

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1173 (Delegate Kerr, *et al.*)
Government, Labor, and Elections

State Procurement - Contractors and Vendors - Restrictions on Use of State
Funds and Resources

This bill prohibits a contractor or vendor contracted by a unit of State government from knowingly using public funds to influence the decisions of employees of the contractor, employees of the vendor, or employees of any subcontractor performing work under a State contract to (1) support or oppose an employee organization that represents or seeks to represent the employees of the contractor or (2) become a member of an employee organization. The bill further prohibits a contractor or vendor from knowingly using public funds or resources to contract with or provide assistance to any person for the purpose of (1) carrying out a campaign against efforts by employees of the contractor or vendor to gain or retain collective bargaining rights or certify an employee organization as an exclusive representative or (2) engaging in anti-union activities.

Fiscal Summary

State Effect: None. The bill does not directly affect State operations or finances.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law:

A unit of State government may not knowingly use public funds to influence the decisions of State employees to (1) support or oppose an employee organization that represents or

seeks to represent the employees of the unit or (2) become a member of an employee organization. This provision does not apply to an activity performed or to an expense incurred in connection with:

- addressing a grievance or negotiating or administering a collective bargaining agreement;
- allowing an employee organization or a representative of an employee organization access to and use of State facilities or properties;
- performing an activity required by federal or State law or a collective bargaining agreement;
- negotiating, entering into, or carrying out a voluntary recognition agreement with an employee organization; or
- paying wages to a represented employee while the employee is performing duties if the payment is permitted under a collective bargaining agreement.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Public Employee Relations Board; Department of General Services; Maryland Department of Labor; Maryland State Board of Elections; Department of Legislative Services

Fiscal Note History: First Reader - March 4, 2026
caw/mcr

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