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FISCAL IMPACT STATEMENT

LS 6775

BILL NUMBER: HB 1372

NOTE PREPARED: Jan 6, 2006

BILL AMENDED:

SUBJECT: State Executive Branch Collective Bargaining.

FIRST AUTHOR: Rep. Bauer

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: GENERAL
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill authorizes collective bargaining for employees of the executive branch of the state. It establishes the Public Employees Relations Board to conduct elections and make determinations concerning exclusive bargaining representatives and representation matters.

The bill allows an elected state officer to opt in to collective bargaining for the officer's employees.

It establishes 11 statewide bargaining units, and requires the director of the State Personnel Department to determine each employee's bargaining unit assignment.

The bill provides that an employee who threatens, encourages, or participates in a strike, slowdown, or other interruption is subject to immediate dismissal and is ineligible for rehiring for at least one year. The bill also provides that an employee organization that threatens, encourages, or participates in a strike, slowdown, or other interruption is decertified as an exclusive bargaining representative for at least one year.

The bill reinstates the bargaining unit assignments, the exclusive bargaining representatives, and settlements between the state and employee organizations that were rescinded by Executive Order 05-14.

Effective Date: Upon passage.

Explanation of State Expenditures: Collective bargaining by public employees involves two major cost components which may affect the state: the cost of the Public Employee Relations Board (PERB) and the effect on wages and fringe benefits of the employees.

PERB Board: With respect to the costs of the PERB Board, based on the FY 2004 and FY 2005 appropriation for the PERB Board then in existence, the additional annual cost of the board would be about \$32,500 annually.

The bill could lead to additional state expenditures due to negotiated contract settlements that are over and above what might have been granted by the units without the requirement to meet and confer. However, the extent of any impact is unknown.

The bill also reinstates the settlements that were in effect between the state and the employee organizations on January 11, 2005, and that were rescinded by executive order. This should represent no significant impact.

Background: There are various forms of negotiating processes between employers and employees, ranging from a requirement to meet and confer to collective bargaining with binding arbitration. The resulting impact on wage and salary levels and other conditions of employment can vary, as well, depending on these rules and procedures under which the negotiation is required to take place.

This bill allows employees to solicit membership in and join an employee organization and to have dues deducted from employee wages and submitted to the recognized representative. It also allows an election to be conducted for the purpose of determining an employee representative. The bill also affirms the rights of employers in the directing the work of employees, while also imposing certain limitations on employers with respect to actions toward the employees and their elected representative.

This bill also allows an employee organization to negotiate with the Director of Personnel concerning wages, hours, and working conditions. The impact on wages, salaries, and other conditions of employment is unknown.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Executive Branch Agencies, Public Employees Relations Board.

Local Agencies Affected:

Information Sources: State Department of Personnel database.

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