

**HOUSE OF REPRESENTATIVES  
FINAL BILL ANALYSIS**

<b>BILL #:</b>	HB 5007	<b>FINAL HOUSE FLOOR ACTION:</b>	
<b>SPONSOR(S):</b>	Appropriations Committee and McKeel	92 Y's	25 N's
<b>COMPANION BILLS:</b>	SB 2504	<b>GOVERNOR'S ACTION:</b>	Pending

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**SUMMARY ANALYSIS**

HB 5007 passed the House and Senate on May 2, 2014. Chapter 447, F.S., specifies the process for collective bargaining for public employees. The bargaining agent and the negotiator for the state must bargain collectively in the determination of the wages, hours, and terms and conditions of employment of the employees within the bargaining unit. Upon the issuance of the Governor's Budget Recommendations, any articles that have not been agreed to are declared at impasse. It is the Legislature's responsibility to resolve all issues at impasse between the parties in the General Appropriations Act or substantive legislation. Ultimately, the decisions made by the Legislature, as well as those agreed to by the parties, are reduced to writing, signed by the chief executive officer for the state and the bargaining agent for the union, and submitted to the members of the bargaining unit for ratification. If the agreement is not ratified by all parties, the actions taken by the Legislature shall take effect for the remainder of the first fiscal year subject to the negotiations.

The bill directs the resolution of collective bargaining issues at impasse not related to salary and benefit issues for the 2014-2015 fiscal year regarding state employees. Salary and benefit issues are typically resolved based on the spending decisions included in the Fiscal Year 2014-2015 General Appropriations Act or legislation implemented for that Act.

Generally, most issues are resolved by the state and the unions and do not require legislative action (approximately 220 tentatively agreed to articles.) For Fiscal Year 2014-2015, there were 30 non-wage-related issues remaining at impasse that were subject to resolution by the Legislature. The Legislature resolved 23 of the issues by maintaining the status quo and seven by the state's last offer.

The bill has an effective date of July 1, 2014.

## I. SUBSTANTIVE INFORMATION

### A. EFFECT OF CHANGES:

#### *Background:*

Chapter 447, F.S., specifies the process for collective bargaining for public employees. The bargaining agent and the negotiator for the state must bargain collectively in the determination of the wages, hours, and terms and conditions of employment of the employees within the bargaining unit. Any collective bargaining agreement reached must be reduced to writing, signed by the chief executive officer for the state and the bargaining agent for the union, and submitted to the members of the bargaining unit for ratification.

Typically, at the state level, an agreement is not reached on all issues. In that instance, and pursuant to s. 216.163(6), F.S., an impasse is declared on all unresolved issues when the Governor's Budget Recommendations are released. Within five days of the start of the impasse period, each party is required to notify the presiding officers of the Legislature of the unresolved issues. A joint select committee of members of the Florida House of Representatives and the Senate is appointed to review the positions of the parties and make recommendations to the Legislature on potential resolution. The committee's recommendation is provided to the presiding officers no later than ten days before the start of the regular legislative session. The parties continue to negotiate outstanding issues. During the session, the Legislature shall take action to resolve all issues remaining at impasse. Any actions taken by the Legislature are binding on the parties.

Following the resolution of the impasse issues, the parties are required to reduce to writing an agreement that includes those issues agreed to by the parties as well as those issues resolved by the Legislature. As noted above, the agreement must be signed by the chief executive officer and the bargaining agent and presented to the members of the bargaining unit for ratification.

If the members ratify the agreement, all the provisions of the agreement take effect. If the members do not ratify the agreement, the issues resolved by the Legislature take effect for the next fiscal year which was the subject of the negotiations.

#### *Provisions of the bill:*

The bill resolves the articles remaining at impasse for fiscal year 2014-15 by imposing either status quo language or the state's last offer. Issues related to salary and benefits are resolved according to provisions of the General Appropriations Act (HB 5001). The following is a list of the certified bargaining units for state employees and the respective bargaining agents, along with the articles remaining at impasse and the associated legislative *resolution* of each (a description of the resolution of the issues follows this list):

#### **American Federation of State, County and Municipal Employees, Council 79**

- Administrative and Clerical Unit
- Operational Services Unit
- Human Services Unit
- Professional Unit
  - Article 6 "Grievance Procedure": - *State's Proposal*
  - Article 27 "Health Insurance" - *Status Quo*

