Chapter 654

(House Bill 599)

AN ACT concerning

State Personnel – BWI Airport Fire and Rescue Department – Collective Bargaining and Arbitration Processes

FOR the purpose of altering the collective bargaining process between the State and uniformed fire employees of the BWI Airport Fire and Rescue Department by requiring the parties to reach a collective bargaining agreement on or before a certain date; establishing a process of binding arbitration in the event of an impasse; requiring that each budget bill contain the appropriations necessary to implement all terms and conditions of employment in certain memoranda of understanding for the next ensuing fiscal year; and generally relating to collective bargaining between the State and employees of the BWI Airport Fire and Rescue Department.

BY repealing and reenacting, with amendments,

Article – State Personnel and Pensions Section 3–501 and 3–603 Annotated Code of Maryland (2024 Replacement Volume and 2024 Supplement)

BY proposing an amendment to the Maryland Constitution

Article III - Legislative Department Section 52

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

Article - State Personnel and Pensions

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

- (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.
- (b) The parties shall meet at reasonable times and engage in collective bargaining in good faith, including facilitating the meaningful use of a fact finder under subsection (c)(3) of this section, and to conclude a written memorandum of understanding or other written understanding as defined under § 3–101(d)(1)(i)2 of this title.
- (c) (1) The parties shall make every reasonable effort to conclude negotiations in a timely manner for inclusion by the principal unit in its budget request to the Governor.
- (2) (i) The parties shall conclude negotiations before January 1 for any item requiring an appropriation of funds for the fiscal year that begins on the following July 1.
- (ii) In the budget bill submitted to the General Assembly, the Governor shall include any amounts in the budgets of the principal units required to accommodate any additional cost resulting from the negotiations, including the actuarial impact of any legislative changes to any of the State pension or retirement systems that are required, as a result of the negotiations, for the fiscal year beginning the following July 1 if the legislative changes have been negotiated to become effective in that fiscal year.
- (3) (i) This paragraph does not apply to negotiations between the State and the exclusive representative of the uniformed fire employees of the BWI Airport Fire and Rescue Department.
- (II) If the parties do not conclude negotiations for the next fiscal year before October 25, either party may request that a fact finder be employed to resolve the issues.
- [(ii)] (III) The fact finder shall be employed no later than November 1.
- [(iii)] (IV) A fact finder shall be a neutral party appointed by alternate striking from a list by the parties provided:
 - 1. by the Federal Mediation and Conciliation Service; or
- 2. under the Labor Arbitration Rules of the American Arbitration Association.

[(iv)] (V) The fact finder:

- 1. may give notice and hold hearings in accordance with the Administrative Procedure Act;
- 2. may administer oaths and take testimony and other evidence;
 - 3. may issue subpoenas; and
- 4. before November 20, shall make written recommendations regarding wages, hours, and working conditions, and any other terms or conditions of employment that may be in dispute.
- [(v)] (VI) The written recommendations of the fact finder shall be delivered to the Governor, the exclusive representative, the President of the Senate, and the Speaker of the House of Delegates by the Secretary on or before December 1.
- (4) (I) THIS PARAGRAPH APPLIES ONLY TO NEGOTIATIONS BETWEEN THE STATE AND THE EXCLUSIVE REPRESENTATIVE OF THE UNIFORMED FIRE EMPLOYEES OF THE BWI AIRPORT FIRE AND RESCUE DEPARTMENT.
- (II) THE PARTIES SHALL REACH AN AGREEMENT BY SEPTEMBER 30 OF THE YEAR IN WHICH A COLLECTIVE BARGAINING AGREEMENT WILL EXPIRE.
- (III) AN IMPASSE IS REACHED DURING THE NEGOTIATIONS IF THE PARTIES DO NOT REACH AN AGREEMENT:
- 1. BY STATING THAT THEY MUTUALLY AGREE THEY ARE AT AN IMPASSE; OR
- 2. ON OR BEFORE OCTOBER 1 OF THE YEAR IN WHICH A COLLECTIVE BARGAINING AGREEMENT WILL EXPIRE.
- (IV) IF AN IMPASSE IS REACHED UNDER SUBPARAGRAPH (III) OF THIS PARAGRAPH, EACH PARTY SHALL SUBMIT ITS LAST, BEST, AND FINAL OFFER TO THE OTHER PARTY WITHIN 48 HOURS AFTER THE IMPASSE IS REACHED.
- (V) 1. UNLESS THE IMPASSE HAS BEEN RESOLVED, THE PARTIES SHALL MEET WITHIN 5 BUSINESS DAYS AFTER THE IMPASSE IS REACHED UNDER SUBPARAGRAPH (III) OF THIS PARAGRAPH TO SELECT AN ARBITRATOR FROM A LIST OF 15 ARBITRATORS PROVIDED BY THE AMERICAN ARBITRATION ASSOCIATION'S LABOR ARBITRATION PANEL.

