



BILL NO.: Senate Bill 1123

TITLE: Political Subdivisions – Collective Bargaining Agreements –
Binding Arbitration

POSITION: **OPPOSE**

DATE: March 25, 2010

COMMITTEE: Finance

CONTACT: Michael Sanderson

The Maryland Association of Counties (MACo) **OPPOSES** Senate Bill 1123. This bill would create a new provision in State law, with retroactive effect, to broadly empower local ordinances or resolutions to institute binding arbitration for local collective bargaining.

SB 1123 likely arises from concerns raised by the recent Court of Appeals decision in the case of *Wicomico County FOP Lodge #111 vs. Wicomico County*, where the Court recently ruled that overbroad referendum provisions rendered a local charter amendment unconstitutional. Following the passage of the charter amendment, Wicomico County enacted controversial local legislation to implement the bargaining process, leading to a contested series of legal claims ultimately rising to the Court of Appeals.

While the Wicomico County litigation and decision likely serves as the immediate impetus for this legislation, SB 1123 has effects that are both broad (affecting each county government) and retroactive (potentially reviving other issues or controversies previously thought to have been resolved). MACo believes that the extraordinary provisions of law empowering binding arbitration should not be simply commingled with the more routine functions and operations of a local government's everyday legislative process.

Binding arbitration is, in the view of many elected officials, antithetical to a true representative and accountable government, where the decision-makers on matters of import stand before the electorate and are directly accountable to them. Laws that designate independent arbiters to essentially resolve major issues of fiscal consequence to local governments undermine this essential principle, and should be engaged only through a truly extraordinary process. SB 1123 flouts this sound principle, and renders these decisions to become simply another routine agenda item.

MACo believes that Maryland law strikes an appropriate balance on the rights to broad bargaining and binding arbitration. Local jurisdictions may make the case to the General Assembly that such authority is needed, or may secure passage of charter amendments to effect these laws. In either case, a wider vetting and debate can lead to the appropriate decision befitting that jurisdiction. MACo believes these options are the preferred route for imposing this most distasteful element to public employee bargaining.

SB 1123 would create a broad, unpredictable, and dangerous retroactive change in policy, upending a proper balance struck by Maryland's current laws that have proven responsive to many counties' needs over time. For this reason, MACo **OPPOSES** SB 1123, and urges an **UNFAVORABLE** report.