

### Fiscal Estimate - 2015 Session

Original
  Updated
  Corrected
  Supplemental

<b>LRB Number</b> <b>15-4183/1</b>	<b>Introduction Number</b> <b>AB-0900</b>
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**Description**  
 Collective bargaining for public employees, prohibiting employees other than public safety employees from bargaining collectively on insurance contributions and employee required contributions to retirement, granting rule-making authority, and making appropriations

**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

<b>Fund Sources Affected</b>	<b>Affected Ch. 20 Appropriations</b>
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
UWS/ Tawseef Talukdar (608) 265-8501	Freda Harris (608) 262-2734	2/23/2016

## Fiscal Estimate Narratives

UWS 2/23/2016

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### Assumptions Used in Arriving at Fiscal Estimate

#### Introduction

Under this bill, all municipal employees may collectively bargain over wages, hours, and conditions of employment under the Municipal Employment Relations Act (MERA) and all state employees may collectively bargain over wages, hours, and conditions of employment under the State Employment Labor Relations Act (SELRA). This bill also permits University of Wisconsin (UW) System employees to collectively bargain over wages, hours, and conditions of employment similar to employees covered by SELRA. In addition, this bill permits employees of the UW Hospitals and Clinics Authority and certain home care and child care providers to collectively bargain over wages, hours, and conditions of employment.

#### Analysis

Statutory changes made in 2014 will have an undetermined effect on the cost of this bill. Under Wis. Stat. 111.815(1), the chancellor of the University of Wisconsin-Madison (UW-Madison) is responsible for employer functions related to collective bargaining at UW-Madison, and the Board of Regents of the University of Wisconsin System is responsible for employer functions related to collective bargaining at the remainder of the UW System. The Board of Regents and the chancellor of UW-Madison were not responsible for employer functions when collective bargaining was last in effect. Because this structure is new, we do not have sufficient data to provide an estimate for associated costs that result from this structure.

Additionally, it is difficult to predict how many employees would unionize. Actual costs will vary with both the number of employees who elect to collectively bargain (contract administration) and the number of collective bargaining units (contract bargaining). For the purposes of this estimate, it is assumed that there will be 57 collective bargaining units. This includes 15 faculty units, 16 academic staff units, 13 units for UW-Madison, and 13 units that previously formed under SERLA.

There would be a substantial workload increase prior to commencing any negotiations to prepare for unit elections and contract negotiations. This preparation includes training of supervisory and administrative staff and setting up other administrative mechanisms for dealing with union representatives. The professional staff who would undertake the functions leading to the implementation of the contracts would be the same people who would assume responsibility for contract administration.

Below are two lists. The first is a complete list of staff that would be required to comply with this bill. The second list takes into account staff that the UW System already has and only lists the additional staff that would have to be hired to comply with this bill.

Collective bargaining under this bill would require the following staffing levels:

- 3 Employment Relations Staff (System Administration, Madison, Milwaukee)
- 2 Attorneys (System Administration, Madison)
- 15 University Human Resources Managers (one at each institution, including Colleges and Extension)
- 2 Compensation Analysts
- 2 Information Systems Analysts
- 10 Support Staff

Some of this staffing is already available and therefore would not result in additional cost for the UW System. Employment Relations Staff and Human Resource Managers are already hired and the additional legal resources can likely be provided by the UWSA Office of General Counsel and the UW-Madison Office of Legal Affairs.

The additional hiring required by the bill would be as follows (including the cost of fringe benefits):

2 Compensation Analysts (2 x \$106,260 = \$212,520)

2 Information Systems Analysts (2 x \$81,923 = \$163,846)

10 Support Staff (10 x \$44,167 = \$441,670)

The total cost related to additional hiring will be \$818,036.

### **Long-Range Fiscal Implications**

## Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

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<b>Description</b> Collective bargaining for public employees, prohibiting employees other than public safety employees from bargaining collectively on insurance contributions and employee required contributions to retirement, granting rule-making authority, and making appropriations			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes		\$818,036	\$
(FTE Position Changes)		(14.0 FTE)	
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>		<b>\$818,036</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>			
GPR		818,036	
FED			
PRO/PRS			
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
<b>TOTAL State Revenues</b>		<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$818,036	\$
NET CHANGE IN REVENUE		\$	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
UWS/ Tawseef Talukdar (608) 265-8501		Freda Harris (608) 262-2734	
		<b>Date</b>	
		2/23/2016	