- 2. THE PARTIES SHALL SELECT THE ARBITRATOR BY ALTERNATELY STRIKING A NAME FROM THE LIST UNTIL ONE NAME REMAINS.
- 3. IF THE SELECTED ARBITRATOR IS UNABLE TO FULFILL THE RESPONSIBILITIES OF THE ARBITRATION, THE SELECTION PROCESS SHALL BE REPEATED USING A NEW LIST OF ARBITRATORS UNTIL AN ARBITRATOR IS SELECTED.
- 4. THE PARTIES SHALL SUBMIT THE DISPUTE AND THE LAST, BEST, AND FINAL OFFERS TO THE ARBITRATOR WITHIN 5 BUSINESS DAYS AFTER THE ARBITRATOR IS SELECTED.
- (VI) 1. THE ARBITRATOR SHALL HOLD FORMAL HEARINGS AS NECESSARY IN ORDER TO RESOLVE THE IMPASSE.
- 2. During the first 21 days immediately following the appointment of the arbitrator and before holding any formal hearings, the arbitrator may, if determined appropriate by the arbitrator, attempt to resolve the impasse by acting as a neutral mediator between the parties.
- (VII) THE ARBITRATOR SHALL SELECT ONE PARTY'S LAST, BEST, AND FINAL OFFER ON OR BEFORE DECEMBER 15.
- (VIII) <u>1.</u> <u>The Subject to subsubparagraph 2 of this</u> subparagraph, the decision of the arbitrator is binding on the parties.
- <u>2. A DECISION OF AN ARBITRATOR UNDER THIS PARAGRAPH RELATED TO WAGES IS SUBJECT TO THE LIMITATIONS OF THE STATE BUDGET.</u>
- (IX) THE PARTIES SHALL EQUALLY SHARE THE COSTS OF THE SERVICES OF THE ARBITRATOR.
- (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;

- (iii) for a memorandum of understanding relating to a system institution, the Chancellor or the Chancellor's designee; and
- (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.
- (e) (1) Except as provided in paragraph (2) of this subsection, negotiations for a memorandum of understanding shall be considered closed sessions under § 3–305 of the General Provisions Article.
- (2) An exclusive representative may not be considered a public body under § 3–101 of the General Provisions Article.
- (f) (1) The terms of a memorandum of understanding executed by the Governor or the Governor's designee and an exclusive representative of a bargaining unit for skilled service or professional service employees in the State Personnel Management System are not applicable to employees of a State institution of higher education.
- (2) The terms of a memorandum of understanding executed by the Chancellor or the governing board of Morgan State University, St. Mary's College of Maryland, or Baltimore City Community College, or their respective designees, and the exclusive representative of a bargaining unit for employees of a State institution of higher education are not applicable to skilled service or professional service employees in the State Personnel Management System.

3-603.

- (a) A memorandum of understanding agreed to and ratified under § 3–601 of this subtitle may not expire until it is succeeded by a memorandum of understanding that is agreed to and ratified **OR ADOPTED BY ARBITRATION** under this title.
- (b) Notwithstanding § 3–601(b) of this subtitle, all terms of a memorandum of understanding shall continue in force and effect without change until a successor memorandum of understanding is agreed to and ratified.
- (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.

