



Maryland

DEPARTMENT OF BUDGET
AND MANAGEMENT

LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lieutenant Governor

DAVID R. BRINKLEY
Secretary

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Deputy Secretary

HOUSE BILL 1237 Budget Bill – Appropriations Statement – Memorandum of Understanding for State Personnel ((Korman))

POSITION: OPPOSE

DATE: February 24, 2021

COMMITTEE: House Appropriations

SUMMARY OF BILL: HB 1237 proposes an amendment to the Maryland Constitution to require the Governor to include with the budget bill a statement showing the appropriations necessary to implement and fund for the next ensuing fiscal year each memorandum of understanding, whether reached through negotiations or binding arbitration, that is binding on the State and incorporates wages and terms and conditions of employment for executive department, higher education and other State personnel. Specifically, the Bill proposes to amend Article III, Section 52(3) of the Maryland Constitution, which is a provision that addresses certain informational requirements that the Governor must include with the submission of the annual Budget Bill. The Constitutional Amendment would be submitted to the voters of the State for their adoption or rejection at the November 2022 general election.

EXPLANATION: The Department of Budget and Management (DBM) opposes HB 1237 as unnecessary and ambiguous. The Bill appears to propose a constitutional amendment for the purpose of imposing an additional reporting requirement on the Governor. A constitutional amendment is not needed for this purpose. The type of reporting requirement addressed in the proposed constitutional amendment could likely be done through regular legislation. But even that is not necessary, because the information being sought regarding appropriations necessary to fund each collective bargaining agreement (memorandum of understanding) is routinely provided by DBM.

Not only is the Bill unnecessary, it also potentially introduces ambiguity and uncertainty into the State's budget process that should cause pause. The language characterizing MOUs as "binding on the State" might call into question the General Assembly's constitutional authority to strike or reduce items of appropriations related to MOUs, and it unclear why the Bill uses the term "binding arbitration", since the State's collective bargaining law under Title 3 of the Personnel and Pensions Article does not include binding arbitration.

Asking Maryland voters to consider an ambiguous Constitutional Amendment that is not needed and has no real effect, diminishes the importance of statewide electoral issues. Voters will have many important choices to consider in the November 2022 election and an unnecessary Constitutional Amendment with the potential to introduce ambiguity and uncertainty into the State's budget process, should not be one of them.

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