

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2241

2005 SENATE GOVERNMENT AND VETERANS AFFAIRS

SB 2241

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2241

Senate Government and Veteran Affairs

☐ Conference Committee

Hearing Date February 4, 2005

Tape Number	Side A	Side B	Meter #
1	x		0-1500
		x	2170-2350
Committee Clerk Signature <i>Diane Davis</i>			

Chairman Krebsbach opens hearing on 2241

To provide for rights of organization and representation of state employees.

Senator Every - Co-Sponsor- In support of this bill.

Chris Runge - NDPEA- Executive Director- See written testimony.

Senator Syverson - Asked you don't have the term negotiation listed under the definition would that be under collective bargaining.

Runge - The section on negotiations is in its own section in the bill, section 11.

Dave Kemnitz - NDAFL-CIO President - Explained the reason for a lengthy bill, that it is for a place to reference. He says that it is a work of art adjusted over the decades and fine tuned.

Senator Syverson - Asked if he had any observations on the fiscal note.

Page 2

Senate Government and Veterans Affairs

Bill/Resolution Number **SB 2241**

Hearing Date February 4, 2005

Kemnitz - Says that in the worst case scenario it probably would apply but doesn't think it would be used to that extent.

Senator Lee - She would like to know more about the review.

Runge - Stated they try to have all contracts completed by legislative session.

Renee Pfenning - ND Bldg & Construction Trades Council- In support of this bill.

Ken Purdy - Human Resource Management Services Division - Explains the fiscal note, walks everyone through it. See attachment to fiscal note.

Senator Syverson - Asked if he envision this entity as totally independent from the Dept of Labor or would it be part of that dept.

Purdy - States no, he believes its independent.

(meter #1500)

Closed hearing on 2241

(meter #2170-2350, tape 1 side B)

Senator Brown - Motion made for a do not pass

Senator Lee - seconded

Action-Do Not Pass

Senator Brown will carry

FISCAL NOTE
Requested by Legislative Council
01/18/2005

Bill/Resolution No.: SB 2241

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$542,782	\$0	\$591,055	\$0
Appropriations	\$0	\$0	\$542,782	\$0	\$591,055	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
	School Districts			School Districts			School Districts	
Counties	Cities		Counties	Cities		Counties	Cities	

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name: Laurie Sterioti-Hammeren
Phone Number: 328-4735

Agency: OMB
Date Prepared: 01/21/2005

Fiscal Note SB 2241

STATE EMPLOYEES RELATIONS BOARD

2005-2007

2007-2009

Compensation for 3 board members
Members are entitled to receive per diem payments
equal to \$333/day for 3 days/mo. for 23 months
in 05-07 & 24 months in 7-09.

\$22,977

\$23,976

Transcription for Unfair Labor Practices
(120 trans. hrs/yr @ \$20/hr = \$2400/yr.)

\$4,800

\$4,800

Office of State Employee Relations Board

\$419,612

\$424,843

Salary Benefits Total

1 Director (19 mos)	\$127,878	\$31,106	\$158,984	\$200,822
(annual salary = \$80,765)				
1 Legal Counsel (18 mos)	\$92,250	\$24,625	\$116,875	\$155,833
(annual salary = \$61,500)				
1 Labor Rel. Spec. (16 mos)	\$72,433	\$20,284	\$ 92,717	\$139,076
(annual salary = \$54,325)				
1 Admin. Support (18 mos)	\$36,000	\$15,036	\$ 51,036	\$68,048
(annual salary = \$24,000)				

Operating Expenses (20 percent x base salary)

\$44,118

\$88,236

Equipment for 4

\$20,000

\$10,000

Contract Hearing Officer
(80 hrs/yr @ \$90.94/hr for 1 yr = \$7275
(80 hrs/yr @ \$95.00/hr for 1 yr) = \$7600

\$7,275

\$15,200

Agency Costs

Negotiations (\$25/hr, 10 contracts, 80 hrs/contract)

\$20,000

\$20,000

Mediation & arbitration (20 days @ \$200/day)

