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BILL ANALYSIS

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House Bill 6074 (Substitute H-1 as passed by the House)
Sponsor: Representative Al Pscholka
House Committee: Michigan Competitiveness

CONTENT

The bill would amend the public employment relations Act (which governs collective bargaining between public employers and representatives of public employees) to do the following:

- Exclude from the definition of "public employee" a student participating in intercollegiate athletics on behalf of a public university in this State.
- Require each exclusive bargaining representative of public employees, by July 1 every year, to have an independent examiner verify its calculation of expenditures attributed to collective bargaining, contract administration, and grievance adjustment during the prior calendar year, and file the verification with the Michigan Employment Relations Commission (MERC).
- Require MERC to make the calculations available to the public on its website; and appropriate \$100,000 to MERC for fiscal year 2014-15 for the costs of implementing this requirement.
- Require exclusive bargaining representatives to file a declaration identifying the local bargaining units represented.
- Provide that an agreement with a collective bargaining unit could not require a public employer to pay the costs of an independent examiner verification, and no person could compel a public employee to pay those costs.

Currently, each exclusive bargaining representative that represents public employees is required, by March 1 every year, to file with MERC an independent audit of all expenditures attributed to collective bargaining, contract administration, and grievance adjustment during the prior calendar year, and MERC must make the audits available to the public on its website. The bill would delete these requirements.

MCL 423.201 et al.

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would have an indeterminate fiscal impact on the Bureau of Employment Relations (BER) and the Michigan Employment Relations Commission within the Department of Licensing and Regulatory Affairs, an indeterminate fiscal impact on State-supported universities, and no fiscal impact on local units of government. The bill would require MERC to post examinations of expenditures related to exclusive representation of public employees on its website. The cost for MERC or BER to post these examinations is unknown, but the bill would appropriate \$100,000 from the State General Fund to offset these costs. A similar requirement for posting audits of collective bargaining-related expenditures currently exists in statute, so the appropriation could potentially free-up resources to cover any additional administrative costs that could arise from training BER staff or revising forms.

In the short term, State-supported universities would experience no fiscal impact from the bill as there are currently no student athletes groups that are represented by a collective bargaining unit. To the extent that, in the absence of the bill, student athletes would seek collective bargaining representation at some point in the future, the bill would save affected State-supported universities any costs that would have been associated.

Date Completed: 12-11-14

Fiscal Analyst: Josh Sefton

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