



Committee GO
Staff: Robert H. Drummer, Senior Legislative Attorney
Purpose: To introduce agenda item – no vote expected
Keywords: #MoCoLaborRelations

AGENDA ITEM #5B
April 14, 2020
Introduction

SUBJECT

Expedited Bill 19-20, Administration – County Executive – Office of Labor Relations - Established
Lead Sponsor: Council President Katz at the request of the County Executive

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

- To introduce Bill – no vote expected

DESCRIPTION/ISSUE

Expedited Bill 19-20 would create an Office of Labor Relations in the Executive Branch and transfer certain duties and positions from the Office of Human Resources to the Office of Labor Relations. Although the Office would be in the Office of the County Executive, it would be considered separate from the Office of the County Executive for purposes of budgeting and any reduction-in-force.

SUMMARY OF KEY DISCUSSION POINTS

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MEMORANDUM

April 9, 2020

TO: County Council

FROM: Robert H. Drummer, Senior Legislative Attorney

SUBJECT: Expedited Bill 19-20, Administration – County Executive – Office of Labor Relations - Established

PURPOSE: Introduction – no Council votes required

Expedited Bill 19-20, Administration – County Executive – Office of Labor Relations - Established, sponsored by Lead Sponsor Council President at the request of the County Executive, is scheduled to be introduced on April 14, 2020. A public hearing is tentatively scheduled for April 30 at 1:30 p.m.¹

Expedited Bill 19-20 would create an Office of Labor Relations in the Executive Branch. The County Executive wants to emphasize the role and importance of labor-management relations in the County. The Office of Labor Relations would work towards increasing collaboration and positive resolution of labor and employee relations issues and potentially lessening conflict and litigation.

Bill 19-20 would establish an Office of Labor Relations and transfer certain duties from the Office of Human Resources to the Office of Labor Relations. Although the new Office would be part of the Office of the County Executive, it would be considered separate from the Office of the County Executive for purposes of budgeting and any reduction-in-force.

OMB estimates the Bill would not have a fiscal impact on the County because the Chief Labor Relations Officer position was previously created in County law and the Office would be staffed by transferring 7 employees from the Office of Human Resources. See, ©8-10.

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¹#MoCoLaborRelations

Expedited Bill No. 19-20
Concerning: Administration – County
Executive – Office of Labor Relations
- Established
Revised: 4-9-2020 Draft No. 2
Introduced: April 14, 2020
Expires: October 14, 2021
Enacted: [date]
Executive: [date signed]
Effective: [date takes effect]
Sunset Date: None
Ch. [#], Laws of Mont. Co. [year]

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Council President at the Request of the County Executive

AN EXPEDITED ACT to:

- (1) establish an Office of Labor Relations in the Executive Branch;
- (2) transfer certain duties from the Office of Human Resources to the Office of Labor Relations; and
- (2) generally amend the law governing the organization of employees responsible for labor relations in the Executive Branch.

By adding

Montgomery County Code
Chapter 2, Administration
Section 2-25D

By amending

Montgomery County Code
Chapter 2, Administration
Section 2-64I

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

1 **Sec 1. Section 2-25D is added and Section 2-64I is amended as follows:**

2 **2-25D. Office of Labor Relations.**

3 (a) The Office of Labor Relations is part of the Office of the County
4 Executive. The Office is headed by the Chief Labor Relations Officer.

5 (b) The Office must:

6 (1) formulate and implement the County's labor and employee
7 relations policies;

8 (2) serve as the employer's representative in collective bargaining,
9 including any impasse or interest arbitration;

10 (3) serve as the employer's representative in all matters before the
11 Permanent Umpire and the Labor Relations Administrator,
12 including prohibited practice charges;

13 (4) advise employees, managers, and supervisors on labor and
14 employee relations matters, including implementation of
15 collective bargaining agreements and the personnel regulations;
16 and

17 (5) process grievances arising under a collective bargaining
18 agreement or the personnel regulations.

19 **Division 15. Office of Human Resources.**

20 **Sec. 2-64I. Functions.**

21 The Office of Human Resources has the following functions:

22 (a) Under the administration of the [chief administrative officer] Chief
23 Administrative Officer, supervise the county merit system in accordance
24 with the county charter, local, state and federal laws, rules and
25 regulations.