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

Article III - Legislative Department

52.

- (1) The General Assembly shall not appropriate any money out of the Treasury except in accordance with the provisions of this section.
- (2) <u>Every appropriation bill shall be either a Budget Bill, or a Supplementary Appropriation Bill, as hereinafter provided.</u>
- On the third Wednesday in January in each year, (except in the case of $\frac{(3)}{}$ a newly elected Governor, and then not later than ten days after the convening of the General Assembly, unless such time shall be extended by the General Assembly, the Governor shall submit to the General Assembly a Budget for the next ensuing fiscal year. Each Budget shall contain a complete plan of proposed expenditures and estimated revenues for said fiscal year and shall show the estimated surplus or deficit of revenues at the end of the preceding fiscal year. EACH BUDGET SHALL ALSO CONTAIN THE APPROPRIATIONS NECESSARY TO IMPLEMENT ALL TERMS AND CONDITIONS OF EMPLOYMENT IN EACH MEMORANDUM OF UNDERSTANDING CONCLUDED WITH THE STATE, WHETHER REACHED THROUGH MUTUAL AGREEMENT OR ARBITRATION THAT IS BINDING ON THE PARTIES, AND THE GOVERNOR FOR THE NEXT ENSUING FISCAL YEAR FOR THE UNIFORMED FIRE EMPLOYEES OF THE BWI AIRPORT FIRE AND RESCUE DEPARTMENT. Accompanying each Budget shall be a statement showing: (a) the revenues and expenditures for the preceding fiscal year; (b) the current assets, liabilities. reserves and surplus or deficit of the State; (c) the debts and funds of the State; (d) an estimate of the State's financial condition as of the beginning and end of the preceding fiscal year; (e) CHANGES IN WAGES, HOURS, FRINGE BENEFITS, HEALTH BENEFITS, AND OTHER TERMS AND CONDITIONS OF EMPLOYMENT FOR UNIFORMED FIRE EMPLOYEES OF THE BWI AIRPORT FIRE AND RESCUE DEPARTMENT INCLUDED IN EACH MEMORANDUM OF UNDERSTANDING COVERING THE FIRE EMPLOYEES FOR THE NEXT ENSUING FISCAL YEAR; AND (F) any explanation the Governor may desire to make as to the important features of the Budget and any suggestions as to methods for reduction or increase of the State's revenue.

- form and detail as the Governor shall determine or as may be prescribed by law, as follows:
 (a) for the General Assembly as certified to the Governor in the manner hereinafter provided; (b) for the Executive Department; (c) for the Judiciary Department, as provided by law, as certified to the Governor; (d) to pay and discharge the principal and interest of the debt of the State in conformity with Section 34 of Article III of the Constitution, and all laws enacted in pursuance thereof; (e) for the salaries AND, FOR THE UNIFORMED FIRE EMPLOYEES OF THE BWI AIRPORT FIRE AND RESCUE DEPARTMENT, FRINGE BENEFITS payable by the State and under the Constitution and laws of the State, INCLUDING THOSE SALARIES AND BENEFITS COMMITTED UNDER EACH MEMORANDUM OF UNDERSTANDING COVERING THE UNIFORMED FIRE EMPLOYEES OF THE BWI AIRPORT FIRE AND RESCUE DEPARTMENT; (f) for the establishment and maintenance throughout the State of a thorough and efficient system of public schools in conformity with Article 8 of the Constitution and with the laws of the State; and (g) for such other purposes as are set forth in the Constitution or laws of the State.
- Budget and a bill for all the proposed appropriations of the Budget classified and in such form and detail as the Governor shall determine or as may be prescribed by law; and the presiding officer of each House shall promptly cause said bill to be introduced therein, and such bill shall be known as the "Budget Bill." The Governor may, with the consent of the General Assembly, before final action thereon by the General Assembly, amend or supplement said Budget to correct an oversight, provide funds contingent on passage of pending legislation or, in case of an emergency, by delivering such an amendment or supplement to the presiding officers of both Houses; and such amendment or supplement shall thereby become a part of said Budget Bill as an addition to the items of said bill or as a modification of or a substitute for any item of said bill such amendment or supplement may affect.
- General Assembly shall have a figure for the total of all proposed appropriations and a figure for the total of all estimated revenues available to pay the appropriations, and the figure for total proposed appropriations shall not exceed the figure for total estimated revenues. Neither the Governor in submitting an amendment or supplement to the Budget Bill nor the General Assembly in amending the Budget Bill shall thereby cause the figure for total proposed appropriations to exceed the figure for total estimated revenues, including any revisions, and in the Budget Bill as enacted the figure for total estimated revenues always shall be equal to or exceed the figure for total appropriations.
- (6) The General Assembly shall not amend the Budget Bill so as to affect either the obligations of the State under Section 34 of Article III of the Constitution, or the provisions made by the laws of the State for the establishment and maintenance of a system of public schools or the payment of any salaries required to be paid by the State of Maryland by the Constitution.