\$4,000

\$4,000

TOTALS

\$542,782

\$591,055

Date: 2/4
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2241

Senate Government and Veterans Affairs Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do not Pass

Motion Made By Senator Brown Seconded By Senator Lee

Senators	Yes	No	Senators	Yes	No
Karen K. Krebsbach, Chairman	X		Carolyn Nelson		X
Richard L. Brown, Vice Chairman	X				
Judy Lee	X				
John O. Syverson		X			

Total (Yes) 3 No 2

Absent 0

Floor Assignment Senator Brown

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 4, 2005 11:58 a.m.

Module No: SR-23-1880
Carrier: Brown
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2241: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman)
recommends **DO NOT PASS** (3 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING).
SB 2241 was placed on the Eleventh order on the calendar.

2005 TESTIMONY

SB 2241

**NDPEA**NORTH DAKOTA
PUBLIC EMPLOYEES ASSOCIATION3333 EAST BROADWAY AVE, SUITE 1220
BISMARCK, NORTH DAKOTA 58501-3396701-223-1964
1-800-472-2698AMERICAN FEDERATION
OF TEACHERS LOCAL 4660 AFL-CIOEMAIL: comments@ndpea.org
WEBSITE: www.ndpea.org**TESTIMONY IN SUPPORT OF SB 2241**

**Before the Senate Government and Veterans Affairs Committee
North Dakota Public Employees Association, American Federation of Teachers, #4660
AFL-CIO
February 4, 2005**

Chair Krebsbach, members of the Senate Government and Veterans Affairs Committee, my name is Chris Runge and I am the Executive Director of the North Dakota Public Employees Association, AFT Local #4660. NDPEA supports SB 2241, a bill which would bring collective bargaining rights to state employees, a right now enjoyed by all other workers in the state of North Dakota.

But first, let me tell you what this bill does not do. This bill does not permit strikes. This bill does not repeal the right to work provisions of state law. This bill does not take away the power of the Legislature to manage the resources of government nor does it place employers and employees in an adversarial position.

The right to association in the workplace is a right afforded to all workers in North Dakota except public employees and in this case, state employees. Collective bargaining, quite simply, is a democratic process of determining wages, hours of work, and working conditions with our employer. Collective bargaining will give public employees a real voice in the decisions that affect our jobs by allowing us to negotiate as equals with the state in determining our salary, benefits, and working conditions.

Quality Services from Quality People

Testimony

Collective bargaining for public employees is allowed in every state surrounding North Dakota and then some. Twenty-eight states allow for collective bargaining for state employees. Some of the most innovative and effective worker involvement programs in this country are in the organized workplace. If the state, as our employer, wants to empower employees, if you want employees to be involved in discussions on how to make government more efficient, more responsive and more customer driven, then it is necessary for you to allow the employees to vote for meaningful representation through the process outlined in SB 2241.

Today, the state employees are asking you to afford them the same workplace rights afforded to those in the private sector, federal employees and K-12 educators; the right to choose through free and open democratic elections whether to be represented by a labor organization in order to negotiate employment contracts. I challenge you to open government up to workers and apply the law of the land to state employees.

North Dakota Century Code 34-12-02 provides, "Employees have the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other lawful concerted activities for the purpose of collective bargaining or other mutual aid or protection, and also have the right to refrain from any or all of such activities and are free to decline to associate with their fellows and are free to obtaining employment wherever possible with interference or being hindered in any way." This is the law of the land for all citizens of North Dakota unless you happen to be a public servant. It is time to open the door to the democratic process for all public employees of North Dakota who provide quality services to our citizens.

NDPEA supports SB 2241 and urges a DO PASS. You will find attached a section by section explanation of the bill and I would be more than willing to go through each and every section of the bill if the committee would like. Thank you for the opportunity to testify in support of collective bargaining rights for state employees and I am available to answer any questions you may have.

