

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-4495/1	Introduction Number SB-660	
Description collective bargaining for employees of school districts, employees of cooperative educational service agencies, employees of technical college districts, and employees of the University of Wisconsin System and making an appropriation		
Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local: <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input checked="" type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input checked="" type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input checked="" type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected Affected Ch. 20 Appropriations <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
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Fiscal Estimate Narratives

DPI 11/4/2021

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Description collective bargaining for employees of school districts, employees of cooperative educational service agencies, employees of technical college districts, and employees of the University of Wisconsin System and making an appropriation					

Assumptions Used in Arriving at Fiscal Estimate

This bill allows employees of school districts, employees of cooperative educational service agencies, and employees of technical college districts, if the employees are not in managerial or supervisory positions, to collectively bargain over wages, hours, and conditions of employment. This bill also allows the University of Wisconsin System and employees to collectively bargain over wages, hours, and conditions of employment. Finally, the bill allows faculty and academic staff of the UW System to organize and to collectively bargain over wages, hours, and conditions of employment. Under current law, public employers and employees are prohibited from bargaining collectively except as expressly provided in the statutes.

Local: Indeterminate.

The fiscal impact this bill will have on local school district fiscal operations is indeterminate as the impact of school district employees being permitted to bargain over increase wages, hours, or working conditions as a result of the bill cannot be estimated at this time.

The return of collective bargaining in the public sector would increase the influence of public employee unions in setting wages, hours, and working conditions. As a result, school districts could anticipate increased administrative costs due to the need to mitigate the legal ramifications such as setting new workplace procedures, handling collective bargaining, and other employment issues that may arise.

School districts with collective bargaining tend to have higher expenditures, these higher expenditures are usually driven by increases in certain personnel costs. For example, studies generally show that collective bargaining may result in increased per capita salary expenditures, health expenditures, and health benefit expenditures. While this benefits school district employees, this bill may affect the employing school district as items like pension or deferred compensation's liability may grow, but also cannot be estimated at this time. However, school districts may see less costs dedicated toward teacher retention and recruitment as a result of collective bargaining under the bill, but such an impact depends on individual behavior and cannot be estimated.

State: Indeterminate

The fiscal impact this bill will have on the the department's fiscal operations is indeterminate as the cost effect on school districts cannot be estimated.

The department may anticipate increased administrative costs to find compliance recommendations and mitigate potential issues as a result of the bill. It is indeterminate how a potential increase in costs at the school district level would affect, if at all, state appropriations. However, because the bill does not appropriate funds for this purpose, any change in agency operations as a result of the bill would be absorbed by the department.

Long-Range Fiscal Implications