
13 **REPRESENTATIVE OF ITS EMPLOYEES.**

14 **Article – State Personnel and Pensions**

15 3–103.

16 This title and any agreement under this title do not limit or otherwise interfere with
17 the powers of the Governor or the Maryland General Assembly [under], **EXCEPT TO**
18 **OPERATE IN ACCORDANCE WITH, AND HAVE THE EFFECT REQUIRED BY,** Article III, §
19 52 of the Maryland Constitution.

20 3–501.

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

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

25 (ii) on behalf of the Maryland Environmental Service, the Board of
26 Directors of the Service;

27 (iii) on behalf of the University System of Maryland, the Chancellor;
28 and

29 (iv) on behalf of Morgan State University, St. Mary's College of
30 Maryland, or Baltimore City Community College, the governing board of the institution.

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

4 (b) (1) [The] **SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**
5 parties shall meet at reasonable times [and] **BETWEEN JULY 1 AND SEPTEMBER 30 TO**
6 engage in collective bargaining in good faith[, including facilitating the meaningful use of
7 a fact finder under subsection (c)(3) of this section, and] to conclude a written memorandum
8 of understanding or other written understanding as defined under § 3–101(d)(1)(ii) of this
9 title.

10 (2) (I) **FOR EACH BARGAINING UNIT, WHENEVER A MEMORANDUM**
11 **OF UNDERSTANDING IS TO BE NEGOTIATED, REOPENED, OR AMENDED, THE PARTIES**
12 **SHALL FIRST SELECT A NEUTRAL ARBITRATOR TO SERVE AS A PROCTOR FOR THE**
13 **NEGOTIATIONS ON OR BEFORE JULY 15.**

14 (II) **THE ARBITRATOR SHALL BE SELECTED FROM A LIST OF 15**
15 **ARBITRATORS PROVIDED BY THE AMERICAN ARBITRATION ASSOCIATION’S LABOR**
16 **ARBITRATION PANEL.**

17 (III) **THE LIST SHALL CONSIST OF QUALIFIED, NATIONWIDE**
18 **ARBITRATORS WHO ARE MEMBERS OF THE NATIONAL ACADEMY OF ARBITRATION.**

19 (IV) **THE PARTIES SHALL SELECT THE ARBITRATOR BY**
20 **ALTERNATELY STRIKING NAMES FROM THE LIST UNTIL ONE NAME REMAINS.**

21 (V) **THE SELECTED ARBITRATOR MUST BE ABLE AND**
22 **AVAILABLE TO PERFORM THE DUTIES AND TO HOLD HEARINGS, BOTH IN PERSON**
23 **AND THROUGH REMOTE COMMUNICATION, CONSISTENT WITH THIS TITLE.**

24 (VI) **THE ARBITRATOR SHALL HAVE THE POWERS AND**
25 **RESPONSIBILITIES UNDER § 3–503 OF THIS SUBTITLE.**

26 (VII) **THE SELECTED ARBITRATOR SHALL ACCEPT THE**
27 **APPOINTMENT BEFORE JULY 15, OR THE PARTIES MAY AGREE TO MAKE AN**
28 **ALTERNATIVE APPOINTMENT FROM:**

29 1. **THE LIST ORIGINALLY PROVIDED BY THE AMERICAN**
30 **ARBITRATION ASSOCIATION; OR**

31 2. **A LIST OF NATIONWIDE ARBITRATORS PROVIDED BY**
32 **THE FEDERAL MEDIATION AND CONCILIATION SERVICE.**

1 **(3) THE PARTIES SHALL MAKE A REASONABLE EFFORT TO BEGIN**
2 **NEGOTIATIONS ON OR NEAR JULY 1, INCLUDING THE EXCHANGE OF INFORMATION**
3 **NECESSARY TO RESPONSIBLY CONDUCT AND CONCLUDE NEGOTIATIONS BY**
4 **SEPTEMBER 30.**

5 (c) **[(1)** The parties shall make every reasonable effort to conclude negotiations
6 in a timely manner for inclusion by the principal unit in its budget request to the Governor.

7 (2) (i) The parties shall conclude negotiations before January 1 for any
8 item requiring an appropriation of funds for the fiscal year that begins on the following
9 July 1.

10 (ii) In the budget bill submitted to the General Assembly, the
11 Governor shall include any amounts in the budgets of the principal units required to
12 accommodate any additional cost resulting from the negotiations, including the actuarial
13 impact of any legislative changes to any of the State pension or retirement systems that
14 are required, as a result of the negotiations, for the fiscal year beginning the following July
15 1 if the legislative changes have been negotiated to become effective in that fiscal year.