SB 2241 BILL EXPLANATION

Section 1 is the definitions section of the bill. Enclosed in this section are the definitions of those terms used throughout the legislation. It is in this section that an employee is defined.

Section 2 addresses an employee rights. This section specifically protects employees in their decision to either join **or not join** an employee organization.

Additionally, this section identifies as the exclusive representative that organization which has been recognized as the representative of the majority of employees.

Finally, this section provides that the exclusive representative shall bargain for all employees in the unit with respect to wages, hours and other conditions of employment even if those employees don't hold membership in the employee organization.

Section 3 addresses the duty to bargain. It is under this section, that the employer and the exclusive representative are required to meet and negotiate, in good faith, with respect to wages, hours, terms and other conditions of employment.

Section 4 is the management rights section. Under the provisions of this bill, management is protected from having to bargain over certain matters of inherent management policy. This section identifies those matters that the employer shall not be required to bargain including: overall budget levels, the direction of employees and the selection of new employees.

Section 5 Establishes the state employment relations board.

Section 6 relates to the duties of the state employment relations board. The state employment relations board shall be responsible for carrying out the provisions of this Act. Some of the duties include: determining appropriate bargaining units, conducting representation elections, develop rules and regulations as necessary to carry out the board's functions and hold hearings and issue orders to enforce the board's rules.

Section 7 relates to elections and possible recognition of an exclusive representative. This section provides for a democratic process of elections to determine if employees want an employee organization to represent them for the purposes of collective bargaining. Employees are guaranteed the option of "no representation" on the secret ballot election.

Section 7 also outlines the procedure necessary to remove an employee organization as the exclusive representative of the employees. The removal of an exclusive representative is conducted through the same democratic secret ballot election process used to certify an agent.

Section 8 relates to unit determination for purposes of collective bargaining. This section sets into place guidelines to assist the state employment relations board in determining appropriate bargaining units. The board, in their decision, is to take into account such things as: community of interest; administrative structure; the negative effect of over fragmentation; and wages, hours and other working conditions of the various employees.

Section 9 requires a grievance resolution process be part of the negotiated agreement to address disputes that may arise regarding the administration or interpretation of the agreement.

Section 10 identifies those activities that are unfair labor practices for both the employer and employee organization. It is this section that specifically prohibits strikes, work stoppages or slowdowns.

This section sets into place the procedures to be followed by the state employment relations board in investigating and dealing with charges of unfair labor practices.

Section 11 outlines the various time frames involved in negotiating an employment contract. If the Legislature is in session when the contract is ratified by the employees and negotiators, the Legislature will vote to either approve or reject the request for funds needed to implement the contract. If the Legislature is not in session, the request for funds will be submitted to a committee designated by the Legislative Council and that committee shall either approve or reject the request for funds necessary to implement the contract.

If the Legislature or Committee designated by the Legislative Council rejects the monetary funding requirements, the parties may reopen the contract and continue negotiations.

Section 12 relates to a mediation process. If after approximately four months of negotiating, an agreement is not reached, the parties involved may request or the state employment relations board may appoint a mediator to assist the parties in reaching an agreement.

Section 13 relates to the arbitration process. If after fifteen days of mediation, an agreement is not reached, either party may request the assistance of an arbitrator. The arbitrator, after holding a hearing, shall issue an order and that order shall be binding on both the employer and the exclusive representative.

However, the Legislature, if it is in Session, or a committee designated by the Legislative Council, shall have final authority over the funds necessary to implement an agreement. If the Legislature determines, that there are insufficient funds to implement the arbitrator's award, the matter is returned to the parties for further bargaining.

Section 14 simply says that if the Legislature has not rejected the arbitrator's award, then the contract is implemented and the state shall fund the contract.

Section 15 states that this Act and collectively bargained agreements shall take precedence.

Section 16 makes it very clear that strikes, work stoppages and slowdowns are prohibited at all times.

Section 17 protects employees from having to work in unsafe work environments and allows individual employees to make decisions regarding continued employment with the state.

Section 18 allows the employers and exclusive representative to negotiate multi-year agreements.