

**Labor Contract Negotiations Support****FY2004 Request: \$250,000****Reference No: 38476****AP/AL:** Appropriation**Project Type:** Planning**Category:** General Government**Location:** Statewide**Contact:** Dan Spencer**House District:** Statewide (HD 1-40)**Contact Phone:** (907)465-5655**Estimated Project Dates:** 07/01/2003 - 06/30/2005**Brief Summary and Statement of Need:**

Funding will be used for labor contract negotiations.

<b>Funding:</b>	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>Total</b>
Gen Fund	\$250,000						\$250,000
<b>Total:</b>	<b>\$250,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$250,000</b>

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

\$336.0 was appropriated in the FY2003 operating budget for contract negotiations.

**Project Description/Justification:**

**Problem:** The Labor Relations operating budget does not include funding for labor contract negotiation costs. Costs for the 2000-2003 contracts, were funded in the CIP budget. All 12 state labor contracts expire on or before June 30, 2003. Seasoned Labor Relations staff are acting as chief negotiators and note takers for each team in addition to their other assigned duties. However, to effectively negotiate twelve contacts during the same period of time, some temporary, but fully dedicated staff and expertise are required. In addition, substantial travel funds are necessary to bring team members together from various locations in the state to the bargaining site.

**Solution:** Fund one time costs as a FY 2004 Capital Budget item.

**What We Are**

**Buying:**

Negotiations Coordinator (11 mos)	\$92,500
Support Staff and associated costs	
Research Analyst (9 mos)	57,700
Admin Clerk (12 mos)	38,900
Wage and benefit studies	10,000
Travel (over 9 mos)	25,900
Printing final contracts	25,000

**Assumptions:** Many of the 12 bargaining units will accept one-year rollover contracts and begin bargaining three year contracts by late spring. Others may begin bargaining long-term contracts in FY 2003 and may or may not complete bargaining in this fiscal year.

**Benefit:** **Coordinated and effective negotiations.** The State Negotiations Coordinator position will coordinate with the DOA Commissioner's Office, Governor's Office, the directors of the divisions of Finance, Retirement and Benefits, and Personnel, the twelve bargaining teams, and union officials to assure that the Administration's bargaining goals are met; that negotiations proceed in an orderly fashion; and that accurate information is provided to decision makers and media contacts as needed. Upon ratification of the contracts, the negotiator will assist the Administration in presenting and explaining the new contracts to the Legislature.

**Accurate information for decision makers.** Negotiations often pivot on historical information and fast and accurate costing of proposed contract changes. Support positions assure that accurate information is available in a timely manner both to bargaining teams and state decision makers throughout the negotiation process, and that all documents are properly managed, which is critical in the defense of subsequent disputes and disagreements.

**Broad perspective and expertise on bargaining teams.** Travel funds facilitate appropriate statewide representation on all bargaining teams; travel is necessary for negotiations as custom and past practice dictate that some negotiation sessions are held outside of Juneau.

**Prior Funding:** FY 2003 Funding: \$336,000 was appropriated in FY 2003. This amount funded pre-negotiation research and initial data gathering, negotiations training, travel and expenses associated with bargaining sessions. If rollover contracts are secured with most bargaining units prior to March 21, 2003, some FY2003 funds could be available for re-appropriation in FY 2004.

**Project Beginning and End Dates:**

Assuming most bargaining units accept the one year roll over, negotiations on long term contracts are expected to begin in late FY 2003 or early FY 2004, with the objective of having contracts ready for submission of monetary terms to the legislature by the statutorily required 60<sup>th</sup> day of the 2004 session. After completion of negotiations, it will take another approximately 2-4 months for final document preparation and printing, and for legislative approval. This budget request assumes a completion date of all tasks by June 2004.