

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 106

(Delegate Foley, *et al.*)

Government, Labor, and Elections

Finance

State Personnel - Collective Bargaining - Nontenure Track Faculty

This bill extends collective bargaining rights to *specified* nontenure track faculty at the University System of Maryland (USM), Morgan State University (MSU), and St. Mary's College of Maryland (SMCM). Certain nontenure track faculty are excluded, including faculty (1) at fully online institutions; (2) whose positions are fully funded by grants, contracts, or clinical revenues; or (3) whose regular place of employment is outside the State. **The bill takes effect July 1, 2026.**

Fiscal Summary

State Effect: Expenditures for USM institutions, MSU, and SMCM increase minimally to reimburse the Public Employee Relations Board (PERB) for collective bargaining expenses. Accordingly, PERB reimbursable revenues and expenditures increase minimally. In addition, USM, MSU, and SMCM administrative and personnel expenditures may increase, potentially significantly, but any such costs are contingent on the outcome of elections and subsequent collective bargaining and, therefore, cannot be reliably estimated.

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: “Nontenure track faculty” means full-time, part-time, or adjunct nontenure track employees of a USM institution, MSU, or SMCM whose assignments involve academic instruction, including teachers, researchers, and department heads and those in

comparable positions. Nontenure track faculty does not include faculty employed at a fully online institution, or faculty whose positions are fully funded through a research or service grant or contract, or through clinical revenues. A “fully online institution” is an institution that offers all academic and student services remotely. Nontenure track faculty at each affected institution must have their own bargaining unit.

Current Law: Chapter 341 of 2001 extended collective bargaining rights to many categories of higher education personnel at public four-year institutions of higher education and Baltimore City Community College but excluded all faculty and students from the benefit. In addition, contingent, contractual, temporary, or emergency employees are specifically excluded from collective bargaining. Also excluded are student employees, including teaching assistants and postdoctoral interns.

University Employment and Compensation Policies

USM institutions must follow various policies related to staff employment and compensation. For example, under [USM Policy II – 1.05 Policy on the Employment of Full-Time, Non-Tenure Track Instructional Faculty in the University System of Maryland](#) and [USM Policy II – 1.06 Policy on the Employment of Salaried, Part-Time, Non-Tenure Track Instructional Faculty in the University System of Maryland](#), every effort must be made to make salaries professionally appropriate and competitive to the extent allowed by available fiscal resources.

Wages for graduate assistants are set by each institution. USM institutions must follow [USM Policy III – 7.11 Policy on Graduate Assistantships](#). Under this policy, appointments may be made for appropriate periods of time, as determined by the institution. A graduate assistant may serve on a full-time, half-time, or other basis. A full-time assistant’s responsibilities should require, on average, 20 hours per week. A half-time assistantship should require an average of 10 hours per week.

According to USM policy, each institution must establish stipend levels for graduate assistants that are competitive with peer institutions, to the extent allowed by available fiscal resources. Further, each institution must establish minimum stipend amounts annually, with discretion to award stipends above the minimum level.

Public Employee Relations Board

The Public Employee Relations Act (Chapter 114 of 2023) substantially restructured collective bargaining by public employees, including establishing PERB as the replacement for three separate boards – among them the former State Higher Education Labor Relations Board – to oversee collective bargaining for all public employees. PERB may investigate and take appropriate action in response to complaints of unfair labor

practices, including strikes and lockouts. The State and its officers, employees, agents, or representatives are prohibited from engaging in unfair labor practices. PERB also administers elections for exclusive representatives.

Certification of an Employee Organization

In order to be certified, an employee organization must submit a petition showing that at least 30% of the eligible employees in a bargaining unit wish to be represented by the petitioning organization. Other employee organizations may participate in the election if they prove that 10% of the eligible employees in the bargaining unit wish to be represented by them. There must also be a provision for “no exclusive representative” on the ballot. PERB must conduct the election by secret ballot, which may be in person, by mail, or electronic. Interest in union representation can be shown by a union authorization card or a union membership card as specified.

An employee organization may request a preferred method of voting; if there is a dispute between two or more employee organizations, PERB may designate the method of voting.

PERB must certify as exclusive representative the employee organization receiving the votes in an election from a majority of the employees voting in the election.

Office of Administrative Hearings

The Office of Administrative Hearings (OAH) has been delegated authority by the Department of Budget and Management to conduct State Personnel Management System hearings, including those involving grievances and disciplinary appeals. OAH has also been delegated hearing authority by USM and MSU to hear similar matters.

Consolidated Collective Bargaining Memorandum of Understanding

Consolidated collective bargaining allows an exclusive representative that represents multiple bargaining units within USM to negotiate a single consolidated memorandum of understanding (MOU) that applies to all represented employees across system institutions. Any such MOU covers broad employment terms such as wages, benefits, grievance procedures, layoffs, health and safety, union rights, and management rights. However, certain institution-specific matters – such as essential employee designation, work hours, student breaks, shift differentials, and telework – must be negotiated separately between each institution’s president (or designee) and the union. Any additional institution-specific issues not explicitly categorized must be negotiated either through mutual agreement at the institution level or incorporated into the consolidated MOU if no agreement is reached. The MOU aligns with the fiscal year (July 1 – June 30) and remains in effect until replaced by a subsequent agreement.

State Fiscal Effect:

Public Employee Relations Board

PERB operates on a reimbursable funding model with respect to public institutions of higher education, with each institution paying a per-covered employee fee to PERB for operating expenses. Therefore, PERB reimbursable revenues and expenditures increase minimally for each election. Actual revenues and expenditures depend on the number of elections held, the number of members, and the number and duration of any disputes. PERB anticipates increased costs peaking over three fiscal years (fiscal 2027 through 2029) and then tapering off; costs include postage for ballots, office supplies, and per diem board payments. However, PERB does not anticipate requiring additional staff to implement the bill.

Higher Education Institutions

Higher education expenditures increase minimally for USM institutions, MSU, and SMCM to reimburse PERB for expenses related to collective bargaining. Nontenure-track faculty at fully online institutions, including the University of Maryland Global Campus, are excluded. Also excluded are nontenure track faculty who are not primarily instructional, those in grant- or clinically funded positions, and those whose regular place of employment is outside the State. Actual costs depend on whether eligible nontenure track faculty decide to collectively bargain and the actual reimbursable costs that can be assigned to the institutions.

Administrative expenditures may increase minimally at USM institutions, MSU, SMCM to expand collective bargaining to eligible nontenure track faculty. Several institutions advise that additional full-time staff are necessary, although most do not specify how many. Expenditures may further increase for legal and human resource advisers to help manage the collective bargaining process if nontenure track faculty members elect to be represented by an exclusive representative.

Salary expenditures for eligible nontenure track faculty may increase; however, any increases depend on the outcomes of actual negotiations. Health and retirement benefit costs may also increase, to the extent they are negotiated. The State shares in the cost of salary and fringe benefit increases for State-supported employees at USM, MSU, and SMCM.

Office of Administrative Hearings

The bill likely has, at a minimum, an operational impact on OAH because OAH needs to train its administrative law judges on the substantive areas of the bill. Actual impacts will

ultimately depend on the number of additional hearings resulting from the bill (for instance, for potentially more grievance-related proceedings).

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See SB 750 and HB 661 of 2025.

Designated Cross File: SB 6 (Senators Kramer and Lam) - Finance.

Information Source(s): University System of Maryland; Morgan State University; Public Employee Relations Board; Department of Legislative Services

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