#### **Florida Nurses Association**

- Professional Health Care Unit
  - Article 33 “Entire Agreement” – *State’s Proposal*

### **Police Benevolent Association**

- Special Agent Unit
  - Article 6 “Grievance Procedure” - *State’s Proposal*
  - Article 23 “Workday, Workweek, and Overtime” - *Status Quo*
  - Article 27 “Insurance Benefits” - *Status Quo*
- Law Enforcement Unit
  - Article 6 “Grievance Procedure” - *State’s Proposal*
  - Article 14 “Performance Review” - *Status Quo*
  - Article 18 “Hours of Work, Leave and Job-Connected Disability” - *Status Quo*
  - Article 27 “Insurance Benefits” - *Status Quo*
- Florida Highway Patrol Unit
  - Article 6 “Grievance Procedure” - *State’s Proposal*
  - Article 14 “Performance Review” - *Status Quo*
  - Article 18 “Hours of Work, Leave and Job-Connected Disability” - *Status Quo*
  - Article 27 “Insurance Benefits” - *Status Quo*

### **Florida State Fire Service Association**

- Fire Service Unit
  - Article 16 “Retirement” - *Status Quo*
  - Article 26 “Vacant” - *Status Quo*

### **Federation of Physicians and Dentists**

- Supervisory Nonprofessional Unit
  - Article 7 “Employee Standards of Conduct and Performance- *Status Quo*”
  - Article 23 “Insurance Benefits” - *Status Quo*
  - Two article proposed by the Union- *Status Quo*
- Physicians Unit
  - Article 7 “Employee Standards of Conduct and Performance” - *Status Quo*
  - Article 19 “Insurance Benefits” - *Status Quo*
  - One article proposed by the Union- *Status Quo*
- State Employees Attorneys Guild
  - Article 7 “Employee Standards of Conduct and Performance” - *Status Quo*
  - Article 19 “Insurance Benefits” - *Status Quo*
  - Two articles proposed by the Union - *Status Quo*

## Teamsters Local Union No. 2011

- Security Services Unit
  - Article 6 “Grievance Procedure” - *State’s Proposal*
  - Article 7 “Discipline and Discharge” - *Status Quo*
  - Article 13 “Safety” – *Status Quo*

## Federation of Public Employees

- Lottery Administrative and Support Unit
  - Agreed to all articles

### Summary of Resolutions in the bill:

- Articles related to “Grievance Procedure” were resolved by the state’s offer. The state offered language that standardized timeframes across contracts and also established a standard of evidence “preponderance” in line with that used by the Public Employee Relations Commission.
- Articles related to “Health Insurance” or “Insurance Benefits” were resolved by maintaining the status quo. While specific provisions related to the State Group Health Insurance Program are set in the GAA or other related legislation, several collective bargaining units agreed to the Governor’s proposed articles establishing and funding Health Reimbursement Accounts (HRAs), and allowing the Department of Management Services to adjust the program and premiums to offset the cost of the HRAs. Other units proposed articles including language that no changes be made to the benefits or premium structure of the program.
- Articles related to “Retirement” were generally resolved by maintaining the status quo. In general, the respective collective bargaining units proposed that no changes be made to the Florida Retirement System, with one proposing that employee contributions be eliminated. The latter article was resolved by the state’s offer, which was to leave the article vacant.
- Articles related to “Standards of Conduct and Performance Reviews” were resolved by maintaining the status quo. The collective bargaining unit’s with offers on these articles proposed eliminating the “at-will” status of its members.
- Articles related to “Performance Reviews” were resolved by maintaining the status quo. The state proposed language providing for the use of statistical data on citations or violations in assessing the overall effectiveness of unit traffic enforcement activities. The unions objected to the potential for inadvertent use of quotas in measuring job performance.
- Articles related to “Hours of Work, Leave and Job-Connected Disability” were resolved by maintaining the status quo. While the state and unions were in agreement on much of the agreement the state proposed eliminating the 60-day grace period for using Special Compensatory Leave earned while working holidays or during office closures. The unions strongly objected to eliminating this long-time practice indicating it would overly restrict member’s ability to use such leave.
- Articles related to “Safety” or proposed articles related to safety were resolved status quo. The offers from the unions would result in a significant fiscal impact and the state’s current policies and procedures have proven effective and efficient.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

None.