- 26 (b) Assist all appointing authorities in the implementation of merit system
27 charter provisions and the personnel regulations of the [county
28 executive] Executive.
- 29 (c) Assist the [county executive] Executive in the development and
30 administration of a career service and in the administration of a
31 comprehensive management personnel program.
- 32 (d) Provide cooperative personnel services to political subdivisions of
33 Montgomery County or agencies supported in whole or in part by taxes
34 levied by the [county council] Council and to the Montgomery County
35 Revenue Authority.
- 36 (e) Perform related duties as assigned.
- 37 (f) Develop and administer the equal employment opportunity program,
38 unless this responsibility is transferred to the [office of the chief
39 administrative officer] Chief Administrative Officer in accordance with
40 the termination provision of chapter 1, section 5 of the 1981 Laws of
41 Montgomery County.
- 42 [(g) Administer the county employee complaint/grievance procedures.]

43 **Sec. 2. Expedited Effective Date.**

44 The Council declares that this legislation is necessary for the immediate
45 protection of the public interest. This Act takes effect on the date on which it
46 becomes law.

47 **Sec. 3. Transition.**

48 References to the Office of Human Resources in County law or regulation
49 means the Office of Labor Relations regarding those functions assigned to the Office
50 of Labor Relations under this Act. If the Office of Human Resources is processing or
51 deciding a grievance when this Act takes effect, the Chief Administrative Officer

52 may designate either the Office of Human Resources or the Office of Labor Relations
53 to continue processing or deciding the grievance.

54 **Sec. 4. Budgeting and Reduction-In-Force.**

55 The Office of Labor Relations is separate from the Office of the County
56 Executive for purposes of budgeting and any reduction-in-force.

57 *Approved:*

58

Sidney Katz, President, County Council Date

59 *Approved:*

60

Marc Elrich, County Executive Date

61 *This is a correct copy of Council action.*

62

Selena Mendy Singleton, Esq., Clerk of the Council Date

LEGISLATIVE REQUEST REPORT

Expedited Bill 19-20

Administration – County Executive – Office of Labor Relations - Established

DESCRIPTION: Expedited Bill 19-20 would create an Office of Labor Relations in the Executive Branch.

PROBLEM: The County Executive seeks to place greater emphasis on the role and importance of labor-management relations in the County. The Office of Labor Relations would work towards increasing collaboration and positive resolution of labor and employee relations issues and potentially lessening conflict and litigation.

GOALS AND OBJECTIVES: To create the Office of Labor Relations and transfer certain duties from the Office of Human Resources to the Office of Labor Relations.

COORDINATION: Office of Human Resources, Department of Finance, Office of Management and Budget, Office of the County Attorney

FISCAL IMPACT: Office of Management and Budget

ECONOMIC IMPACT: Office of Legislative Oversight

EVALUATION: N/A

EXPERIENCE ELSEWHERE: N/A

SOURCE OF INFORMATION: Silvia C. Kinch, Office of the County Attorney
101 Monroe Street, Third Floor
Rockville, MD 20850
240-777-6778

APPLICATION WITHIN MUNICIPALITIES: N/A

PENALTIES: N/A




OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Marc Elrich
County Executive

MEMORANDUM

March 26, 2020

TO: Sidney Katz, President
Montgomery County Council

FROM: 
Marc Elrich, County Executive

SUBJECT: Proposed Legislation Creating an Office of Labor Relations in the
Executive Branch

On March 19, 2019, the Council enacted Expedited Bill 3-19, which, among other things, created a new non-merit position in the Executive Branch, Chief Labor Relations Officer (CLRO). We subsequently submitted a bill, which would create an Office of Labor Relations (OLR) in the Executive Branch, generally transfer certain duties from the Office of Human Resources to the OLR and make certain other stylistic and technical changes.

I am now submitting the revised bill that adds the uncodified provision that OLR is separate from CEX for budget and RIF purposes.

In creating the CLRO position, it has been my intent to place greater emphasis on the role and importance of labor-management relations in the County as well as to make labor-management relations processes more efficient and effective. In reporting directly to the County's Chief Administrative Officer (CAO), the CLRO is empowered to address labor-management relations matters more expeditiously and efficiently, increasing collaboration and positive resolution of labor and employee relations issues and potentially lessening conflict and litigation. The proposed legislation would clarify that duties that are currently identified by Code to be within the scope of the Office of Human Resources (OHR), but that are more properly within the scope of the CLRO, be formally recognized to be within the scope of the CLRO and the new OLR. This will align relevant Montgomery County Code with the revised scope and responsibilities of OHR and the CLRO.

