



## House Bill 37

### *Declaration of Rights - Right to Organize*

MACo Position: **OPPOSE**

To: Appropriations Committee

Date: January 28, 2025

From: Karrington Anderson

The Maryland Association of Counties (MACo) **OPPOSES** HB 37. This starkly-worded proposed constitutional amendment would establish a fundamental right for all employees in the state to organize and bargain collectively concerning compensation, hours, and other conditions of employment. While public-sector collective bargaining is already permitted in many counties, the decision to bargain has historically and appropriately been made at the local level. HB 37 imposes a one-size-fits-all mandate that undermines local autonomy, creates significant financial burdens, and could disrupt effective workforce management.

Counties vary greatly in size, workforce composition, and budgetary capacity, and the current system enables counties to determine whether collective bargaining aligns with their specific operational and fiscal needs. HB 37 would force counties without unions to implement extensive and costly collective bargaining frameworks. For example, Calvert County estimates that with a 30% unionization rate, the initial cost of union formation and negotiations would range from \$1.2 million to \$2.1 million, with recurring annual costs between \$1.1 million and \$1.9 million for wage and benefit increases, grievance management, and administrative support. For counties called upon to deliver a wide range of State-mandated and community-demanded support, these costs translate to reduced public services.

The financial effects of HB 37 are not limited to direct costs. For non-union employees, the disparity in negotiated benefits and wages could create tension, reducing morale and productivity. Additionally, the legislation (surely the subject of ongoing litigation, were it to be enacted) would increase the risk of labor disputes, further straining county resources.

Counties must retain the authority to manage their workforce in ways that align with local priorities and financial realities – this includes deciding whether to engage in collective bargaining. By removing this local discretion, HB 37 risks undermining counties' ability to deliver essential services effectively while managing costs. For these reasons, MACo urges an **UNFAVORABLE** report on HB 37.