



Maryland Municipal League
The Association of Maryland's Cities and Towns

TESTIMONY

February 27, 2025

Committee: Senate Finance Committee

Bill: SB 976 - Collective Bargaining - Local Government Employees and Public Employee Relations Act

Position: Unfavorable

Reason for Position:

The Maryland Municipal League (MML) is in opposition to Senate Bill 976. The bill allows all local government employees to collectively bargain for certain wages and benefits through a union; it also mandates a binding arbitration process in the case of an impasse in negotiations.

Currently about 15 municipal governments allow some employees to collectively bargain but the employer has discretion to craft the parameters around the collective bargaining process. For instance, the municipal government may select the category of employee eligible (ex. police, fire, public works, trades), which aspects of a compensation package may be collectively bargained, and whether there is binding arbitration. This flexibility is critical as it allows the local government to determine the impact on its workforce and governmental operations.

While SB 976 does not mandate that local government employees collectively bargain, it does provide the opportunity to all 24,000 municipal employees where currently it is provided at the employer's choice. Not all employees will take advantage of this new option, but many will. Any increase in the number of employees that collectively bargain will result in increased costs to that government as employees who collectively bargain typically see higher salaries and benefits. Some municipal governments are better situated to absorb such a cost increase while others are not.

Additionally, there will be a significant additional administrative burden should all municipal employees choose to collectively bargain. Municipal governments are somewhat unique as employers in that they have many categories of employees. This would result in municipal governments negotiating separately with several unions and then managing several unique and nuanced contracts, one for each category of employees. Municipal governments that negotiate and manage multiple contracts will have increased administrative requirements and potentially stiff penalties for non-compliance with those contracts.

For these reasons, the Maryland Municipal League respectfully asks for an unfavorable report on Senate Bill 976. Please contact Bill Jorch, Director, Public Policy and Research at billj@mdmunicipal.org for more information. Thank you for your consideration.