I am formally submitting regulations reflecting the legislative changes to the Council for approval after publication for notice and comment in the County Register.

Also enclosed is a Legislative Request Report and a Fiscal Impact Statement.

I would appreciate the Council's approval of this Bill.

ME:tjs

Attachments

cc: Andrew Kleine, Chief Administrative Officer
Fariba Kassiri, Deputy Chief Administrative Office
Dale Tibbitts, Special Assistant to the County Executive
Marc P. Hansen, County Attorney
Berke Attila, Director, Office of Human Resources
Rich Madaleno, Director, Office of Management and Budget
Michael Coveyou, Acting Director, Department of Finance
Steven Sluchansky, Chief Labor Relations Officer

**Fiscal Impact Statement
Bill XX-19 Office of Labor Relations**

1. Legislative Summary

Bill XX-19 would create an Office of Labor Relations as a separate, non-principle office and transfer certain duties for the Office of the Human Resources to the Office of Labor Relations, including the functions to

- formulate and implement the County's labor and employee relations policies;
- service as the employer's representative in collective bargaining, including any impasse or interest arbitration;
- serve as the employer's representative in all matters before the Permanent Umpire and the Labor Relations Administrator, including prohibited practice charges;
- advise employees, managers, and supervisors on labor and employee relations matters, including implementation of collective bargaining agreements and the personnel regulations; and
- process grievances arising under a collective bargaining agreement or the personnel regulations.

2. An estimate of changes in County revenues and expenditures regardless of whether the revenues or expenditures are assumed in the recommended or approved budget. Includes source of information, assumptions, and methodologies used.

The proposed bill is not expected to generate an additional fiscal impact. The following positions will be transferred from Office of Human Resources:

<u>Expenditure Estimates</u>	<u>FY20 Costs</u>
Personnel Costs (Positions)	
Human Resources Specialist - (5)	\$605,888
Manager III - (2)	<u>\$363,727</u>
Subtotal	<u>\$969,615</u>
Operating Expenses	<u>\$378,030</u>
Total FY20 Costs	<u><u>\$1,347,645</u></u>

Operating expenses include contracts for consultant and arbitration services. The new office will also include an existing Chief Labor Relations Officer position currently located in the funded in the County Executive's Office, created in FY19.

3. Revenue and expenditure estimates covering at least the next 6 fiscal years.

Assuming no changes in resources or cost increases, the estimate for personnel costs is \$5,817,690, and the estimate for operating expenses is \$2,268,180, for a total estimate of \$8,085,870 over the next six fiscal years.

- 4. An actuarial analysis through the entire amortization period for each bill that would affect retiree pension or group insurance costs.**

Not applicable.

- 5. An estimate of expenditures related to County's information technology (IT) systems, including Enterprise Resource Planning (ERP) systems.**

Not applicable.

- 6. Later actions that may affect future revenue and expenditures if the bill authorizes future spending.**

The Bill does not authorize future spending.

- 7. An estimate of the staff time needed to implement the bill.**

Implementation of the bill will require a minimal amount of accounting and personnel assignment system adjustments.

- 8. An explanation of how the addition of new staff responsibilities would affect other duties.**

Not applicable.

- 9. An estimate of costs when an additional appropriation is needed.**

Not applicable.

- 10. A description of any variable that could affect revenue and cost estimates.**

Not applicable.

- 11. Ranges of revenue or expenditures that are uncertain or difficult to project.**

Not applicable.

- 12. If a bill is likely to have no fiscal impact, why that is the case.**

The bill is not likely to have a fiscal impact since the staffing will be transferred from the Office of Human Resources.

- 13. Other fiscal impacts or comments.**

Not applicable.

- 14. The following contributed to and concurred with this analysis:**

Fariba Kassiri, Office of County Executive

Steve Sluchansky, Office of County Executive

Jane Mukira, Office of Department Management and Budget

Naeem Mia, Office of Department Management and Budget

Corey Orlosky, Office of Department Management and Budget



Richard S. Madaleno, Director
Office of Management and Budget

3/13/20
Date