HOUSE RESEARCH

Bill Summary

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Article 1

Contracts and Compensation Plans

This article ratifies several of the labor agreements covering state employees. The labor agreements between the state and unions representing state employees were implemented on an interim basis. The full legislature must ratify these agreements if the agreements are to remain in effect after the legislature adjourns the 2016 session. This article also approves, with changes, two compensation plans covering state employees who are not represented by a union. Most of the changes to these compensation plans proposed by the executive branch have not yet been implemented.

Section

1 Labor contract and compensation plan approval.

- **Subd. 1. AFSCME.** Ratifies the labor agreement between the state and AFSCME, Council 5. This agreement was implemented on an interim basis 30 days after being submitted to the Subcommittee on Employee Relations.
- **Subd. 2. MAPE.** Ratifies the labor agreement between the state and MAPE. This agreement was implemented on an interim basis 30 days after being submitted to the Subcommittee on Employee Relations.
- **Subd. 3. Middle Management Association.** Ratifies the labor agreement between the state and the Middle Management Association. This agreement was implemented

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on an interim basis 30 days after being submitted to the Subcommittee on Employee Relations.

- **Subd. 4. Minnesota Nurses Association.** Ratifies the labor agreement between the state and the Minnesota Nurses Association. This agreement was implemented upon approval by the Subcommittee on Employee Relations on January 15, 2016.
- **Subd. 5. Commissioner's plan.** Approves the commissioner of management and budget's compensation plan for unrepresented state employees, with changes. The general salary increases called for in the plan are not approved. The performance-based increases called for in the plan are modified.
- **Subd. 6. Managerial plan.** Approves the managerial compensation plan, with changes. The general salary increases called for in the plan are not approved. The performance-based increases called for in the plan are modified.

Article 2

Fair Share and Dues Deduction

This article repeals laws authorizing public sector unions to charge fair share fees. The article also strikes authority for union dues to be deducted from a state employee's pay.

- Payroll direct deposit and deductions. Strikes authority for an agency head in the state executive branch to deduct amounts from an employee's pay to be paid to a labor organization of which the employee is a member.
- **Petitions.** Strikes references to fair share fee challenges in a law governing the Bureau of Mediation Services.
- **Other duties.** Strikes references to fair share fee challenges in a law governing the Bureau of Mediation Services.
- **Appeals of Commissioner's decisions.** Strikes references to appeals of fair share fee challenges made by the commissioner of mediation services.
- **Dues checkoff.** Provides that the right of public employees to have dues checkoff for their exclusive representative does not apply to state employees.
- **Contract negotiations and administration.** In law governing joint powers entities, strikes references to an exclusive representative receiving dues or fair share fees.
- 7 **Duties of the commissioner of human services.** In law governing individual providers of direct support services, strikes authority for deductions of dues and fair share fees.

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Repealer. Repeals:

- 179A.03, subdivision 9: Definition of fair share fee challenge
- 179A.06, subdivision 3: Authority of exclusive representatives to require employees who are not members to pay a fair share fee for services provided by the exclusive representative

Article 3

Other Public Employment Provisions

Amends a number of laws relating to public employment

- State employee negotiations. Under current law, proposed collective bargaining agreements between the state and exclusive representatives of state employees are submitted to the Legislative Coordinating Commission's Subcommittee on Employee Relations (SER). The SER can give interim approval to an agreement when the legislature is not in session (subject to eventual ratification by the full legislature). This section strikes from the current law a provision that when the legislature is not in session failure of the SER to disapprove a collective bargaining agreement (or arbitration award) within 30 days constitutes approval.
- Political subdivision compensation limit. Current law places a limit on compensation of political subdivision employees, but allows the commissioner of management and budget to increase the limit under specified conditions. The current law requires the commissioner to seek a recommendation from the SER before acting on a proposed increase. This section requires approval of the SER (and eventually the full legislature) for an increase in the limit to take effect.
- Limit on compensation for unused vacation. Provides that a state employee terminating state service under a compensation plan (for nonunionized employees) may not be compensated for more than 275 hours of vacation leave, and must have at least six months of continuous vacation eligible service in order to liquidate vacation leave. Provides that an employee terminating service who has 10 years or more of continuous state service must liquidate unused vacation leave to the employee's health care savings plan.
- Time off. Current law requires a public employer to provide reasonable time off to elected officers or appointed representatives of an exclusive representative to conduct the duties of the exclusive representative. This section provides that time off under this subdivision must not be used to engage in any political activities.
- Labor negotiations, mediation, and arbitration open to the public. Requires that all public sector labor negotiations for establishing terms and conditions of employment must be open to the public, including meetings involving an arbitrator or mediator. Provides conditions under which meetings may be closed for the purpose of receiving information about a specific employee. Contains language governing: availability of printed materials; notice; and room size.

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Contract in effect. Under current law, during the period after contract expiration and before the right to strike matures, the terms of an existing labor contract remain in effect. This section provides that after contract expiration no increase in an hourly wage rate or salary may take effect.

- **No retroactive increases.** Forbids a public sector labor contract from providing a retroactive increase in an hourly wage rate or salary.
- **Repealer.** Repeals section 179A.14, subdivision 3 (negotiations, mediation sessions and hearings are public meetings except when otherwise provided by the commissioner of mediation services).