Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 796 (Substitute S-1 as reported)
Sponsor: Senator Marty Knollenberg
Committee: Education

CONTENT

The bill would amend the public employment relations Act to prohibit a public employer from entering into a bargaining agreement that required or allowed paid release time for a bargaining representative to conduct union business, if the public employer paid for the release time.

Specifically, the bill would prohibit a public employer or an officer or agent of a public employer, from entering into or renewing a bargaining agreement that required or allowed paid release time for a union officer or bargaining representative to conduct union business if the release time were paid by the public employer. The prohibition would not apply to a bargaining agreement for any of the following:

-- Employees subject to compulsory arbitration under Public Act 312 of 1969.
-- Corrections officers employed by a county sheriff in a county jail, work camp, or other facility maintained by a county that housed adult prisoners.
-- Corrections officers employed by the Department of Corrections.
-- Employees of a State or local transit authority that sought or received Federal financial assistance in accordance with Federal labor standards.

MCL 423.10 Legislative Analyst: Nathan Leaman

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on the State and local units of government. Under the bill, employer-paid leave or release time for union officers would no longer be allowable as part of a collective bargaining agreement (CBA) between a union and a public employer. According to data collected in 2015, a total of 67 school districts in Michigan have these types of provisions in the collective bargaining agreements with their respective labor unions, and the cost associated totals about $2.7 million per year. If these provisions were simply eliminated outright from future CBAs, school districts would see total cost savings of $2.7 million on those contracts relative to otherwise identical contracts that contained the provisions in question. On the other hand, if other concessions were negotiated in lieu of union leave time provisions, the potential savings could be reduced or new costs could be created if the alternative concessions were more expensive than the union leave time provisions would have been.

Date Completed: 11-27-18 Fiscal Analyst: Michael Siracuse