

PREPARED BY: Kathy Tenopir
 DATE PREPARED: February 03, 2011
 PHONE: 471-0058

LB 555

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB555 amends the State Employees Collective Bargaining Act (SECBA) by eliminating the Special Master process. If the parties do not come to agreement during contract negotiations, the dispute would go to a mediator. If mediation is not successful the dispute would go directly to the Commission of Industrial Relations (CIR). Currently, if mediation is not successful the dispute would go to the Special Master. The Special Master chooses the most reasonable final offer on each disputed issue. Parties to the dispute can appeal the Special Master ruling to the CIR which acts in an appellate capacity.

LB555 also provides that a ruling by the CIR would be appealed directly to the Supreme Court rather than initially to the Court of Appeals.

LB555 also sets out criteria for the CIR to use in establishing rates of pay and in determining peer employer comparability.

As indicated by the State College System, the University of Nebraska and the Department of Administrative Service- Employee Relations Division the elimination of the Special Master process and the appeal directly to the Supreme Court would be a cost savings.

The CIR indicates since under LB555 they would actually be determining peer employer comparability and establishing rates of pay there would be an increase in cost but would be dependent on the number of state employee cases filed.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Elton Larson	DATE	2/3/11	PHONE	471-2526
COMMENTS					
ADMINISTRATIVE SERVICES – EMPLOYEE RELATIONS: Agency estimate appears reasonable. COMMISSION OF INDUSTRIAL RELATIONS: No basis to disagree with agency estimate. NEBRASKA STATE COLLEGE SYSTEM: Concur. UNIVERSITY OF NEBRASKA: No basis to disagree with agency estimate.					

2011 Legislative Bill Proposal Fiscal Note

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LEGISLATIVE FISCAL

Bill #: LB 555

State Agency: Administrative Services – Employee Relations

Prepared by: Jeannie O’Meara

Date Prepared: 1-26-11

Phone: 402-471-8292

Approved by:

Estimate of Fiscal Impact – State Agencies

	FY 2011-12		FY 2012-13	
	Expenditures	Revenue	Expenditures	Revenue
General Funds	0		(10,000.00)	
Cash Funds				
Federal Funds				
Other Funds				
Total Funds	0		(10,000.00)	

Explanation of Estimate: LB 555 makes several changes to the State Employees Collective Bargaining Act. The major changes made in this bill would eliminate the Special Master procedure and the dispute would be settled by the Commission of Industrial Relations. The bill also specifies that a ruling by the Commission of Industrial Relations would be appealed to the Nebraska Supreme Court rather than initially to the Court of Appeals.

These changes have the potential outcome of a savings to the Employee Relations Division. Outside counsel is retained to represent the State in a dispute with the union. By eliminating the Special Master and Court of Appeals proceedings, it would not be necessary for the State to engage the services of outside counsel for these steps of the process. It is estimated that the savings for these two changes to be \$10,000.00 in FY12-13.

Major Objects of Expenditure

Personal Services:

Position Title:	Number of Positions			2011-12	2012-13
	11-12	12-13		Expenditures	Expenditures
Benefits					
Operating					(10,000.00)
Travel					
Capital Outlay					
Aid					
Capital Improvements					
TOTAL					(10,000.00)

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LB⁽¹⁾ 555 FISCAL NOTE

State Agency OR Political Subdivision Name: University of Nebraska
(2)

Prepared by: (3) Michael Justus Date Prepared: (4) January 28, 2011 Phone: (5) 472-2191

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2011-2012		FY 2012-2013	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

LB 555 would remove the special master process. If parties do not come to agreement during contract negotiations, the dispute will go to a mediator, and if mediation is unsuccessful, the dispute will go directly to the CIR (rather than first to a special master then to the CIR). Overall this would streamline the process and more closely align the State Employees Collective Bargaining Act (SECBA) with the Industrial Relations Act (IRA).

The improvement in the process could save the University as much as \$40,000 in a year where both contracts previously had to go to the special master and be appealed to the CIR. No estimate is included as circumstances change for each contract negotiation.

MAJOR OBJECTS OF EXPENDITURE

Personal Services:

POSITION TITLE	NUMBER OF POSITIONS		2011-2012	2012-2013
	11-12	12-13	EXPENDITURES	EXPENDITURES
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____