16 (3) (i) If the parties do not conclude negotiations for the next fiscal year
17 before October 25, either party may request that a fact finder be employed to resolve the
18 issues.

19 (ii) The fact finder shall be employed no later than November 1.

20 (iii) A fact finder shall be a neutral party appointed by alternate
21 striking from a list by the parties provided:

- 22 1. by the Federal Mediation and Conciliation Service; or
23 2. under the Labor Arbitration Rules of the American
24 Arbitration Association.

25 (iv) The fact finder:

- 26 1. may give notice and hold hearings in accordance with the
27 Administrative Procedure Act;
28 2. may administer oaths and take testimony and other
29 evidence;
30 3. may issue subpoenas; and
31 4. before November 20, shall make written recommendations
32 regarding wages, hours, and working conditions, and any other terms or conditions of
33 employment that may be in dispute.

1 (v) The written recommendations of the fact finder shall be delivered
2 to the Governor, the exclusive representative, the President of the Senate, and the Speaker
3 of the House of Delegates by the Secretary on or before December 1.

4 (d) (1) A memorandum of understanding [that incorporates all matters of
5 agreement reached by the parties] **REACHED BY MUTUAL AGREEMENT** shall be executed
6 by the exclusive representative and:

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

9 (ii) for a memorandum of understanding relating to the Maryland
10 Environmental Service, the Board of Directors of the Service;

11 (iii) for a memorandum of understanding relating to a system
12 institution, the Chancellor or the Chancellor's designee; and

13 (iv) for a memorandum of understanding relating to Morgan State
14 University, St. Mary's College of Maryland, or Baltimore City Community College, the
15 governing board of the institution or the governing board's designee.

16 (2) To the extent [these] matters **INCORPORATED IN A MEMORANDUM**
17 **OF UNDERSTANDING** require legislative approval or the appropriation of funds, the
18 matters shall be [recommended] **REFERRED** to the General Assembly for approval or for
19 the appropriation of funds **AS REQUIRED UNDER ARTICLE III, § 52 OF THE MARYLAND**
20 **CONSTITUTION**.

21 (3) To the extent matters involving a State institution of higher education
22 require legislative approval, the legislation shall be [recommended] **REFERRED** to the
23 Governor [for submission to] **AND** the General Assembly.

24 [(e)] **(D)** Negotiations for a memorandum of understanding shall be considered
25 closed sessions under § 3-305 of the General Provisions Article.

26 [(f)] **(E)** (1) The terms of a memorandum of understanding executed by the
27 Governor or the Governor's designee and an exclusive representative of a bargaining unit
28 for skilled service or professional service employees in the State Personnel Management
29 System are not applicable to employees of a State institution of higher education.

30 (2) The terms of a memorandum of understanding executed by the
31 Chancellor or the governing board of Morgan State University, St. Mary's College of
32 Maryland, or Baltimore City Community College, or their respective designees, and the
33 exclusive representative of a bargaining unit for employees of a State institution of higher
34 education are not applicable to skilled service or professional service employees in the State
35 Personnel Management System.

1 3-502.

2 (a) Collective bargaining shall include all matters relating to:

3 (1) wages, hours, **FRINGE BENEFITS, HEALTH BENEFITS, PENSION**
4 **BENEFITS**, and other terms and conditions of employment; and

5 (2) the time and manner of access to a new employee program as required
6 under § 3-307 of this title.

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

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

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

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

16 1. A. the Department;

17 B. in the case of an employee of the Maryland Environmental
18 Service, the Board of Directors of the Service; or

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

22 2. the exclusive representative.

23 (c)] Notwithstanding subsection (a) of this section, the representatives of the
24 State, the Maryland Environmental Service, a system institution, Morgan State
25 University, St. Mary's College of Maryland, and Baltimore City Community College:

26 (1) [shall] **MAY** not be required to negotiate over any matter that is
27 inconsistent with applicable law; and

28 (2) may negotiate and reach agreement with regard to any such matter
29 **THAT IS INCONSISTENT WITH APPLICABLE LAW** only if it is understood that, **WITH**
30 **RESPECT TO THE MATTER**, the agreement [with respect to such matter] **OR**
31 **MEMORANDUM OF UNDERSTANDING** cannot become effective unless the applicable law
32 is amended by the General Assembly.

