

Colorado Legislative Council Staff Fiscal Note
**STATE, LOCAL and
 STATUTORY PUBLIC ENTITY
 FISCAL IMPACT**

Drafting Number: LLS 13-0323
Prime Sponsor(s): Rep. Everett
 Sen. Harvey

Date: February 8, 2013
Bill Status: House SVMA
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TITLE: CONCERNING THE PROHIBITION OF COLLECTIVE BARGAINING BY PUBLIC EMPLOYEES.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue		
State Expenditures	See State Expenditures section.	
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2013-2014: None required.		
Local Government Impact: See Local Government, School District and Statutory Public Entity Impact section.		

** Note: All affected agencies were canvassed, but not all agencies responded. Therefore, this fiscal note should be considered preliminary. It will be updated if new information becomes available.*

Summary of Legislation

This bill prohibits collective bargaining by public employees. It terminates existing employee partnership agreements and prohibits new ones by preventing the Colorado Department of Labor and Employment (CDLE) from (i) accepting petitions designating an employee representative, (ii) certifying employee representation, or (iii) acting as the agent of an employee organization.

This bill also prohibits political subdivisions, such as municipalities and school districts, from engaging in collective bargaining. Finally, this bill terminates all existing state and political subdivision labor contracts.

Background

In 2007, Governor Ritter signed Executive Order D 0028 07, which authorized partnership agreements with state employees in the executive branch. Employee organizations may currently become the exclusive representative of state employees in any occupational group or category, and enter into a partnership agreement with the state. A partnership agreement is a formal framework

between the state and the employee organization under which issues of mutual concern are discussed, or government services are provided. There are currently four employee organizations with partnership agreements - Colorado WINS, the Association of Colorado State Patrol Professionals, the Service Employee International Union, and the American Federal of Teachers.

State Expenditures

This bill is likely to reduce state expenditures within the Department of Personnel and Administration (DPA) and the CDLE. Under current practice, CDLE certifies employee organizations. The DPA and other state agencies coordinate their ongoing activities with these organizations. While no state agency receives an appropriation for these responsibilities, the DPA in 2011 attributed an estimated 1,733 staff hours over the prior three fiscal years for work with employee organizations. It should be noted that a portion of this staff time would have been expended to conduct outreach to employees, irrespective of the existence of employee organizations, which provide a vehicle for this outreach. The bill will reduce the amount of time the CDLE expends in certifying employee organizations and developing formal partnership agreements. However, as there are only four organizations in place, this reduction is minimal. Other state agencies may experience small reductions in the amount of staff time spent coordinating the activities of employee organizations. Since these responsibilities are currently absorbed within existing resources, the bill does not require an adjustment in appropriations.

Local Government, School District and Statutory Public Entity Impact

This bill is likely to increase expenditures for local governments, school districts and statutory public entities because existing contracts must be terminated. Since these contracts are legally binding, early termination could give rise to unknown impacts, such as legal costs or damages. Since these impacts are unknown, no fiscal impact is estimated.

Departments Contacted

Counties	Municipalities	Education
Governor's Office	Labor	Law
Local Affairs	Personnel	Public Safety
Regulatory Agencies		