

HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

BILL #: HB 1373 Hillsborough County Civil Service Act
SPONSOR(S): Grant, J.
TIED BILLS: **IDEN./SIM. BILLS:** SB 1806

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|-----------|---------|--|
| 1) Local, Federal & Veterans Affairs Subcommittee | 13 Y, 0 N | Darden | Miller |
| 2) Oversight, Transparency & Public Management Subcommittee | 12 Y, 0 N | Moehrle | Harrington |
| 3) State Affairs Committee | 19 Y, 0 N | Darden | Williamson |

SUMMARY ANALYSIS

The Hillsborough County Civil Service Act (Act) was initially adopted in 1951 and re-codified in 2000. The Act applies to all agencies and authorities of Hillsborough County and currently covers approximately 10,000 employees. The Act is intended to ensure a uniform system exists for:

- Creating and abolishing employment positions;
- Filling vacancies;
- Managing probationary periods for new employees;
- Handling the suspension, demotion, or dismissal of an employee;
- Handling disciplinary appeals; and
- Recommending and adopting pay plans.

The provisions of the Act are enforced by the Civil Service Board, a seven-member board of qualified electors appointed by the Governor and confirmed by the Senate for four-year terms. Members of the Board may not be current elected officials or employees of any appointing authority. The board is funded by a county appropriation equal to 0.65 percent of the classified personnel payroll expenses of covered entities for the preceding fiscal year.

The bill repeals the Hillsborough County Civil Service Act and requires each agency or authority covered by the Act to adopt fair, neutral, and impartial disciplinary procedures. The bill requires any system adopted to enforce disciplinary procedures to apply uniformly to all agencies and to provide protections to tenured employees that are substantially similar to the protections provided by the Act.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Hillsborough County Civil Service Act

The Hillsborough County Civil Service Act (Act) was initially adopted in 1951 and re-codified in 2000 as the "Civil Service Act of 2000."¹ The Act applies to all agencies and authorities of Hillsborough County except for the judiciary, the district school board, and municipalities in the county. The provisions of the Act are enforced by the Civil Service Board (Board), a seven-member board of qualified electors appointed by the Governor and confirmed by the Senate for four-year terms. Members of the Board may not be current elected officials or employees of any appointing authority.

A classified employee is defined as a person whose position is subject to the rights contained in the Act and in the rules adopted by the Board.² The Civil Service Board serves 21 county agencies with approximately 10,000 employees.³

The purpose of the Act is to ensure the uniform administration of classified employees based on merit principles such as:⁴

- Recruitment, selection, compensation, benefits, and advancement of employees based on their ability, knowledge, skills, and personal capabilities;
- Retaining employees based on their performance, including correction and/or separation for inadequate performance; and
- Fair treatment of applicants and employees without regard to personal attributes.

The Act contains detailed provisions related to executing personnel functions, including:⁵

- Creating and abolishing positions;
- Filling vacancies;
- Probationary employment;
- Suspensions, demotions, and dismissals;
- Appeals; and
- Recommendation and adoption of pay plans.

County agencies and authorities may opt out of all provisions of the Act except those relating to suspension, demotions, dismissals, and appeals.⁶ A county agency or authority may choose to opt out during an election period open during the month of December, with changes to take effect on the first day of the next fiscal year.⁷

The Board is funded by an annual appropriation from the Board of County Commissioners of Hillsborough County equal to 0.65 percent of the classified personnel payroll expenses for the preceding fiscal year minus the cost of providing personnel functions that an agency or authority has

¹ Ch. 1951, 27601 and ch. 2000-445, Laws of Fla.

² Ch. 2000-445, s. 4, Laws of Fla.

³ Civil Service Board of Hillsborough County, *About the Hillsborough County Civil Service Board*, <http://hccsb.org/about/> (last visited Mar. 11, 2019).

⁴ Ch. 2000-445, s. 2, Laws of Fla.

⁵ Ch. 2000-445, s. 7(2), Laws of Fla.