1 **3-503.**

2 (A) (1) A NEUTRAL ARBITRATOR SELECTED UNDER § 3-501(B) OF THIS
3 SUBTITLE:

4 (I) SHALL HEAR AND RESOLVE ANY DISPUTE BETWEEN THE
5 PARTIES REGARDING THE CONDUCT OF NEGOTIATIONS, INCLUDING WHETHER THE
6 CONDUCT OF A PARTY IS IN GOOD FAITH;

7 (II) MAY RECEIVE FROM THE PARTIES COPIES OF INFORMATION
8 REQUESTS PRESENTED AND RESPONSES RECEIVED, TO RESOLVE DISPUTES OVER
9 THE TIMELINESS AND SUFFICIENCY OF INFORMATION DEMANDS AND PRODUCTION;

10 (III) MAY ISSUE REMEDIAL ORDERS TO RESOLVE DISPUTES OVER
11 REQUESTS FOR INFORMATION OR PROMOTE BARGAINING IN GOOD FAITH
12 CONSISTENT WITH THIS TITLE;

13 (IV) UNDER CONDITIONS DETERMINED TO BE APPROPRIATE BY
14 THE NEUTRAL ARBITRATOR, MAY COMPEL PRODUCTION OF ESTIMATES OF
15 REVENUES AND EXPENDITURES COMPILED BY THE STATE BOARD OF REVENUE
16 ESTIMATES, THE BUREAU OF REVENUE ESTIMATES, OR THE CONSENSUS REVENUE
17 MONITORING AND FORECASTING GROUP; AND

18 (V) MAY:

19 1. CALL AND CONDUCT MEETINGS AND HEARINGS;

20 2. DETERMINE WHETHER IT IS APPROPRIATE TO
21 CONDUCT MEETINGS OR HEARINGS IN PERSON, OR VIRTUALLY BY ELECTRONIC
22 MEANS OF REMOTE COMMUNICATION;

23 3. ISSUE SUBPOENAS TO COMPEL:

24 A. THE PRODUCTION OF DOCUMENTS AND OTHER
25 EVIDENCE; AND

26 B. ATTENDANCE AND TESTIMONY BY WITNESSES;

27 4. RECEIVE EVIDENCE DIRECTLY OR BY SWORN
28 DEPOSITION;

29 5. MAKE FINDINGS OF FACT;

1 **6. REACH AND ISSUE CONCLUSIONS OF LAW OVER ANY**
2 **DISPUTED NEGOTIATION ISSUE THAT MAY ARISE BETWEEN THE PARTIES; AND**

3 **7. ISSUE FINAL, SELF-EXECUTING ORDERS.**

4 **(2) THE FINAL WRITTEN ORDER ISSUED BY THE NEUTRAL**
5 **ARBITRATOR SHALL BE FINAL AND BINDING AND SELF-EXECUTING ON THE PARTIES**
6 **AND THE GOVERNOR.**

7 **(B) (1) IF AN IMPASSE IS DECLARED ON OR AFTER OCTOBER 1,**
8 **ARBITRATION SHALL PROCEED AS DESCRIBED IN THIS SUBSECTION.**

9 **(2) (I) ON THE FIFTH BUSINESS DAY AFTER THE IMPASSE IS**
10 **DECLARED, EACH PARTY SHALL SUBMIT TO THE NEUTRAL ARBITRATOR, IN WRITING**
11 **AND WITH A COPY TO THE OTHER PARTY, A LAST, BEST, AND FINAL OFFER,**
12 **INCLUDING:**

13 **1. ALL PROVISIONS IN THE EXISTING MEMORANDUM OF**
14 **UNDERSTANDING NOT TO BE MODIFIED;**

15 **2. ALL NEW, AMENDED, OR MODIFIED MEMORANDUM OF**
16 **UNDERSTANDING PROVISIONS AGREED TO BY THE PARTIES BEFORE THE IMPASSE**
17 **WAS DECLARED THAT ARE TO BE INCLUDED THROUGH WRITTEN MUTUAL**
18 **AGREEMENT; AND**

19 **3. SUBJECT TO SUBPARAGRAPH (II) OF THIS**
20 **PARAGRAPH, DETAILED FURTHER PROVISIONS THAT A PARTY IS PROPOSING FOR**
21 **INCLUSION IN A MEMORANDUM OF UNDERSTANDING.**

22 **(II) FURTHER PROVISIONS ARE LIMITED TO SPECIFIC**
23 **PROPOSALS THAT WERE SUBMITTED IN WRITING TO THE OTHER PARTY AND WERE**
24 **THE SUBJECT OF COLLECTIVE BARGAINING BETWEEN THE PARTIES UP TO THE TIME**
25 **OF IMPASSE, INCLUDING PROPOSALS THAT THE PARTIES HAVE DECIDED TO**
26 **INCLUDE IN THE MEMORANDUM OF UNDERSTANDING THROUGH WRITTEN MUTUAL**
27 **AGREEMENT.**

