

Fiscal Estimate Narratives

OSER 2/14/2006

LRB Number	05-2092/2	Introduction Number	AB-940	Estimate Type	Original
Description					
Review of certain proposed state contractual service engagements and creation of a contract review board					

Assumptions Used in Arriving at Fiscal Estimate

This estimate addresses the fiscal impact of the bill on the Office of State Employment Relations (OSER). The bill would require the director of OSER to appoint one member of a contract review board. The board would review proposals to contract out services that would result in the net reduction of at least one full-time equivalent state position.

The bill also states that the state, through collective bargaining, may attempt to obtain consent to the proposed solicitation or contract from the certified bargaining representative for any state position the majority of whose duties may be displaced under a proposed solicitation or contract. If such consent is obtained, the state is not required to submit the proposed solicitation or contract to the contract review board.

Current collective bargaining agreements contain language providing that the state shall not contract out work normally performed by bargaining unit employees in an employing unit if it would cause the separation from state service of bargaining unit employees within the employing unit who are in the classifications which perform the work. Because of this language, the state does not currently either negotiate with the bargaining representatives to enter contracts that would trigger the separation of a represented employee, or enter such contracts. Thus, the oversight role envisioned for the contract review board would likely be rarely invoked, barring a significant change in longstanding employee protections in the collective bargaining agreements.

Long-Range Fiscal Implications