

Fiscal Estimate - 2019 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 19-5704/1	Introduction Number AB-0945
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Description
 bargaining over wages, hours, and conditions of employment for public employees

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate
 Increase Existing Appropriations
 Increase Existing Revenues
 Decrease Existing Appropriations
 Decrease Existing Revenues
 Create New Appropriations
 Increase Costs - May be possible to absorb within agency's budget

 Yes No
 Decrease Costs

Local:

No Local Government Costs
 Indeterminate

1. Increase Costs 3. Increase Revenue
 Permissive Mandatory
 Permissive Mandatory
 2. Decrease Costs 4. Decrease Revenue
 Permissive Mandatory
 Permissive Mandatory

5. Types of Local Government
 Units Affected
 Towns Village Cities
 Counties Others
 School Districts WTCS Districts

Fund Sources Affected **Affected Ch. 20 Appropriations**

GPR FED PRO PRS SEG SEGS

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Fiscal Estimate Narratives

DPI 2/26/2020

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Description bargaining over wages, hours, and conditions of employment for public employees					

Assumptions Used in Arriving at Fiscal Estimate

This bill would make it so most state and general municipal employees may collectively bargain hours and conditions of employment. The bill also allows all municipal employers and labor organizations to agree to a dispute settlement procedure, including binding interest arbitration, to resolve an impasse over the terms of a collective bargaining agreement under the Municipal Employment Relations Act (LRB, 2020).

This bill changes the requirement of 51 percent majority to a simple majority of the employees voting in the collective bargaining unit. This bill repeals the certification requirement for representatives of bargaining units (LRB, 2020).

Under this bill, in a school district, the municipal employer is required to bargain collectively with respect to all of the following:

- 1.) Time spent during the school day, separate from pupil contact time, to prepare lessons, labs, or educational materials, to confer or collaborate with other staff, or to complete administrative duties.
- 2.) The development of or any changes to a teacher evaluation plan under s. 118.225 (111.70(4)(n)(1)(a)).

The impacts on implementation will vary depending on the level of government: state, municipal, or district. As well as, the type of worker and their likelihood to unionize.

Overall, studies show that collective bargaining results in a statistically significant increase in per capita salary expenditures, health expenditures, and health benefit expenditures (Public Sector Unions and the Costs of Government, Anzia, Moe, 2014). While this benefits the employee, it would longitudinally affect the employer as items like pension or deferred compensation's liability would grow.

This bill exempts school districts from the 'factor given greatest weight' which allows weighted priority for "state law or directive lawfully issued by a state legislative or administrative officer, body, or agency that limits expenditures that may be made or revenues that may be collected by a municipal employer." This exemption also applies to economic conditions (111.70(4)(cm)7-7g).

State: Indeterminate

The fiscal impact on the department is unknown, as the likelihood that employees will bargain for increase wages or altered working conditions is uncalculated.

Local: Indeterminate

It is not possible to quantify the extent which restoring collective bargaining power would impact costs to school districts.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2019 Session

Detailed Estimate of Annual Fiscal Effect

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Description bargaining over wages, hours, and conditions of employment for public employees			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$	\$
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds			
	GPR		
	FED		
	PRO/PRS		
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
	NET CHANGE IN COSTS	\$	\$
	NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		Authorized Signature	Date
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