

IssueBrief

January 2024

# Responsibilities of the Joint Committee on Employment Relations

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This issue brief provides an overview of the responsibilities and procedures of the Joint Committee on Employment Relations (commonly referred to as "JCOER"). The committee is tasked with reviewing proposed changes to the state employee compensation plan, proposed adjustments for the University of Wisconsin (UW) System budgeted salary base, and tentative collective bargaining agreements with UW employees and employees of other state agencies.

# **COMMITTEE MEMBERSHIP AND MEETINGS**

The committee is composed of the following eight *ex officio* members, based on designated leadership positions within the Legislature: Speaker of the Assembly, Assembly Majority Leader, and Assembly Minority Leader; President of the Senate, Senate Majority Leader, and Senate Minority Leader; and the Assembly and Senate co-chairs of the Joint Committee on Finance.<sup>1</sup> The Assembly Speaker and Senate President serve as co-chairs of the committee.

Generally, the committee meets when the administrator of the Division of Personnel Management (DPM) in the Department of Administration (DOA) submits a proposal that requires committee action. The committee co-chairs determine the date and agenda for a meeting.

The Legislative Council and Legislative Fiscal Bureau serve as staff for the committee and assist members in discussing proposals and preparing motions. Legislative Council prepares meeting notices and coordinates all materials for committee meetings.

# **STATE EMPLOYEE COMPENSATION PLAN**

The state compensation plan establishes pay rates and ranges, general wage adjustments, supplemental pay, and other aspects of compensation, such as a travel reimbursement schedule, for classified employees and certain unclassified employees in the state civil service.<sup>2</sup>

The DPM administrator is required to submit any proposed changes to the compensation plan to the committee. Any proposed changes must be approved by the committee before DPM may implement the changes. The approved changes, combined with the unchanged provisions of the plan, form the state compensation plan until a new or modified plan is adopted.<sup>3</sup>

The state employee compensation plan is available at DOA's webpage, <u>Welcome to the State of</u> <u>Wisconsin Compensation Plan.</u>

#### **Committee's Consideration of Proposed Changes**

The committee must hold a public hearing on DPM's proposed changes to the compensation plan. The committee may then approve or modify the proposed changes. A modification to proposed changes generally takes the form of either removing proposed changes or revising numbers or dates in the proposed changes.

If a statutory change is needed to implement any provision of the compensation plan, the committee must introduce a bill (or companion bills), to be put on the legislative calendar. A bill is not introduced for approval of changes to the compensation plan unless a specific statutory change is needed.

#### **Governor's Consideration of Committee Modifications**

If the committee modifies DPM's proposed changes to the compensation plan, the Governor then has 10 calendar days to consider those modifications. Within those 10 calendar days, the Governor may disapprove any modifications. If the Governor disapproves a modification, the committee may vote to set aside the Governor's disapproval. A vote of six of the committee's eight members is needed to set aside the Governor's disapproval.

# **UW SYSTEM BUDGETED SALARY BASE**

The Board of Regents for the UW System and the Chancellor for UW-Madison are required to submit recommendations for adjusting employee compensation and benefits to the DPM administrator. The DPM administrator then must submit recommendations for adjusting UW employee compensation and benefits to the committee, which may approve or modify the proposed changes under the same process as the state compensation plan.<sup>4</sup>

Compensation adjustments for UW employees are determined and approved based upon a percentage of the budgeted salary base for UW System employees. Other than an across-the-board pay adjustment, a pay adjustment is available for discretionary use by the UW Board of Regents.

# **COLLECTIVE BARGAINING AGREEMENTS WITH LABOR UNIONS**

Under current law, general state employees may collectively bargain with the state regarding base wages, limited to the increase in the Consumer Price Index. Public safety employees may collectively bargain with the state regarding wages, hours, and conditions of employment.<sup>5</sup>

DPM negotiates collective bargaining agreements with labor union organizations representing state employees, other than UW employees, and is responsible for making and accepting offers on behalf of the state. The UW Board of Regents negotiates with labor organizations representing UW System employees, other than employees assigned to UW-Madison. The UW-Madison Chancellor negotiates with labor organizations representing UW-Madison employees.

When a labor organization representing employees reaches a tentative agreement with DPM, the UW Board of Regents, or UW-Madison, a ratification vote is held by the labor organization. If the labor organization ratifies a tentative agreement, the agreement is then submitted by DPM, the UW Board of Regents, or UW-Madison to the committee for approval or disapproval.

The committee must hold a public hearing on a tentative agreement. The committee may approve or disapprove a tentative agreement, but may not modify a tentative agreement. If the committee does not approve a tentative agreement, it is returned to the parties for renegotiation. If the committee approves a tentative agreement, it then introduces a bill (or companion bills), to be put on the legislative calendar, to ratify the agreement.

<sup>&</sup>lt;sup>1</sup> s. <u>13.111</u>, Stats.

<sup>&</sup>lt;sup>2</sup> For the committee's procedures related to the state compensation plan, see s. <u>230.12(1)</u> and <u>(3)(a)</u> and <u>(b)</u>, Stats. The state compensation plan does not apply to legislative employees, court system employees, employees of the State of Wisconsin In v estment Board, and employees of the UW System. [ss. <u>13.20</u>, <u>20.923</u>, <u>230.03(6)</u> and <u>(6m)</u>, and <u>230.12(1)(a)1.b.</u> and <u>(3)(d)</u> and <u>(e)</u>, Stats.; and <u>Joint Rule 91</u>.]

<sup>&</sup>lt;sup>3</sup> The biennial budget custom arily sets a side funds for pay increases and other salary and fringe benefit cost increases for which funding is not included in individual agency budgets. In this process, the biennial budget may set aside supplemental funds in the state's compensation reserves to support the cost of provisions such as a general wage a djustment increase or other pay adjustments that may be included in DPM's proposed changes for the compensation plan. [ss. 20.005(1), 20.865(1), and 20.928, Stats.]

<sup>&</sup>lt;sup>4</sup> For procedures related to UW personnel systems, see ss. <u>36.115</u> and <u>230.12(3)(e)1.</u>, Stats. Under 2011 Wisconsin Act 32, UW Sy stem and UW-Ma dison were required to establish separate personnel systems from other state employees. 2015 Wisconsin Act 55 further required UW System and UW-Madison to establish and maintain consistent employ ment relations policies and practices for employ ees. The committee a pproved the UW System and UW-Madison personnel systems in 2014, and no further action is required. However, adjustments for the budgeted salary base continue to require the committee's approval.

<sup>&</sup>lt;sup>5</sup> For procedures related to collective bargaining, seess. <u>19.85(1)(e)</u>, <u>111.815</u>, <u>111.91</u>, <u>111.915</u>, and <u>111.92</u>, Stats. State employee collective bargaining a greements are available at DOA's webpage, <u>Employment Relations</u>.