

Larry Hogan Governor Boyd K. Rutherford Lt. Governor James F. Ports, Jr. Secretary

February 24, 2022

The Honorable Delores G. Kelley Chair, Senate Finance Committee 3 East Miller Senate Office Building Annapolis, Maryland 21401

## RE: Letter of Opposition – Senate Bill 475 – Maryland Transit Administration Police -Collective Bargaining – Supervisors and Sergeants

Dear Chair Kelley and Committee Members:

The Maryland Department of Transportation (MDOT) respectfully opposes Senate Bill 475 due to conflicts regarding supervisory and managerial responsibilities and additional costly processes.

Senate Bill 475 would add "Sergeants and Supervisors" to the list of employees authorized to collectively bargain with the MDOT Maryland Transit Administration (MDOT MTA).

Current law only permits three unions as "accredited representatives" for the MDOT MTA's nonsupervisory, non-management employees, and requires the MDOT MTA to submit labor disputes with represented employees to binding arbitration. Senate Bill 475 would create a new bargaining unit consisting of MTA's police supervisors, including sergeants of the MDOT MTA police. The MDOT MTA would be required to enter into a collective bargaining agreement with this bargaining unit, and this union would have the right to submit labor disputes to binding arbitration.

Within the MDOT MTA Police Force, the rank of Sergeant is a supervisory position with responsibilities in assigning work, initiating discipline, and evaluating employee performance. The law currently excludes supervisory, managerial, professional, and confidential employees, recognizing the conflict of interest inherent when supervisory and managerial employees are represented. Presumably, the current law follows the federal law governing labor/union relationships, the National Labor Relations Act (NLRA), which does not provide protections for managers and supervisors as they are considered part of management rather than the workforce. Adding this category of employees as proposed by Senate Bill 475 serves as a contradiction to the intent of the current statute and collective bargaining generally. Notably, there is no clarity in the bill as to which employees are considered supervisors within the MDOT MTA police. Without a clear definition, the law may be interpreted to include civilian supervisors, or officers higher in rank than sergeants. If collective bargaining was expanded in this manner, it could have a detrimental effect on MDOT's ability to execute management responsibilities.

The Honorable Delores G. Kelley Page Two

In addition, current law requires mandatory binding interest arbitration to settle labor disputes at MDOT MTA. This process is cumbersome and expensive, requiring the MDOT MTA to engage three arbitrators and outside counsel, in addition to management time. The State, the MDOT, and the MDOT MTA do not have control over this process, leaving any financial awards and other contract terms, such as pensions, to be determined by the arbitrators. The possibility of a prohibitively expensive arbitration award may force the State to agree to less favorable terms than could be achieved via collective bargaining. Therefore, it would be fiscally irresponsible for MDOT to support binding arbitration for an additional group of supervisory employees, as it cedes fiscal responsibility and control to a third party who is unfamiliar with the potential impacts of these financial decisions.

For these reasons, the Maryland Department of Transportation respectfully requests the Committee grant Senate Bill 475 an unfavorable report.

Respectfully submitted,

Dave Myers Director of Governmental Affairs Maryland Transit Administration 410-767-0820 Pilar Helm Director of Government Affairs Maryland Department of Transportation 410-865-1090