# **Department of Finance and Administration**

Legislative Impact Statement

## Bill: HB1205 Amendment Number: H1 Bill Subtitle: AN ACT CONCERNING STATE EMPLOYEE GRIEVANCES AND POSSIBLE RELIEF FOR GRIEVANCES, INCLUDING WITHOUT LIMITATION CREDIT UNDER A RETIREMENT SYSTEM.

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## Basic Change :

Representative Nickels Senator Elliott

Amendment No. 1 to this bill provides that arbitrators must pay a fee to be included on the roster of arbitrators eligible to hear appeals. The amendment also provides that the employee and the state agency will select an arbitrator from a panel of 5 potential arbitrators. After the selection of an arbitrator, the employee must pay a fee to the ADRC for providing the panel of potential arbitrators. The employee and the state agency will split the arbitrator's costs. The employee and the state agency will also split the mediator's costs. The term "state agency" does not include a public school district.

Amendment No. 1 provides that the state agency will pay to the state retirement system the employee and employer contributions that would have been paid during the period affected by the personnel action.

Amendment No. 1 increased the dollar amount from \$10,000 to \$12,500 that a state agency must pay to the employee if it is awarded by the arbitrator.

Amendment No. 1 provides that employee requests for mediation must be filed with OPM within 30 days of the grievance procedures. The amendment also changes the date OPPM will receive appeals from July 1, 2015 to July 1, 2014.

## Revenue Impact :

Additional costs will be incurred to pay the cost for the use of arbitrators and mediators and to pay any awards made by the arbitrators.

## Taxpayer Impact :

#### Resources Required :

Unknown

## Time Required :

Unknown

## Procedural Changes :

Additional rules must be adopted to establish a system for arbitration of a disciplinary action resulting in the termination, demotion or suspension of a state employee.

#### Legal Analysis :

Section 3, 21-1-703. If an arbitrator orders a financial award to an employee, the state agency shall pay if the amount is \$12,500 or less. (2)(A) does not reflect this change and still provides that if an award exceeds \$10,000 it shall be referred to the General Assembly for an appropriation.