

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: SB 2365 Amendment to: _____

Requested by Legislative Council Date of Request: 1-18-95

- 1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, and cities.

Narrative:

This Bill allows employees of political subdivisions to bargain collectively over wages, hours, and other terms and conditions of employment. It impacts all political subdivisions in the state. It establishes the Political Subdivision Employee Relations Board, and it gives that Board jurisdiction over the bargaining between employers and employees.

- 2. State fiscal effect in dollar amounts:

	<u>1993-95</u> <u>Biennium</u>		<u>1995-97</u> <u>Biennium</u>		<u>1997-99</u> <u>Biennium</u>	
	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Funds</u>	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Funds</u>	<u>General</u> <u>Fund</u>	<u>Special</u> <u>Funds</u>
Revenues:	0	0	0	0	0	0
Expenditures:	0	0	\$415,290	0	\$436,054	0

- 3. What, if any, is the effect of this measure on the appropriation for your agency or department:

a. For rest of 1993-95 biennium: None

b. For the 1995-97 biennium: None

c. For the 1997-99 biennium: None

- 4. County and City fiscal effect in dollar amounts:

	<u>1993-95</u> <u>Biennium</u>		<u>1995-97</u> <u>Biennium</u>		<u>1997-99</u> <u>Biennium</u>	
	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>	<u>Counties</u>	<u>Cities</u>
	0	0	\$37,400	\$73,300	\$39,270	\$76,965

If additional space is needed, attach a supplemental sheet.

Signed Brian McClure

Typed Name Brian McClure

Date Prepared: January 20, 1995

Department Central Personnel Division

Phone Number 328-4735

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Office of the Political Subdivision Employee Relations Board

1. Salaries & fringe benefits		<u>\$313,184</u>
1 Director	\$45,000 yr.	
1 Attorney	\$37,200 yr.	
1 Admin. Assistant	\$20,400 yr.	
1 Admin. Secretary	\$16,800 yr.	
*Hearing Officers - contract @ \$15.00/hr		\$1200
Assume 10 days of service each yr		
*Mediator - contract @ \$20.00/hr		\$1600
Assume 10 days of service each yr		
*Arbitrators - contract @ \$20.00/hr		\$ 960
Assume 6 days of service each yr		
*No fringe benefits		
Note: Fringe benefits are calculated at 28% of salary		
2. Operating Expenses		<u>\$82,106</u>
Operating expenses are estimated and calculated at 1/3 of the salaries line, less fringes		
(\$123,160 ÷ 1/3 = \$41,053 x 2 = \$82,106)		
3. Equipment		<u>\$20,000</u>
Estimated cost for the 95-97 biennium		<u>\$415,290</u>

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County and City fiscal effect

Assumptions

- That employees in 10 counties will form bargaining units.
- That employees in 20 cities/towns will form bargaining units.
- That the forming of some bargaining units will be disputed.
- That hearing officers, mediators, and arbitration services will be required to some degree.

Counties

• Costs of conducting representative elections (5 at \$200 each)	<u>\$1,000</u>
• Cost of extra staff to conduct negotiations (negotiator @ \$25/hr, 10 contracts, 10 meetings each, 6 hrs/meeting)	<u>\$15,000</u>
• Costs associated with unfair labor practice changes, mediation, and arbitration (10 days/yr ULPs, 5 days mediation sessions, 3 days arbitration at \$150 per day)	<u>\$2,700</u>
Estimated cost for 95-97 biennium	<u>\$37,400</u>

Cities

- Cost of conducting representative elections
(10 at \$200 each) \$2,000
- Cost of extra staff to conduct negotiations \$30,000
(Negotiator @ \$25/hr, 20 contracts, 10 meetings each, 6 hrs/meeting)
- Costs associated with unfair labor practice charges, mediation, and
arbitration (15 days/yr ULPs, 10 days mediation svcs, 6 days
arbitration at \$150/day) \$4,650

Estimated cost for 95-97 biennium \$73,300