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**House Bill 380 Arbitration Reform for State Employees Act of 2023 House Appropriations Committee February 7, 2023** 

## Unfavorable

Chair Barnes and Members of the House Appropriations Committee,

Thank you for the opportunity to share our thoughts on House Bill 380, which requires the use of an arbitrator at the onset of negotiations. In our assessment, this Bill condenses the negotiation process to an unrealistic timeframe, expands collective bargaining to include fringe, health, and pension benefits, and provides the arbitrator with broad decision-making authority over the College. Additionally, this Bill would result in a considerable and unnecessary financial burden. For these reasons, St. Mary's College urges an unfavorable report for House Bill 380.

The cost to include an arbitrator throughout the negotiation process is estimated at \$50,000 or more per year, an expense that both the College and the bargaining units would share. Additionally, the condensed timeframe to complete negotiations required under the Bill would necessitate the College having to hire outside legal assistance to support the effort, resulting in an additional cost of approximately \$156,000 per year.

Currently, the collective bargaining process requires considerable participation by nearly half of our human resources office staff, as well as managers of several essential operational departments. Condensing the negotiation process to three months, from July 1 to September 30 each year, would significantly impede these employees from performing their duties during a critical time, specifically, preparing for and transitioning to the fall semester. To accommodate the condensed schedule and to ensure a smooth transition into the fall semester, the College would need to hire an outside firm at considerable cost to advise and support the negotiations process.

Historically when working with the union employees at St. Mary's College, we have always found common ground and reached mutual agreement without the use of an arbitrator. Requiring an arbitrator would be wasteful and an unnecessary expense for both the institution and our employees.

House Bill 380 would expand collective bargaining to include fringe, health, and pension benefits. As a state institution, the College participates in all state benefit programs and should not be required to separately negotiate over benefits for which it has no authority.

Lastly, granting an arbitrator final decision-making power during the collective bargaining process would supersede the St. Mary's College of Maryland Board of Trustees statutory authority for governance and management of the College, including the Board's authority over personnel and financial matters.

For these reasons, I urge an unfavorable report on House Bill 380.

Thank you for your consideration and continued support of St. Mary's College of Maryland.

















