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Testimony of UFCW Local 1994 on HB 764 – Montgomery County Housing Opportunities Commission – Collective Bargaining Agreement Implementation – Impasse Arbitration

Dear Chair Barnes, Vice Chair Chang, and Members of the House Appropriations Committee,

Local 1994 is in full support of HB 764 – a bill that would allow for a declaration of impasse and send a dispute over bargaining issues to binding arbitration for employees of the Housing Opportunities Commission when in bargaining for wage reopeners.

It is common with multi-year contracts to return to the bargaining table to negotiate over workplace issues, wages and working conditions when changing conditions dictate a need. Right now, when issues arise in those negotiations, an impasse can be declared, and a Labor Relations Administrator works with the parties to resolve the impasse.

During regular negotiations that go to arbitration, a Labor Relations Administrator can impose an agreement on the parties. But in out-of-cycle bargaining, the LRA does not have that ability. This was not the intent of binding arbitration law and needs to be rectified.

Bargaining should be conducted on an equal playing field. HOC employees do not have the legal right to strike, so absent comprehensive binding arbitration requirements, employees have little leverage to reach a fair deal during out of cycle bargaining and there is no vehicle for impasse resolution.

We also don't see how the timing of the negotiations – whether in-cycle or during a wage reopener – should have any impact on the use of binding arbitration. Binding arbitration has been a valuable tool in solving impasse. The prospect of an impasse hearing before a neutral mediator-arbitrator provides motivation for both parties to offer compromises and to move swiftly to ensure that their position will hold up under scrutiny and is the most reasonable.

Binding arbitration does not discourage the union nor the employer from reaching a negotiated agreement, but provides the conditions under which a fair and timely negotiated agreement is more likely.

It is in the best interest of the union, the employer, and the public for the parties to have a method to resolve impasses fairly and promptly at the bargaining table-- and this bill will do just that.

This is a matter of equity. The bill as amended would make the impasse procedures at HOC consistent with the Montgomery County Law.

We ask for a **favorable** report on this bill.

Thank you.