ST. MARY'S COLLEGE of MARYLAND
The National Public Honors College

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Senate Bill 188 / House Bill 114
Arbitration Reform for State Employees Act of 2024
Senate Budget & Taxation Committee / House Appropriations Committee
January 17th, 2024 / January 30th, 2024

Letter of Information

Chair Guzzone, Chair Beidle, and members of the Budget & Taxation Committee and Finance Committee, thank you for the opportunity to share St. Mary's College of Maryland's analysis of Senate Bill 188.

In general, this bill alters the collective bargaining process for State employees by requiring the selection of a neutral arbitrator to oversee all aspects of collective bargaining, establishes an arbitration process in the event of impasse, and requires that the annual budget bill contain the appropriations necessary to implement all terms and conditions of employment. In our assessment, this bill would heavily condense the existing negotiation process, expand collective bargaining to include fringe, health, and pension benefits beyond existing state benefit programs for employees, and provide an arbitrator with broad decision-making authority over the College. Additionally, this bill would result in significantly increased operational complexities and financial cost to the College.

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 of each year – would impede these employees from performing their normal duties during the critical transition to our annual fall semester. In order to simultaneously accommodate the condensed schedule and ensure a smooth transition for first-year and returning students, the College would be required to retain outside legal counsel, resulting in additional costs of approximately $156,000 per year. Further, the cost of including an arbitrator throughout the negotiation process is estimated at $50,000 or more per year – an expense that both the College and bargaining units would share.

Beyond altering the negotiation time frame, Senate Bill 188 would expand collective bargaining to include fringe, health, and pension benefits. As a state institution, St. Mary's College participates in all applicable state benefit programs; requiring the College to separately negotiate over benefits for which it has no authority would result in significant operational and financial costs to the College. Finally, granting an arbitrator final decision-making power during the collective bargaining process would supersede the St. Mary's College of Maryland Board of Trustees' existing statutory authority over governance and management of the College - including the Board's authority over personnel and financial matters.

St. Mary's College of Maryland has traditionally enjoyed a productive and collaborative relationship with our employees and collective bargaining units. Further, we have always found common ground and reached mutual agreement without the use of an arbitrator. Thank you for your consideration and continued support of St. Mary's College of Maryland.

Tuajuanda C. Jordan

Tuajuanda C. Jordan, PhD
President