ANNE ARUNDEL COUNTY, MARYLAND
OFFICE OF THE BUDGET

RESOLUTION NO: 30-25

INTRO. DATE: Oct. 6, 2025

FISCAL NOTE

RESOLUTION: CHARTER AMENDMENT – BINDING ARBITRATION

SUMMARY OF LEGISLATION

This resolution proposes an amendment to the County Charter to permit all authorized employee representatives to enter into binding arbitration to resolve labor disputes relating to the terms and conditions of employment.

Binding arbitration is currently available only to bargaining units of specified law enforcement employees.

FISCAL IMPACT

Operating Budget – Personal Services: No effect.

Operating Budget – Other Operating Costs: No direct effect.

Capital Budget: No effect.

Revenues: No effect.

Indirect and future fiscal effects: Placing this amendment on the election ballot for November 2026 does not change the expense of administering the election.

In the event the amendment is approved on the ballot, it will change the collective bargaining process for represented, non-law-enforcement bargaining units. The fiscal impacts of the amended process will depend on future actions and cannot be determined. If the amendment is approved by the voters and leads to more bargaining units utilizing the binding arbitration process (rather than signing an agreement within the negotiating window), then the County's labor negotiations costs will increase. Also, in essence, the County Council would no longer be the final fiscal authority for labor negotiations, as a third-party arbitrator would have the final decision regarding compensation packages that reach the binding arbitration process.

If the County does not reach an agreement with one or more bargaining units and enter the binding arbitration process, an arbitrator could rule in favor of the bargaining unit(s). Typically, this would mean that the overall cost of the compensation package would be greater than the County's "last best final offer" that is included in the proposed budget. Therefore, if this occurs, the County Executive and/or the Council would need to make cuts in other parts of the operating budget to make funds available for the increased compensation package.

Chris Trumbauer	10/13/2025
Budget Officer	**Date**

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