28 **(3) THE NEUTRAL ARBITRATOR ACTING AS A MEDIATOR SHALL**
29 **ATTEMPT TO RESOLVE THE IMPASSE BEFORE A FORMAL HEARING ON THE IMPASSE.**

30 **(4) (I) WITHIN 30 CALENDAR DAYS AFTER A DECLARED IMPASSE,**
31 **THE NEUTRAL ARBITRATOR SHALL HOLD A FORMAL HEARING AT WHICH THE**

1 PARTIES MAY SUBMIT, IN WRITING OR ORAL TESTIMONY, ALL INFORMATION OR
2 DATA SUPPORTING THE FINAL POSITIONS.

3 (II) ABSENT MUTUAL AGREEMENT BETWEEN THE PARTIES, OR
4 AS OTHERWISE ORDERED BY THE NEUTRAL ARBITRATOR, THE FORMAL HEARING
5 SHALL CONCLUDE WITHIN 45 CALENDAR DAYS AFTER THE IMPASSE DATE.

6 (5) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
7 PARAGRAPH, THE ARBITRATION SHALL CONCLUDE WITH A WRITTEN AWARD THAT
8 SUSTAINS IN ITS ENTIRETY THE LAST, BEST, AND FINAL OFFER OF ONE OF THE
9 PARTIES.

10 (II) BEFORE A WRITTEN AWARD IS ISSUED, BY WRITTEN
11 AGREEMENT SIGNED BY THE REPRESENTATIVES OF THE PARTIES PARTICIPATING IN
12 THE ARBITRATION, THE PARTIES MAY DIRECT THE NEUTRAL ARBITRATOR TO RULE
13 ON SPECIFICALLY IDENTIFIED TOPICS OF BARGAINING.

14 (6) (I) THE NEUTRAL ARBITRATOR SHALL ISSUE A PRELIMINARY
15 WRITTEN AWARD ON OR BEFORE DECEMBER 5.

16 (II) THE PRELIMINARY WRITTEN AWARD SHALL ADDRESS ALL
17 PROVISIONS THAT EACH PARTY PROPOSED IN ITS RESPECTIVE FINAL POSITION FOR
18 INCLUSION IN A MEMORANDUM OF UNDERSTANDING.

19 (III) WITHIN 5 BUSINESS DAYS AFTER RECEIPT OF THE
20 PRELIMINARY WRITTEN AWARD, THE PARTIES SHALL REVIEW THE AWARD AND MAY
21 SEVERALLY OR MUTUALLY REQUEST CHANGES OR ADJUSTMENTS IN THE AWARD.

22 (IV) ON OR BEFORE DECEMBER 15, THE NEUTRAL ARBITRATOR
23 SHALL ISSUE A FINAL WRITTEN AWARD IN WHICH THE ARBITRATOR:

24 1. SHALL ORDER IMPLEMENTATION OF THE LAST, BEST,
25 AND FINAL OFFER OF EITHER PARTY IN ITS ENTIRETY, INCORPORATING ANY
26 VOLUNTARILY AGREED TERMS BETWEEN THE PARTIES; AND

27 2. INCLUDE:

28 A. ANY VOLUNTARILY AGREED TERMS BETWEEN THE
29 PARTIES; AND

30 B. ANY PRIOR TERM, WHICH BY AGREEMENT, IS NOT TO
31 BE CHANGED FOR THE NEXT FISCAL YEAR.

1 **(V) AFTER DECEMBER 15, IF REQUESTED BY EITHER PARTY,**
2 **THE NEUTRAL ARBITRATOR SHALL ISSUE BY JANUARY 20 OF THE IMMEDIATELY**
3 **FOLLOWING YEAR, A STATEMENT OF REASONS FOR THE FINAL WRITTEN AWARD.**

4 **(7) THE NEUTRAL ARBITRATOR SHALL CONSIDER THE FOLLOWING**
5 **WHEN DEVELOPING A WRITTEN AWARD:**

6 **(I) THE LAWFUL AUTHORITY OF THE EMPLOYER, INCLUDING**
7 **THE OBLIGATION OF THE EMPLOYER TO USE SPECIAL FUNDS ONLY FOR**
8 **AUTHORIZED PURPOSES UNDER LIMITATIONS IMPOSED BY FEDERAL OR STATE LAW;**

9 **(II) STIPULATIONS OF THE PARTIES;**

10 **(III) THE INTERESTS AND WELFARE OF THE PUBLIC;**

11 **(IV) THE FINANCIAL ABILITY OF THE EMPLOYER TO MEET**
12 **COSTS, WITHOUT THE PREMISE THAT THE EMPLOYER MAY NEED TO INCREASE OR**
13 **IMPOSE NEW TAXES, FEES, OR CHARGES, OR DEVELOP OTHER SOURCES OF**
14 **REVENUE;**