⁶ Ch. 2014-230, s. 1, Laws of Fla. (amending ch. 2000-445, s. 4, Laws of Fla).

⁷ *Id.*

chosen to conduct itself.⁸ The Board of County Commissioners is also required to provide funds to the Board to cover the cost of personnel functions which an agency or authority has opted out of and chosen for the Board not to provide directly, but where the Board has been contracted to provide the function on behalf of the agency or authority. In fiscal year 2019, the Board has an adopted budget of \$1.777 million.⁹ The Board employs nine full-time employees.

Effect of Proposed Changes

The bill repeals the Hillsborough County Civil Service Act.

The bill requires all agencies and authorities previously covered by the Act to provide a fair, neutral, and impartial system for administering employee discipline, including suspensions, involuntary demotions, and dismissal of employees, as well as the appeals of any such decisions. The bill requires the system established by the county to be uniform for all agencies and to provide tenured employees with protections that are substantially similar to those provided by the Act.

B. SECTION DIRECTORY:

Section 1: Repeals the Hillsborough County Civil Service Act.

Section 2: Requires any agency or authority previously covered by the Act to establish a fair, neutral, and impartial system for administering employee discipline providing substantially similar protections to the repealed laws.

Section 3: Provides an effective date of October 1, 2019.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? February 2, 2019

WHERE? The *Tampa Bay Times*, a daily newspaper of general circulation published in Hillsborough County, Florida.

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

⁸ Ch. 2000-445, s. 15, and ch. 2014-230, s. 1, Laws of Fla. This would mean, for example, an agency with an annual classified employee payroll of \$1,000,000 would require the county to budget \$6,500 in funding to the Board for the upcoming fiscal year.

⁹ Hillsborough County, *FY 19 Adopted Budget 346*, available at <https://www.hillsboroughcounty.org/library/hillsborough/media-center/documents/budget/fy-19/0fy19-adopted-budget/00-web-version-fy19-adopted-budget.pdf> (last visited Mar. 11, 2019).

B. RULE-MAKING AUTHORITY:

The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

None.

HOUSE OF REPRESENTATIVES
2019 - 2020 LOCAL BILL CERTIFICATION FORM

BILL #: 65858
SPONSOR(S): Representative James Grant
RELATING TO: Hillsborough County Civil Service Act
[Indicate Area Affected (City, County, or Special District) and Subject]
NAME OF DELEGATION: Hillsborough
CONTACT PERSON: Kimberly Simon
PHONE NO.: (813) 265-6272 **E-Mail:** james.grant@myfloridahouse.gov

- I. House local bill policy requires the following steps must occur before a committee or subcommittee of the House considers a local bill:**
(1) The members of the local legislative delegation must certify that the purpose of the bill cannot be accomplished at the local level;
(2) The legislative delegation must hold a public hearing in the area affected for the purpose of considering the local bill issue(s);
(3) The bill must be approved by a majority of the legislative delegation, or a higher threshold if so required by the rules of the delegation, at the public hearing or at a subsequent delegation meeting; and
(4) An Economic Impact Statement for local bills must be prepared at the local level and filed with the Clerk of the House. Under House policy, a local bill will not be considered by a committee or subcommittee without an Economic Impact Statement.

(1) Does the delegation certify the purpose of the bill cannot be accomplished by ordinance of a local governing body without the legal need for a referendum?

YES NO

Brief Explanation as to why the purpose of the bill cannot be accomplished at the local level:

The civil service board was created at the state level and would have to be abolished by statute.

(2) Did the delegation conduct a public hearing on the subject of the bill?

YES NO

Date hearing held: January 29, 2019

Location: County Center, Room 26A & B, 601 E. Kennedy, Tampa, FL

(3) Was this bill formally approved by a majority of the delegation members?

YES NO UNANIMOUSLY APPROVED

(4) Was an Economic Impact Statement prepared at the local level and filed with the Clerk of the House?

