

HB 1666-FN - VERSION ADOPTED BY BOTH BODIES

15Feb2012... 0662h

05/16/12 2225s

6June2012... 2468CofC

6June2012... 2506EBA

2012 SESSION

12-2096

06/05

HOUSE BILL **1666-FN**

AN ACT relative to legislative approval of collective bargaining agreements entered into by the state.

SPONSORS: Rep. Vaillancourt, Hills 15

COMMITTEE: Labor, Industrial and Rehabilitative Services

AMENDED ANALYSIS

This bill requires approval by the fiscal committee of the general court of all collective bargaining agreements entered into by the state.

Explanation: Matter added to current law appears in ***bold italics***.

Matter removed from current law appears [~~in brackets and struckthrough.~~]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twelve

AN ACT relative to legislative approval of collective bargaining agreements entered into by the state.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 New Paragraph; Bargaining by State Employees. Amend RSA 273-A:9 by inserting after paragraph I the following new paragraph:

I-a. Notwithstanding any other provision of law to the contrary, every collective bargaining agreement entered into by the state shall be approved by the fiscal committee of the general court before each takes effect.

2 Effective Date. This act shall take effect 60 days after its passage.

LBAO

12-2096

Revised 01/24/12

HB 1666 FISCAL NOTE

AN ACT relative to legislative approval of collective bargaining agreements entered into by the state.

FISCAL IMPACT:

The Department of Administrative Services states this bill will have an indeterminable impact on state revenues and expenditures in FY 2013 and each year thereafter. There will be no impact on county and local revenues or expenditures.

METHODOLOGY:

The Department of Administrative Services states this bill limits the aggregate state contribution toward life insurance, medical and dental coverage, and retirement benefits that may be negotiated through collective bargaining between the state and its employees. The Department states aggregate contributions would be limited to 60% of salary for employees with an annual salary of up to \$50,000, and 50% of salary for employees with an annual salary in excess of \$50,000. This bill would impact any collective bargaining agreement the state enters into after the effective date of the bill, and the Department states all of the collective bargaining agreements the state is currently participating in, expire on June 30, 2013 and include evergreen clauses. The probability of realizing savings in wages and benefits would not happen until current agreements expire and unions agree to give up their evergreen rights. Furthermore, the Department is

unable to predict this bill's impact on state revenues and expenditures from the result of collective bargaining through limitations set forth by this bill. The Department states there are too many variables, such as future retirement system contribution rates, to determine this bill's potential fiscal impact, but for illustrative purposes the Department provided information as to how this bill would impact current Group I employees with \$30,000 and \$75,000 annual salaries, respectively, and assuming the benefit to salary limitation rates of 60% and 50%, respectively:

	Retirement System Contribution	Life Insurance Premium Contribution	Health and Dental Coverage Contribution	Annual Additional Employee Contribution*
<u><i>\$30,000 Annual Salary</i></u>				
Employee Only Plan	\$3,024	\$11	\$7,972	\$0
Two Person Plan	\$3,024	\$11	\$15,904	\$939
Family Plan	\$3,024	\$11	\$25,577	\$10,612
<u><i>\$70,000 Annual Salary</i></u>				
Employee Only Plan	\$7,056	\$11	\$7,972	\$0
Two Person Plan	\$7,056	\$11	\$15,904	\$0
Family Plan	\$7,056	\$11	\$25,577	\$0

* Annual additional employee contribution calculated as \$18,000 (\$30,000 X 60%) for \$30,000 annual salary, and \$35,000 (\$70,000 X 50%) for \$70,000 annual salary, less total retirement system, life insurance premium and health and dental coverage employer contributions.

The Department states under this bill it would need to hire a full-time employee (business system analyst I, LG 28) to manage the data in-house and work with vendors if certain functions needed to be outsourced. The Department states the total salary and benefits for this position would be \$77,231 in FY 2013, \$81,566 in FY 2014, \$86,232 in FY 2015 and \$91,177 in FY 2016. The Department also states it would incur an estimated \$1,000,000 in costs for purchase of computer systems and vendor services per fiscal year to implement this bill. The Department states these expenses would net against potential savings this bill may generate as illustrated above. This bill provides neither authorization nor appropriation for new personnel.