15 **(V) THE PRESENT AND FUTURE GENERAL ECONOMIC**
16 **CONDITION OF THE STATE OR STATE INSTITUTIONS OF HIGHER EDUCATION;**

17 **(VI) COMPARISONS OF WAGES, HOURS, AND CONDITIONS OF**
18 **EMPLOYMENT OF THE EMPLOYEES INVOLVED WITH ARBITRATION WITH THE WAGES,**
19 **HOURS, AND CONDITIONS OF EMPLOYMENT OF OTHER EMPLOYEES PERFORMING**
20 **SIMILAR SERVICES IN PUBLIC EMPLOYMENT IN ADJACENT STATES;**

21 **(VII) COMPARISONS OF COLLECTIVE BARGAINING PATTERNS IN**
22 **OTHER STATES AND AMONG COUNTY EMPLOYEES IN THE STATE;**

23 **(VIII) CONSUMER PRICES FOR GOODS AND SERVICES AS DEFINED**
24 **BY PUBLIC AND PRIVATE SOURCES;**

25 **(IX) THE OVERALL COMPENSATION PRESENTLY RECEIVED BY**
26 **THE EMPLOYEES, INCLUDING DIRECT WAGE COMPENSATION, VACATION, HOLIDAYS,**
27 **EXCUSED TIME OFF, INSURANCE AND PENSIONS COSTS, MEDICAL AND**
28 **HOSPITALIZATION BENEFITS, THE CONTINUITY AND STABILITY OF EMPLOYMENT,**
29 **AND ALL OTHER RECEIVED BENEFITS;**

30 **(X) CHANGES IN ANY OF THE FOREGOING CIRCUMSTANCES**
31 **DURING THE PENDENCY OF THE ARBITRATION; AND**

1 **(XI) OTHER FACTORS THAT ARE NORMALLY OR TRADITIONALLY**
2 **TAKEN INTO CONSIDERATION IN THE DETERMINATION OF WAGES, HOURS, AND**
3 **CONDITIONS OF EMPLOYMENT THROUGH VOLUNTARY COLLECTIVE BARGAINING,**
4 **MEDIATION, ARBITRATION, OR OTHERWISE BETWEEN THE PARTIES IN PUBLIC**
5 **SERVICE OR PRIVATE EMPLOYMENT.**

6 **(C) THE DECISION OF THE NEUTRAL ARBITRATOR SHALL BE FINAL AND**
7 **BINDING ON THE PARTIES.**

8 **(D) THE STATE, A STATE INSTITUTION OF HIGHER EDUCATION, AND THE**
9 **MARYLAND ENVIRONMENTAL SERVICE AND THE GOVERNOR SHALL TAKE ALL**
10 **ACTIONS NECESSARY TO CARRY OUT AND EFFECTUATE THE FINAL WRITTEN AWARD**
11 **AND PLACE INTO EFFECT THE MEMORANDUM OF UNDERSTANDING.**

12 **(E) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE PARTIES**
13 **AT ANY TIME MAY AMEND OR MODIFY THE FINAL WRITTEN AWARD, AND BY CONSENT,**
14 **THE AMENDMENTS OR MODIFICATIONS SHALL BE APPROVED BY THE PARTIES AND**
15 **PLACED IN A SUPPLEMENTAL WRITTEN AWARD BY THE NEUTRAL ARBITRATOR THAT**
16 **SHALL BE FINAL AND BINDING.**

17 **(2) A SUPPLEMENTAL WRITTEN AWARD UNDER PARAGRAPH (1) OF**
18 **THIS SUBSECTION SHALL TAKE EFFECT ON THE DATE OF THE ORDER OF THE**
19 **NEUTRAL ARBITRATOR AND MAY NOT REQUIRE RATIFICATION UNDER § 3-601 OF**
20 **THIS TITLE.**

21 **(F) A DEADLINE IN THIS SECTION MAY BE MODIFIED, BASED ON GOOD**
22 **CAUSE, BY MUTUAL AGREEMENT OF THE PARTIES OR BY ORDER OF THE NEUTRAL**
23 **ARBITRATOR.**

24 **(G) (1) THE COSTS OF THE SERVICES OF THE NEUTRAL ARBITRATOR**
25 **SHALL BE SHARED EQUALLY BY THE PARTIES.**

26 **(2) ALL OTHER COSTS INCURRED BY EITHER PARTY TO COMPLY WITH**
27 **THIS SECTION SHALL BE THE RESPONSIBILITY OF THE PARTY INCURRING THE**
28 **COSTS.**

29 3-603.