YES NO

II. Article III, Section 10 of the State Constitution prohibits passage of any special act unless notice of intention to seek enactment of the bill has been published as provided by general law (s. 11.02, F. S.) or

the act is conditioned to take effect only upon approval by referendum vote of the electors in the area affected.

Has this constitutional notice requirement been met?

Notice published: YES NO DATE February 2, 2019

Where? Tampa Bay Times County Hillsborough

Referendum in lieu of publication: YES NO

Date of Referendum

III. Article VII, section 9(b) of the State Constitution prohibits passage of any bill creating a special taxing district, or changing the authorized millage rate for an existing special taxing district, unless the bill subjects the taxing provision to approval by referendum vote of the electors in the area affected.

(1) Does the bill create a special district and authorize the district to impose an ad valorem tax?

YES NO

(2) Does this bill change the authorized ad valorem millage rate for an existing special district?

YES NO

If the answer to question (1) or (2) is YES, does the bill require voter approval of the ad valorem tax provision(s)?

YES NO

Please file this completed, original form with the Clerk of the House.


Delegation Chair (Original Signature)

3/14/19
Date

Senator Darryl E. Rouson
Printed Name of Delegation Chair

**HOUSE OF REPRESENTATIVES
2019 ECONOMIC IMPACT STATEMENT FORM**

Read all instructions carefully.

House local bill policy requires that no local bill will be considered by a committee or a subcommittee without an Economic Impact Statement. This form must be prepared by an individual who is qualified to establish fiscal data and impacts and has personal knowledge of the information given (for example, a chief financial officer of a particular local government). Please file this completed, original form with the Clerk of the House as soon as possible after a bill is filed. Additional pages may be attached as necessary.

| | |
|---------------------|--|
| BILL #: | LB 1 |
| SPONSOR(S): | Sens. Rouson and Lee, Rep. Grant |
| RELATING TO: | Hillsborough County Civil Service Act Repeal |

(Indicate Area Affected (City, County or Special District) and Subject)

Check if this is a revised Economic Impact Statement

I. REVENUES:

These figures are new revenues that would not exist but for the passage of the bill. The term "revenue" contemplates, but is not limited to, taxes, fees and special assessments. For example, license plate fees may be a revenue source. If the bill will add or remove property or individuals from the tax base, include this information as well.

| | FY 19-20 | FY 20-21 |
|-------------------------------|--------------|--------------|
| Revenue decrease due to bill: | \$ 85,500 | \$ 85,500 |
| Revenue increase due to bill: | \$ 1,971,750 | \$ 1,971,750 |

II. COST:

Include all costs, both direct and indirect, including start-up costs. If the bill repeals the existence of a certain entity, state the related costs, such as satisfying liabilities and distributing assets.

Expenditures for Implementation, Administration and Enforcement:

| | FY 19-20 | FY 20-21 |
|--|------------|------------|
| | \$ 550,000 | \$ 500,000 |

Please include explanations and calculations regarding how each dollar figure was determined in reaching total cost.

If the bill passes, the budget of the Civil Service Board will be eliminated. Their current budgeted revenues will be decreased by \$85,500 and current budgeted expenditures will be reduced by \$1,971,750. Services currently provided by the Civil Service Board will be provided through an alternate service delivery system at an estimated annual recurring cost of \$500,000. The FY 19-20 estimate above includes a \$50,000 estimate of one-time costs to transition services to the new system. Recurring costs of the new system would primarily consist of 2-3 new positions (Civil Service currently has 9 positions) and professional services costs associated the utilization of experts in the field of labor law and employment.

III. FUNDING SOURCE(S):

State the specific sources from which funding will be received, for example, license plate fees, state funds, borrowed funds, or special assessments.

