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Appropriations Committee

Subcommittees

Capital Budget

Chair, Transportation and the  
Environment

Oversight Committee on Personnel



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THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

State Personnel - Collective Bargaining - Revisions and Budget Bill Appropriations (HB 458)  
Testimony of Delegate Marc Korman—Favorable

Thank you Madam Chair, Mr. Vice Chair and my colleagues on the Appropriations Committee. I come before you today to present HB 458. The legislation is a combination of an amendment to the state constitution and statutory changes that would alter the system of government employee negotiations in Maryland to impose binding arbitration, allowing a neutral third party to settle contract disputes between the Governor and state workforce.

The constitutional amendment portion is necessary to require the Governor to provide sufficient funds in the state budget to implement and fund all terms of a memorandum of understanding agreed to by the state and a public employees union.

It is clear that Maryland's current bargaining system does not work as well as it should. As you are aware, for several years, the Governor and several of the collective bargaining units could not reach an agreement. When that happens, the Governor is free to impose the result of their liking. This has created a scenario where the Governor, at times, favors some constituencies over others. Even in years where all of the parties ultimately agree in the collective bargaining process, it can lead to starkly differential outcomes. For example, this year, a 3% COLA went to the Maryland Professional Employees Council Local 6197 (MPEC), the American Federation of State, County and Municipal Employees (AFSCME) Council 3 and the American Federation of Teachers (AFT). However, a 7% COLA went to the Fraternal Order of Police (FOP), State Law Enforcement Officers Labor Alliance (SLEOLA), and BWI Airport Firefighters Local 142. It is long past time that Maryland comes up with a better process to work out these collective bargaining disputes that does not hinge on the political leanings of whoever occupies the Governor's mansion at a given time.

HB 458 would lay a new framework to better resolve labor disputes by using a neutral third party arbiter. The bill requires that at the beginning of the negotiation period, both sides will agree on a neutral arbiter by July 15 of each year, with negotiations concluding by September 30. If an agreement is not reached by October 1, an impasse is declared and binding arbitration is triggered. Each side will be required to present their best and final offer to the arbiter who is required to make a final determination by December 15. Binding arbitration will avoid the protracted labor disputes that we have seen in recent years by taking the politics out of labor disputes and giving both sides an incentive to come to a mutual agreement.

There is precedent for binding arbitration in Maryland. Eight counties currently impose binding arbitration for fire and EMS bargaining units through Charter and Code-level legislation in addition to certain state transit and public safety workers. Across the country, states such as Connecticut, Delaware and Hawaii have reformed their labor laws to permit binding arbitration for non-public safety state employees.

Maryland's public sector employees, and the residents they serve, deserve a more fair and efficient process to resolve labor disputes. Settling disputes in binding arbitration before a neutral third party will prevent acrimonious labor battles from dragging on and gives Maryland's public sector employees the security they deserve as they serve Maryland.

I urge a favorable report on HB 458 so that we can start the process of reforming a negotiating system that is clearly not working as intended.