30 **(a) A memorandum of understanding [agreed to and ratified under § 3-601 of this**
31 **subtitle] may not expire until it is succeeded by a memorandum of understanding that is**
32 **agreed to and ratified OR ADOPTED BY ARBITRATION under this title.**

1 (b) Notwithstanding § 3-601(b) of this subtitle, all terms of a memorandum of
2 understanding shall continue in force and effect without change until a successor
3 memorandum of understanding is agreed to and ratified.

4 (c) (1) Based on a verified complaint by an exclusive representative, the
5 exclusive representative may file an action in a circuit court against the State, the
6 Maryland Environmental Service, a system institution, Morgan State University, St.
7 Mary's College of Maryland, or Baltimore City Community College to enforce the terms of
8 this section.

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

12 SECTION 2. AND BE IT FURTHER ENACTED, (Three-fifths of all the members
13 elected to each of the two Houses concurring), That it be proposed that the Maryland
14 Constitution read as follows:

15 Article III – Legislative Department

16 52.

17 (1) The General Assembly shall not appropriate any money out of the Treasury
18 except in accordance with the provisions of this section.

19 (2) Every appropriation bill shall be either a Budget Bill, or a Supplementary
20 Appropriation Bill, as hereinafter provided.

21 (3) On the third Wednesday in January in each year, (except in the case of a newly
22 elected Governor, and then not later than ten days after the convening of the General
23 Assembly), unless such time shall be extended by the General Assembly, the Governor shall
24 submit to the General Assembly a Budget for the next ensuing fiscal year. Each Budget
25 shall contain a complete plan of proposed expenditures and estimated revenues for said
26 fiscal year and shall show the estimated surplus or deficit of revenues at the end of the
27 preceding fiscal year. **EACH BUDGET SHALL ALSO CONTAIN THE APPROPRIATIONS
28 NECESSARY TO IMPLEMENT ALL TERMS AND CONDITIONS OF EMPLOYMENT IN EACH
29 MEMORANDUM OF UNDERSTANDING CONCLUDED WITH THE STATE, WHETHER
30 REACHED THROUGH MUTUAL AGREEMENT OR ARBITRATION THAT IS BINDING ON
31 THE PARTIES, THE GOVERNOR, STATE INSTITUTIONS OF HIGHER EDUCATION, AND
32 THE MARYLAND ENVIRONMENTAL SERVICE, FOR THE NEXT ENSUING FISCAL YEAR
33 FOR STATE EMPLOYEES IN THE VARIOUS BRANCHES AND DEPARTMENTS OF STATE
34 GOVERNMENT, INCLUDING HIGHER EDUCATION.** Accompanying each Budget shall be
35 a statement showing: (a) the revenues and expenditures for the preceding fiscal year; (b)
36 the current assets, liabilities, reserves and surplus or deficit of the State; (c) the debts and
37 funds of the State; (d) an estimate of the State's financial condition as of the beginning and
38 end of the preceding fiscal year; (e) **CHANGES IN WAGES, HOURS, FRINGE BENEFITS,**

1 **HEALTH BENEFITS, PENSION BENEFITS, AND OTHER TERMS AND CONDITIONS OF**
2 **EMPLOYMENT FOR STATE EMPLOYEES INCLUDED IN EACH MEMORANDUM OF**
3 **UNDERSTANDING COVERING STATE EMPLOYEES FOR THE NEXT ENSUING FISCAL**
4 **YEAR; AND (F)** any explanation the Governor may desire to make as to the important
5 features of the Budget and any suggestions as to methods for reduction or increase of the
6 State's revenue.

7 (4) Each Budget shall embrace an estimate of all appropriations in such form and
8 detail as the Governor shall determine or as may be prescribed by law, as follows: (a) for
9 the General Assembly as certified to the Governor in the manner hereinafter provided; (b)
10 for the Executive Department; (c) for the Judiciary Department, as provided by law, as
11 certified to the Governor; (d) to pay and discharge the principal and interest of the debt of
12 the State in conformity with Section 34 of Article III of the Constitution, and all laws
13 enacted in pursuance thereof; (e) for the salaries **AND FRINGE BENEFITS** payable by the
14 State and under the Constitution and laws of the State, **INCLUDING THOSE SALARIES**
15 **AND BENEFITS COMMITTED UNDER EACH MEMORANDUM OF UNDERSTANDING**
16 **COVERING STATE EMPLOYEES**; (f) for the establishment and maintenance throughout
17 the State of a thorough and efficient system of public schools in conformity with Article 8
18 of the Constitution and with the laws of the State; and (g) for such other purposes as are
19 set forth in the Constitution or laws of the State.