- this Section, the General Assembly may amend the bill by increasing or diminishing the items therein relating to the General Assembly, and by increasing or diminishing the items therein relating to the judiciary, but except as hereinbefore specified, may not alter the bill except to strike out or reduce items therein, provided, however, that the salary or compensation of any public officer may not be decreased during the public officer's term of office. When passed by both Houses, the Budget Bill shall be presented to the Governor for approval or disapproval according to Section 17 of Article II of this Constitution.
- (6b) In enacting a balanced Budget Bill as required under this Section for fiscal year 2024 and each fiscal year thereafter, the General Assembly may amend the bill by increasing, diminishing, or adding items therein relating to the General Assembly, by increasing, diminishing, or adding items therein relating to the judiciary, and by increasing, diminishing, or adding items therein relating to the Executive Department, provided that the total of the appropriation for the Executive Department approved by the General Assembly does not exceed the total proposed appropriation for the Executive Department submitted by the Governor. The salary or compensation of any public officer may not be decreased during the public officer's term of office. When passed by both Houses, the Budget Bill shall be a law immediately without further action by the Governor.
- The Governor and such representatives of the executive departments, boards, officers and commissions of the State expending or applying for State's moneys, as have been designated by the Governor for this purpose, shall have the right, and when requested by either House of the General Assembly, it shall be their duty to appear and be heard with respect to any Budget Bill during the consideration thereof, and to answer inquiries relative thereto.
- Supplementary Appropriation Bill. Either House may consider other appropriations but both Houses shall not finally act upon such appropriations until after the Budget Bill has been finally acted upon by both Houses, and no such other appropriation shall be valid except in accordance with the provisions following: (a) Every such appropriation shall be embodied in a separate bill limited to some single work, object or purpose therein stated and called herein a Supplementary Appropriation Bill; (b) Each Supplementary Appropriation Bill shall provide the revenue necessary to pay the appropriation thereby made by a tax, direct or indirect, to be levied and collected as shall be directed in said bill; (c) No Supplementary Appropriation Bill shall become a law unless it be passed in each House by a vote of a majority of the whole number of the members elected, and the yeas and nays recorded on its final passage; (d) Each Supplementary Appropriation Bill shall be presented to the Governor of the State as provided in Section 17 of Article 2 of the Constitution and thereafter all the provisions of said section shall apply.
- (9) Nothing in this section shall be construed as preventing the General Assembly from passing at any time, in accordance with the provisions of Section 28 of Article 3 of the Constitution and subject to the Governor's power of approval as provided in Section 17 of Article 2 of the Constitution, an appropriation bill to provide for the payment

of any obligation of the State within the protection of Section 10 of Article 1 of the Constitution of the United States.

