

**Department of Legislative Services**  
Maryland General Assembly  
2008 Session

**FISCAL AND POLICY NOTE**

Senate Bill 886  
Finance

(Senator Klausmeier, *et al.*)

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**State Personnel - Collective Bargaining - Procedures**

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This bill modifies collective bargaining provisions by specifying the enforcement authority of the circuit court, modifying negotiating deadlines, altering the valid term of a memorandum of understanding between negotiating parties, and modifying ratification procedures.

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**Fiscal Summary**

**State Effect:** None. Changes are procedural in nature and would not directly affect government finances.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Bill Summary:** This bill specifies that the circuit court may require an employer, employee organization, or covered employee to comply with an order of the State Labor Relations Board or the State Higher Education Labor Relations Board.

The bill also modifies collective bargaining deadlines, requiring a fact finder to be selected by November 4 if one is requested to resolve negotiation issues. The fact finder must make written recommendations to the representatives designated by the Governor or higher education institution, as applicable, before December 5. These recommendations must be delivered to the Governor and the leadership of the General Assembly by

December 15. Parties must conclude negotiations by January 8 for any item requiring appropriation of funds for the next fiscal year.

The bill establishes that an MOU is valid if it extends for a period between one and three years and remains valid beyond that period only if a new MOU has not yet been ratified. An item in an MOU that requires an appropriation may not be extended beyond three years regardless of the status of negotiations. An MOU is not considered effective until ratified by both the exclusive representative to the collective bargaining negotiations and the Governor or appropriate State higher education institution.

A comparison of current collective bargaining provisions and changes proposed by the bill is included as **Exhibit 1**.

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**Exhibit 1**  
**Comparison of Current Law and SB 886 Provisions**

<u>Provision</u>	<u>Current Law</u>	<u>SB 886</u>
Circuit court enforcement	Applies to individuals	Applies to employers, employee organizations, and covered employees
Fact finder	Employed by November 1	Selected by November 4
Fact finder's recommendations due	November 20	December 5
Recommendations delivered to elected officials	December 1	December 15
Deadline for negotiations requiring appropriations	January 1	January 8
Term of MOU	Between one and three years	Between one and three years or until new MOU is ratified
MOU effective (SLRB)	When ratified by Governor and majority of bargaining unit	When ratified by Governor and representative to negotiations
MOU effective (HELRB)	When ratified by governing board and majority of bargaining unit	When ratified by governing board and representative to negotiations

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**Current Law:** In general, employees of all Executive Branch agencies, the Maryland State Department of Education, and the Maryland Transit Administration have collective bargaining rights, with the exception of special appointees, the Governor's personal staff, and elected officials. The State Labor Relations Board conducts the elections in which employees choose their exclusive bargaining representative.

The Department of Budget and Management represents the State in negotiations with employee bargaining units. These negotiations may include any matters relating to wages, hours, and terms and conditions of employment. The Governor is not required to negotiate any matter that is inconsistent with State law. If the Governor negotiates an item that requires a statutory change or an appropriation, this change is only effective if approved by the General Assembly.

The collective bargaining statute does not provide for binding arbitration. The State and bargaining representatives must meet and confer about negotiable terms; however, a fact finder may be appointed if no agreement is reached by October 25.

After negotiations have concluded, an MOU is prepared detailing all negotiated terms. The memorandum is effective upon approval by the Governor and a majority of the employees in the bargaining unit. An MOU may be effective for a period of one to three years.

Similar provisions apply to collective bargaining between State higher education institutions and employees. Administration and enforcement of this collective bargaining process is overseen by the State Higher Education Labor Relations Board.

**Background:** The bill addresses procedural concerns that have arisen in collective bargaining negotiations by specifying enforcement authority related to orders of the State Labor Relations Board and the Higher Education Labor Relations Board and modifying procedural deadlines for fact finding and reporting.

By repealing the requirement that an MOU must be approved by a majority of votes cast in a bargaining unit, the bill allows for any internal approval process that the unit deems appropriate. The decision of the bargaining unit will be conveyed by that unit's exclusive representative in collective bargaining negotiations.

The bill also addresses circumstances in which parties fail to renegotiate a new MOU. Under current law, an MOU is only valid for a period of one to three years. Once expired, the memorandum is of no further effect. The bill prevents interruptions in coverage by establishing that terms of an expired MOU remain applicable pending the

ratification of a new agreement; this provision does not apply to matters requiring State appropriations.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 1220 (Delegate G. Clagett, *et al.*) – Appropriations.

**Information Source(s):** Maryland State Lottery Agency, Maryland Insurance Administration, Department of Legislative Services

**Fiscal Note History:** First Reader - March 7, 2008  
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