20 (5) The Governor shall deliver to the presiding officer of each House the Budget
21 and a bill for all the proposed appropriations of the Budget classified and in such form and
22 detail as he shall determine or as may be prescribed by law; and the presiding officer of
23 each House shall promptly cause said bill to be introduced therein, and such bill shall be
24 known as the "Budget Bill." The Governor may, with the consent of the General Assembly,
25 before final action thereon by the General Assembly, amend or supplement said Budget to
26 correct an oversight, provide funds contingent on passage of pending legislation or, in case
27 of an emergency, by delivering such an amendment or supplement to the presiding officers
28 of both Houses; and such amendment or supplement shall thereby become a part of said
29 Budget Bill as an addition to the items of said bill or as a modification of or a substitute for
30 any item of said bill such amendment or supplement may affect.

31 (5a) The Budget and the Budget Bill as submitted by the Governor to the General
32 Assembly shall have a figure for the total of all proposed appropriations and a figure for
33 the total of all estimated revenues available to pay the appropriations, and the figure for
34 total proposed appropriations shall not exceed the figure for total estimated revenues.
35 Neither the Governor in submitting an amendment or supplement to the Budget Bill nor
36 the General Assembly in amending the Budget Bill shall thereby cause the figure for total
37 proposed appropriations to exceed the figure for total estimated revenues, including any
38 revisions, and in the Budget Bill as enacted the figure for total estimated revenues always
39 shall be equal to or exceed the figure for total appropriations.

40 (6) The General Assembly shall not amend the Budget Bill so as to affect either
41 the obligations of the State under Section 34 of Article III of the Constitution, or the
42 provisions made by the laws of the State for the establishment and maintenance of a system

1 of public schools or the payment of any salaries required to be paid by the State of Maryland
2 by the Constitution.

3 (6a) In enacting a balanced Budget Bill each fiscal year as required under this
4 Section, the General Assembly may amend the bill by increasing or diminishing the items
5 therein relating to the General Assembly, and by increasing or diminishing the items
6 therein relating to the judiciary, but except as hereinbefore specified, may not alter the bill
7 except to strike out or reduce items therein, provided, however, that the salary or
8 compensation of any public officer may not be decreased during the public officer's term of
9 office. When passed by both Houses, the Budget Bill shall be presented to the Governor for
10 approval or disapproval according to Section 17 of Article II of this Constitution.

11 (6b) In enacting a balanced Budget Bill as required under this Section for fiscal
12 year 2024 and each fiscal year thereafter, the General Assembly may amend the bill by
13 increasing, diminishing, or adding items therein relating to the General Assembly, by
14 increasing, diminishing, or adding items therein relating to the judiciary, and by
15 increasing, diminishing, or adding items relating to the Executive Department, provided
16 that the total of the appropriation for the Executive Department approved by the General
17 Assembly does not exceed the total proposed appropriation for the Executive Department
18 submitted by the Governor. The salary or compensation of any public officer may not be
19 decreased during the public officer's term of office. When passed by both Houses, the Budget
20 Bill shall be a law immediately without further action by the Governor.

21 (7) The Governor and such representatives of the executive departments, boards,
22 officers and commissions of the State expending or applying for State's moneys, as have
23 been designated by the Governor for this purpose, shall have the right, and when requested
24 by either House of the General Assembly, it shall be their duty to appear and be heard with
25 respect to any Budget Bill during the consideration thereof, and to answer inquiries relative
26 thereto.

27 (8) Supplementary Appropriation Bill. Either House may consider other
28 appropriations but both Houses shall not finally act upon such appropriations until after
29 the Budget Bill has been finally acted upon by both Houses, and no such other
30 appropriation shall be valid except in accordance with the provisions following: (a) Every
31 such appropriation shall be embodied in a separate bill limited to some single work, object
32 or purpose therein stated and called herein a Supplementary Appropriation Bill; (b) Each
33 Supplementary Appropriation Bill shall provide the revenue necessary to pay the
34 appropriation thereby made by a tax, direct or indirect, to be levied and collected as shall
35 be directed in said bill; (c) No Supplementary Appropriation Bill shall become a law unless
36 it be passed in each House by a vote of a majority of the whole number of the members
37 elected, and the yeas and nays recorded on its final passage; (d) Each Supplementary
38 Appropriation Bill shall be presented to the Governor of the State as provided in Section
39 17 of Article 2 of the Constitution and thereafter all the provisions of said section shall
40 apply.