- (10) If the Budget Bill shall not have been finally acted upon by the Legislature seven days before the expiration of the regular session, the Governor shall issue a proclamation extending the session for some further period as may, in the Governor's judgment, be necessary for the passage of such bill; but no matter other than such bill shall be considered during such extended session except a provision for the cost thereof.
- from the proper State officials (including all executive departments, all executive and administrative offices, bureaus, boards, commissions and agencies that expend or supervise the expenditure of, and all institutions applying, for State moneys and appropriations) such itemized estimates and other information, in such form and at such times as directed by the Governor. An estimate for a program required to be funded by a law which will be in effect during the fiscal year covered by the Budget and which was enacted before July 1 of the fiscal year prior to that date shall provide a level of funding not less than that prescribed in the law. The estimates for the Legislative Department, certified by the Presiding officer of each House, of the Judiciary, as provided by law, certified by the Chief Justice of the Supreme Court of Maryland, and for the public schools, as provided by law, shall be transmitted to the Governor, in such form and at such times as directed by the Governor, and shall be included in the Budget without revision.
- The Governor may provide for public hearings on all estimates and may require the attendance at such hearings of representatives of all agencies, and for all institutions applying for State moneys. After such public hearings the Governor may, in the Governor's discretion, revise all estimates except those for the legislative and judiciary departments, and for the public schools, as provided by law, and except that the Governor may not reduce an estimate for a program below a level of funding prescribed by a law which will be in effect during the fiscal year covered by the Budget, and which was enacted before July 1 of the fiscal year prior thereto.
- (13) The General Assembly may, from time to time, enact such laws not inconsistent with this section, as may be necessary and proper to carry out its provisions.
- Section and any of the other provisions of the Constitution, the provisions of this Section shall prevail. But nothing herein shall in any manner affect the provisions of Section 34 of Article 3 of the Constitution or of any laws heretofore or hereafter passed in pursuance thereof, or be construed as preventing the Governor from calling extraordinary sessions of the General Assembly, as provided by Section 16 of Article 2, or as preventing the General Assembly at such extraordinary sessions from considering any emergency appropriation or appropriations.

- (15) If any item of any appropriation bill passed under the provisions of this Section shall be held invalid upon any ground, such invalidity shall not affect the legality of the bill or of any other item of such bill or bills.
- SECTION 3. AND BE IT FURTHER ENACTED, That the General Assembly determines that the amendment to the Maryland Constitution proposed by Section 2 of this Act affects multiple jurisdictions and that the provisions of Article XIV, § 1 of the Maryland Constitution concerning local approval of constitutional amendments do not apply.

SECTION 4. AND BE IT FURTHER ENACTED. That:

- (a) The amendment to the Maryland Constitution proposed by Section 2 of this Act shall be submitted to the qualified voters of the State at the next general election to be held in November 2026 for adoption or rejection in accordance with Article XIV of the Maryland Constitution.
- (b) (1) At that general election, the vote on the proposed amendment to the Constitution shall be by ballot, and on each ballot there shall be printed the words "For the Constitutional Amendment" and "Against the Constitutional Amendment", as now provided by law.
- (2) At that general election, a question substantially similar to the following shall be submitted to the qualified voters of the State:

"Question - Constitutional Amendment

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

- (e) Immediately after the election, all returns shall be made to the Governor of the vote for and against the proposed amendment, as directed by Article XIV of the Maryland Constitution, and further proceedings had in accordance with Article XIV.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July $\frac{1,2025}{}$.
- <u>SECTION 5. AND BE IT FURTHER ENACTED, That Section 1 of this Act is contingent on the passage of Section 2 of this Act, a constitutional amendment, and its ratification by voters of the State.</u>

SECTION 6. AND BE IT FURTHER ENACTED, That, subject to Section 5 of this Act, Section 1 of this Act shall take effect on the proclamation of the Governor that the constitutional amendment, having received a majority of the votes cast at the general election, has been adopted by the people of Maryland.

<u>SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2025.</u>

Approved by the Governor, May 20, 2025.