HB54 - Higher Education - St. Mary's College of Ma
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Testimony for HB 54: Higher Education - St. Mary's College of Maryland - Cost-of-Living Adjustment

Good afternoon Madam Chair, Vice Chair, and distinguished members of the committee. I am Del. Brian Crosby and it's an honor to present House Bill 54 entitled **Higher Education - St. Mary's College of Maryland - Cost-of-Living Adjustment.**

The purpose of this bill is to raise the percentage of the cost-of-living adjustment provided by the State for employees of St. Mary's College of Maryland from 50% to 100%. Currently, both the University System of Maryland and Morgan State University receive 100% of the state employee COLA. This bill would update the funding formula to include St. Mary's College into the current standards for other public universities across the state. The employees of St. Mary's work hard to provide a quality education and deserve the basic increase to cover cost of life inflation. We shouldn't prioritize one higher education institution's employees over another.

For these reasons, I urge this committee to provide a favorable report on HB 54.

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Position: FAV

HB 54

David Turner

Favorable

Good afternoon. My name is David Turner, and I have been a full-time employee of St. Mary's College of Maryland's Office of Public Safety since 2010. In that time, I have worked as both a Dispatcher and patrol Officer, and have seen my salary, and that of my coworkers, fall farther and farther behind those of persons doing the same type of job, with the same inherent risks and difficulties, in other State of Maryland departments. This is partially a result of the College's existing funding formula, which only grants our employees 50% of state employee COLA salary increases. The cost of this became increasingly apparent once I became more involved with our union local and observed firsthand how the College's fiscal autonomy from the mainline state higher education budget process allowed them to restrict employee base salaries and raises cross campus significantly, and without oversight.

Additionally, due to our location, our staff compete for housing and other essentials with highly paid employees of and contractors associated with the Patuxent River Naval Air Station and its subsidiaries, and we are not able to do so on anything like an equal footing. Receiving fair COLA increases, without reduction by the College's current funding formula, would go a long way towards enabling our staff to live more comfortably, improve employee retention and morale across campus, and assist in the attraction and recruitment of qualified, motivated employees.

I wholeheartedly support the adoption of the funding formula alterations proposed in HB 54, and hope that all members consider the positive impacts for all employees of the college and the surrounding community that fair and equitable cost of living adjustments would provide.

HB 54 - SMCM - Cost of Living.pdf
Uploaded by: Donna Edwards
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HB 54 – Higher Education – St. Mary's College of Maryland – Cost-of-Living Adjustment
House Appropriations Committee
February 1, 2022

SUPPORT

Donna S. Edwards
President
Maryland State and DC AFL-CIO

Madam Chair and members of the Committee, thank you for the opportunity to submit testimony in support of HB 54 – Higher Education – St. Mary's College of Maryland – Cost-of-Living Adjustment. My name is Donna S. Edwards, and I am the President of the Maryland State and District of Columbia AFL-CIO. On behalf of Maryland's 340,000 union members, I offer the following comments.

Workers for the University System of Maryland and Morgan State University currently enjoy 100% of the Cost-of-Living-Adjustment (COLA) that other state employees receive. Workers at St. Mary's College, however, only receive 50% of the state employee COLA. Inexplicably, these state employees are on a second tier, while their counterparts in other areas of the state, doing the same exact work, are receiving a full COLA.

HB 54 corrects this by changing the funding formula for St. Mary's College to provide 100% funding for any cost-of-living increases provided to state workers. This bill will bring workers at St. Mary's College back in line with other state workers at Maryland's higher education institutions. This bill is about fundamental fairness, and it shows that the General Assembly recognizes and honors the work done at all our universities.

For these reasons we ask for a favorable report on HB 54.

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Testimony

HB 54 – Higher Education – St. Mary's College of Maryland – Cost-of-Living-Adjustment

Appropriations

February 1, 2022

Support

HB 54 changes the funding formula for St. Mary's College to provide 100% funding for any Cost-of-Living Increase (COLA) provided to state employees. Currently, their formula calls for only 50% funding. St. Mary's is the only higher education institution that is treated this way. The University System of Maryland and Morgan State University currently receive 100% of the cost of the state employee COLA.

This funding formula was at least an improvement from the previous one which had no allowance for COLA's. In 2017, St. Mary's argued that increases in benefits and compensation were increasing at a higher rate than revenues. However, instead of bringing St. Mary's up to the level of COLA funding as USM and Morgan, legislation only provided the smaller 50% amount.

The problem now is that in Collective Bargaining negotiations with AFSCME Local 3980, St. Mary's administration seeks to limit the COLA increases to 50% of whatever state employees get. In FY 2020, for example, when state employees received a 3% COLA in July of 2019, St. Mary's proposed a 1.5% at the bargaining table. Through negotiations, it was eventually increased to 2% but it was delayed by 3 months – bringing the fiscal year costs back down to 1.5%.

Our members work very hard to support St. Mary's. At this point, they can't help but think that they are being treated as second class citizen since they are the only institution in the state of Maryland put in this predicament. We urge you to support these employees and provide 100% funding for COLA's at St. Mary's College.

We urge you to provide a favorable report.

HB 54 St. Mary's College-COLA (Crosby) APP 2.1.22
Uploaded by: Barbara Wilkins
Position: INFO

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DEPARTMENT OF BUDGET AND MANAGEMENT

DAVID R. BRINKLEY
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MARC L. NICOLE
Deputy Secretary

HOUSE BILL 54 St. Mary's College of Maryland - Cost-of-Living Adjustment (Crosby)

STATEMENT OF INFORMATION

DATE: February 1, 2022

COMMITTEE: House Appropriations

SUMMARY OF BILL:. HB 54 increases the percentage of State funding for St. Mary's College State supported employees' cost-of-living adjustments (COLAs) from 50% to 100%.

EXPLANATION: The Department of Budget and Management's focus is not on the underlying policy proposal being advanced by the legislation, but rather on the increase in mandated spending. For example, the cost to provide the currently budgeted 3% COLA, effective July 1, 2022, would increase the State's cost by an additional $417,054, thereby doubling the appropriation. The fiscal impact of a permanent change in the State's sharing of funding would vary from year to year, depending on the amount of a salary enhancement provided, if any.

DBM has the responsibility of submitting a balanced budget to the General Assembly annually, which will require spending allocations for FY 2024 to be within the official revenues estimates approved by the Board of Revenue Estimates in December 2022.

Changes to the Maryland Constitution in 2020 provide the General Assembly with additional budgetary authority, beginning in the 2023 Session, to realign total spending by increasing and adding items to appropriations in the budget submitted by the Governor. The legislature's new budgetary power diminishes, if not negates, the need for mandated appropriation bills.

Fully funding the implementation of the Blueprint for Maryland's Future (Kirwan) will require fiscal discipline in the years ahead, if the State is to maintain the current projected structural budget surpluses. Mandated spending increases need to be reevaluated within the context of this education funding priority and the Governor's tax relief proposals.

Economic conditions remain precarious as a result of COVID-19. High rates of inflation and workforce shortages may be short lived or persist, thereby impacting the Maryland economy. While current budget forecasts project structural surpluses, the impact of the ongoing COVID-19 pandemic continues to present a significant budgetary vulnerability. The Department continues to urge the General Assembly to focus on maintaining the structural budget surplus.

For additional information, contact Barbara Wilkins at

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