

FINAL BILL ANALYSIS

BILL #: SB 2128

FINAL HOUSE FLOOR ACTION:

119 Y's 0 N's

SPONSOR: Budget (Rep. Hooper)

GOVERNOR'S ACTION: Approved

COMPANION BILLS: HB 5601

SUMMARY ANALYSIS

SB 2128 passed the House on May 6, 2011. The bill was approved by the Governor on May 26, 2011, chapter 2011-57, Laws of Florida, and becomes effective July 1, 2011.

The Public Employees Relations Commission ("Commission") is a quasi-judicial agency created in 1975. Its purpose is to resolve public sector labor and employment disputes in a fair, impartial and efficient manner and to otherwise effectuate the state's labor policy of promoting harmonious and cooperative relationships between government and its employees and protecting the public by preventing work stoppages.

The Commission is composed of a chair and two full time members appointed by the Governor, subject to Senate confirmation, for overlapping terms of four years. The chair, as agency head, is responsible for the full time administrative and operational functions of the agency.

The Commission is generally appropriated General Revenue that represents approximately 45% of its total operating budget and 55% in budget authority from its PERC Trust Fund. The revenue source for the Commission's trust fund is .1 percent of the Local Government Half-Cent Sales Tax. The chair and the two full time Commission members are paid from general revenue funding.

The bill amends statutes relating to the Commission to conform to the Conference Report on SB 2000 - General Appropriations Act - by changing the composition of the Commission to consist of a chair and two part-time members, which will result in a cost savings for the Commission in the Salaries & Benefits appropriation category of \$125,534 in general revenue funding.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Current Situation

The Commission is a quasi-judicial agency created in 1975. Its purpose is to resolve public sector labor and employment disputes in a fair, impartial and efficient manner and to otherwise effectuate the state's labor policy of promoting harmonious and cooperative relationships between government and its employees and protecting the public by preventing work stoppages.

The Commission is composed of a chair and two full time members appointed by the Governor, subject to Senate confirmation, for overlapping terms of four years. The chair, as agency head, is responsible for the full time administrative and operational functions of the agency. The Commission's hearing officers (who must be members of The Florida Bar for at least five years) hold formal evidentiary hearings throughout the state on public sector labor and employment disputes and issue recommended orders to the Commission. The Commission reviews the record in each case to determine whether there is competent, substantial evidence to support the hearing officer's factual findings and whether the law was applied correctly by the hearing officer. The Commission then issues a final order, which can be appealed directly to a state district court of appeal.

The Commission is generally appropriated General Revenue that represents approximately 45% of its total operating budget and 55% in budget authority from its PERC Trust Fund. The revenue source for the Commission's trust fund is .1 percent of the Local Government Half-Cent Sales Tax. The chair and the two full time Commission members are paid from general revenue funding.

Effect of Proposed Changes

The bill changes the composition of the Commission to consist of a chair and two part-time members, which will result in operating cost savings for the Commission due to the corresponding reduction in the Salaries & Benefits appropriation category of \$125,534 in general revenue funding. The salaries of the Commission members are fixed by law¹ and are set forth in the General Appropriations Act.

This bill does not affect the current law requiring the chair to devote full time to commission duties and not engage in any other business, vocation, or employment while in such office. The chair will continue to devote full time to commission duties as that position maintains an equal division of the caseload in addition to the performance of administrative and operational duties as the agency head. This bill does prohibit the part-time members from engaging in any business, vocation, or employment that conflicts with their duties while in such office.

The Senate passed the bill 38-0 on May 6, 2011, and the House of Representatives passed the bill 119-0 on May 6, 2011, as amended by the Conference Committee Report.

The bill was approved by the Governor on May 26, 2011, chapter 2011-57, Laws of Florida, and becomes effective July 1, 2011.

¹ Section 447.205(2), F.S.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

The Commission is generally appropriated General Revenue that represents approximately 45% of its total operating budget and 55% in budget authority from its PERC Trust Fund. The revenue source for the Commission's trust fund is .1 percent of the Local Government Half-Cent Sales Tax.

The chair and the two full time Commission members are paid from general revenue funding.

The salaries of the Commission members are fixed by law² and are set forth in the General Appropriations Act. Changing the two full time Commission members to part-time status will result in operating cost savings for the Commission due to corresponding reductions in the Salaries & Benefits appropriation category.

Salaries & Benefits Appropriation Category

Commission Member: (.50 FTE) - (\$62,767) Recurring General Revenue Fund

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Total: (1.00 FTE) - (\$125,534) Recurring General Revenue Fund

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

None

² Section 447.205(2), F.S.