41 (9) Nothing in this section shall be construed as preventing the General Assembly
42 from passing at any time, in accordance with the provisions of Section 28 of Article 3 of the

1 Constitution and subject to the Governor's power of approval as provided in Section 17 of
2 Article 2 of the Constitution, an appropriation bill to provide for the payment of any
3 obligation of the State within the protection of Section 10 of Article 1 of the Constitution of
4 the United States.

5 (10) If the Budget Bill shall not have been finally acted upon by the Legislature
6 seven days before the expiration of the regular session, the Governor shall issue a
7 proclamation extending the session for some further period as may, in his judgment, be
8 necessary for the passage of such bill; but no matter other than such bill shall be considered
9 during such extended session except a provision for the cost thereof.

10 (11) For the purpose of making up the Budget, the Governor shall require from the
11 proper State officials (including all executive departments, all executive and administrative
12 offices, bureaus, boards, commissions and agencies that expend or supervise the
13 expenditure of, and all institutions applying, for State moneys and appropriations) such
14 itemized estimates and other information, in such form and at such times as directed by
15 the Governor. An estimate for a program required to be funded by a law which will be in
16 effect during the fiscal year covered by the Budget and which was enacted before July 1 of
17 the fiscal year prior to that date shall provide a level of funding not less than that prescribed
18 in the law. The estimates for the Legislative Department, certified by the presiding officer
19 of each House, of the Judiciary, as provided by law, certified by the Chief Judge of the Court
20 of Appeals, and for the public schools, as provided by law, shall be transmitted to the
21 Governor, in such form and at such times as directed by the Governor, and shall be included
22 in the Budget without revision.

23 (12) The Governor may provide for public hearings on all estimates and may
24 require the attendance at such hearings of representatives of all agencies, and for all
25 institutions applying for State moneys. After such public hearings he may, in his discretion,
26 revise all estimates except those for the legislative and judiciary departments, and for the
27 public schools, as provided by law, and except that he may not reduce an estimate for a
28 program below a level of funding prescribed by a law which will be in effect during the fiscal
29 year covered by the Budget, and which was enacted before July 1 of the fiscal year prior
30 thereto.

31 (13) The General Assembly may, from time to time, enact such laws not
32 inconsistent with this section, as may be necessary and proper to carry out its provisions.

33 (14) In the event of any inconsistency between any of the provisions of this Section
34 and any of the other provisions of the Constitution, the provisions of this Section shall
35 prevail. But nothing herein shall in any manner affect the provisions of Section 34 of Article
36 3 of the Constitution or of any laws heretofore or hereafter passed in pursuance thereof, or
37 be construed as preventing the Governor from calling extraordinary sessions of the General
38 Assembly, as provided by Section 16 of Article 2, or as preventing the General Assembly at
39 such extraordinary [extraordinary] sessions from considering any emergency appropriation
40 or appropriations.

41 (15) If any item of any appropriation bill passed under the provisions of this

1 Section shall be held invalid upon any ground, such invalidity shall not affect the legality
2 of the bill or of any other item of such bill or bills.

3 SECTION 3. AND BE IT FURTHER ENACTED, That the General Assembly
4 determines that the amendment to the Maryland Constitution proposed by Section 2 of this
5 Act affects multiple jurisdictions and that the provisions of Article XIV, § 1 of the Maryland
6 Constitution concerning local approval of constitutional amendments do not apply.

7 SECTION 4. AND BE IT FURTHER ENACTED, That:

8 (a) The amendment to the Maryland Constitution proposed by Section 2 of this
9 Act shall be submitted to the qualified voters of the State at the next general election to be
10 held in November 2022 for adoption or rejection pursuant to Article XIV of the Maryland
11 Constitution.

12 (b) (1) At that general election, the vote on the proposed amendment to the
13 Constitution shall be by ballot, and on each ballot there shall be printed the words “For the
14 Constitutional Amendment” and “Against the Constitutional Amendment”, as now
15 provided by law.

16 (2) At that general election, a question substantially similar to the
17 following shall be submitted to the qualified voters of the State:

18 “Question ___ – Constitutional Amendment

19 Providing that each budget shall include expenditures necessary to implement wages,
20 hours, fringe benefits, pension benefits, health benefits, and other terms and conditions of
21 employment for State employees concluded in each memorandum of understanding
22 covering State employees.”

23 (c) Immediately after the election, all returns shall be made to the Governor of
24 the vote for and against the proposed amendment, as directed by Article XIV of the
25 Maryland Constitution, and further proceedings had in accordance with Article XIV.

26 SECTION 5. AND BE IT FURTHER ENACTED, That, except as provided in Section
27 4 of this Act, this Act shall take effect July 1, 2022.