

ANTHONY G. BROWN
4TH DISTRICT, MARYLAND

HOUSE ARMED SERVICES COMMITTEE
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TRANSPORTATION &
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June 29, 2020

The Honorable Lawrence J. Hogan, Jr.
Governor, State of Maryland
State House
Annapolis, MD 21401

The Honorable Peter Franchot
Comptroller, State of Maryland
Goldstein Treasury Building
80 Calvert Street
Annapolis, MD 21401

The Honorable Nancy K. Kopp
Treasurer, State of Maryland
Goldstein Treasury Building
80 Calvert Street
Annapolis, MD 21401

Members of the Board of Public Works:

The COVID-19 pandemic has had far reaching impacts on the United States economy resulting in historic unemployment and significant revenue shortfalls for both businesses and government. The fiscal crisis is particularly pronounced for states and localities, that are seeing tax revenues plunge and costs surge as more residents turn to public assistance. Maryland, like nearly every state around the country, is confronting highly intense fiscal pressure and I fully understand the difficulties facing this body as it seeks to balance the State budget in these uncertain times. While I continue to work in Congress, alongside the Maryland congressional delegation, to provide state and local government with a critical lifeline, any steps you take in the short-term to address Maryland's budget shortfall should not worsen the recession, hamper the recovery, or further harm working families and communities.

The Board of Public Works' July 1, 2020 agenda includes cuts of \$672 million proposed by Governor Hogan to address Maryland's plummeting tax revenues. I urge the opposition to item 25-GM, which seeks to reduce the wages and benefits of hard working State employees, many of whom are covered by collective bargaining agreements.

Managing government is hard work, and I fully understand that difficult times require difficult decisions. But instead of breaking faith with working families and implementing changes to negotiated collective bargaining agreements, I urge the Administration to work

collaboratively around other cost-cutting proposals that still call for shared sacrifice by public employees. These include:

1. Moving the negotiated FY2021 COLA's to June 30, 2020, effectively negating any FY21 cost of living adjustment without permanently reducing negotiated wage gains.
2. Exploring early retirement inducements to reduce total payroll costs.
3. Utilizing health care surplus to maintain negotiated health care premium contributions and prevent other benefit losses.
4. Developing a phased in, tiered furlough plan for all state employees based on salary levels.
5. Evaluating how existing revenues in State fund balances, the benefits reserve fund, the income tax reserve fund, the pay-go projects, and the rainy-day fund can be used to minimize wage and benefit cuts.
6. Identifying and eliminating empty PINs to avoid layoffs.
7. Committing to reinstate any benefits or wage loss to State employees upon receipt of Federal aid to replace lost anticipated revenue.

To date, the Administration has not responded to any of the proposals of the Maryland Professional Employees Council and has failed to meet with the American Federation of State and Municipal Employees. This failure to engage with the representatives of state employees is concerning and contrary to the spirit of a collective bargaining relationship. In the midst of this health and fiscal crisis, we must listen to workers rather than play politics and push partisan agendas.

The men and women who comprise our state workforce are dedicated and skilled employees, many of whom have served on the front lines during this pandemic. Their bargaining representatives have a demonstrated track record of working collaboratively with state and local officials to help during difficult times. To shut them out or subject them to perfunctory negotiations impedes collective bargaining, erodes workers' rights, and severely undermines the dignity and morale of workers upon whom our citizens depend for services.

Additionally, I am also very concerned about significant reductions to education funding in Maryland, which will have a disproportionate impact on Prince George's County and Baltimore City. The pandemic has highlighted and exacerbated significant disparities that exist in providing educational opportunities to all of Maryland students, especially in lower-income and communities of color. Cuts to school funding will forever impact the lives of children and likely set back an entire generation of students. Schools will likely need extra money to feed children and families in hard-hit communities, help children make up for learning time they've lost while at home, and ensure schools are safe when they finally return to class. Governor Hogan has already cited COVID-19 in vetoing historic education legislation intended to boost outcomes and

forgoing investments in our Historically Black Colleges and Universities. Now is not the time for educational disinvestment; our students need the support and innovation these dollars represent.

We must work together to defeat this virus and get our economy moving again. Congress came together to swiftly pass the CARES Act to support public services and deliver relief for businesses and workers. Congress must act again. The House of Representatives passed the Health and Economic Recovery Omnibus Emergency Solutions Act almost two months ago, which includes \$1 trillion more in much-needed assistance to state and local governments, including \$9.5 billion for Maryland. Until the federal government can deliver more aid, we cannot make the recession much worse by causing more layoffs, cutting essential services and taking more money out of families' pockets. This will only compound the harm of those who are already suffering, including public employees.

I thank you for your time and attention to this matter. Please contact me if I can be of assistance as we work together to help Maryland recover from the impacts of COVID-19.

Sincerely,

A handwritten signature in black ink, appearing to read "A.G. Brown". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Anthony G. Brown