If certain funding changes are anticipated to occur beyond the following two fiscal years, explain the change and at what rate taxes, fees or assessments will be collected in those years.

| | <u>FY 19-20</u> | <u>FY 20-21</u> |
|----------|-----------------|-----------------|
| Local: | \$ 0 | \$ 0 |
| State: | \$ 0 | \$ 0 |
| Federal: | \$ 0 | \$ 0 |

IV. ECONOMIC IMPACT:

Potential Advantages:

Include all possible outcomes linked to the bill, such as increased efficiencies, and positive or negative changes to tax revenue. If an act is being repealed or an entity dissolved, include the increased or decreased efficiencies caused thereby.

Include specific figures for anticipated job growth.

1. Advantages to Individuals:

If the bill passes, employees currently covered by the Civil Service Act will be offered the same or greater protection in the disciplinary appeals process under an alternate system that utilizes experts in the field of labor law and employment.

2. Advantages to Businesses:

If the bill passes, the County will seek the assistance of the private sector to provide services previously provided by the Civil Service Board.

3. Advantages to Government:

If the bill passes, employees currently covered by the Civil Service Act will be offered the same or greater protection in the disciplinary appeals process under an alternate system that utilizes experts in the field of labor law and employment. The alternate system will result in a net savings to Hillsborough County in excess of \$1 million.

Potential Disadvantages:

Include all possible outcomes linked to the bill, such as inefficiencies, shortages, or market changes anticipated.

Include reduced business opportunities, such as reduced access to capital or training.

State any decreases in tax revenue as a result of the bill.

1. Disadvantages to Individuals:

Nine individuals currently employed by Civil Service would need to locate alternate employment.

2. Disadvantages to Businesses:

None identified.

3. Disadvantages to Government:

None identified.

V. DESCRIBE THE POTENTIAL IMPACT OF THE BILL ON PRESENT GOVERNMENTAL SERVICES:

If the bill passes, all present services would continue to be provided through an alternate service delivery model at an estimated savings in excess of \$1 million.

VI. SPECIFIC DATA USED IN REACHING ESTIMATES:


Include the type(s) and source(s) of data used, percentages, dollar figures, all assumptions made, history of the industry/issue affected by the bill, and any audits.

| | |
|--|---|
| If the bill passes: | |
| FY 20 Civil Service Adopted Budget: | |
| Personnel | \$1,167,077 (eliminated) |
| Operating | \$ 545,087 (eliminated) |
| Capital | \$ 65,000 (eliminated) |
| Reserves | \$ 194,586 (eliminated) |
| Total | \$1,971,750 (eliminated - savings to Hillsborough County Countywide General Fund) |
| FY 20 Alternate Service Delivery Model: | |
| Personnel | \$ 225,000 (2-3 new positions) |
| Operating | \$ 200,000 (includes \$175,00 for expert professional services) |
| Capital | \$ 10,000 |
| Contingency | \$ 65,000 (to account for any unanticipated needs) |
| Start Up | \$ 50,000 (start up costs for new model and close down of Civil Service) |
| Total | \$ 550,000 (this will be funded by Hillsborough County Countywide General Funds) |
| FY 20 Summary: | |
| Civil Service Budgeted Expenditure Savings | \$1,971,750 |
| Civil Service Budgeted Revenue Loss | (\$ 85,500) |
| Cost of Alternate Service Delivery Model | (\$ 550,000) |
| Estimated Net Savings to Hillsborough County | \$1,336,250 |

VII. CERTIFICATION BY PREPARER

I hereby certify I am qualified to establish fiscal data and impacts and have personal knowledge of the information given. I have reviewed all available financial information applicable to the substance of the above-stated local bill and confirm the foregoing Economic Impact Statement is a true and accurate estimate of the economic impact of the bill.

PREPARED BY:


[Must be signed by Preparer]

Print preparer's name:

Tom Fesler

3/14/19

Date

TITLE (such as Executive Director, Actuary, Chief Accountant, or Budget Director):

Director, Management and Budget Department

REPRESENTING:

Hillsborough County

PHONE:

813-276-8282

E-MAIL ADDRESS:

feslert@hillsboroughcounty.org