



MARYLAND STATE & D.C. AFL-CIO

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HB 159 - Arbitration Reform for State Employees Act of 2025 House Appropriations Committee February 4, 2025

SUPPORT

Donna S. Edwards

President

Maryland State and DC AFL-CIO

Chairman and members of the Committee, thank you for the opportunity to provide testimony in support of HB 159 - Arbitration Reform for State Employees Act of 2025. My name is Donna S. Edwards, and I am the President of the Maryland State and DC AFL-CIO. On behalf of the 300,000 union members in the state of Maryland, I offer the following comments.

The current law incentivizes a Governor to avoid action if they fail to reach an agreement with state employees in the bargaining process. They may simply disregard the process, allowing them to bypass negotiations and abandon workers throughout the entirety of their term.

HB 159 addresses these issues by amending the Maryland Constitution to establish binding arbitration for state worker collective bargaining. Binding arbitration is a common dispute resolution process in both private and public sector labor relations all around the country. It recognizes that both parties do not always agree and that negotiations can stall without a fair resolution. When this happens, a neutral arbitrator is tasked with drafting a written award that outlines the terms of a settlement that both parties must respect and adhere to.

Public sector workers in the following states have some form of binding interest arbitration for their collective bargaining processes: Alaska, California, Connecticut, District of Columbia, Hawaii, Illinois, Iowa, Maine, Massachusetts, Michigan, Minnesota, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, Texas, Vermont, Washington, Wisconsin, and Wyoming. Even in Maryland, our county workers in Anne Arundel, Baltimore City, Baltimore County, Frederick County, Howard, Montgomery, Prince George's, and the Town of Ocean City have binding interest arbitration for some or all of their units. Maryland is in the minority of states with public sector collective bargaining that do not also have binding interest arbitration.

HB 159 provides balance in the negotiations process, giving both parties every motivation to bargain in good faith and work toward a timely agreement. Management will no longer have the incentive to wait

out negotiations in the hopes that they can save money and unilaterally implement and fund their own proposals. The process listed in the bill for the selection of neutral arbitrators is shared by many unions and employers all over the country. Workers deserve balance and timely decisions. By putting the conditions of the memorandum of understanding directly into the budget, we ensure that what has been negotiated and agreed upon, is honored. This bill is a fair and balanced approach to providing effective and efficient negotiations for our state employees. We urge a favorable report on HB 159.