

# Legislative Analysis

## PUBLIC CONSOLIDATION: PROHIBITED SUBJECT FOR COLLECTIVE BARGAINING

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### Senate Bill 493

**Sponsor:** Sen. Arlan Meekhof

**House Committee:** Local, Intergovernmental, and Regional Affairs

**Senate Committee:** Reforms, Restructuring, and Reinventing

**Complete to 6-27-11**

### A SUMMARY OF SENATE BILL 493 AS PASSED BY THE SENATE 6-22-11

Senate Bill 493 would amend the Public Employment Relations Act (MCL 423.215) to do the following:

- Make a public employer's decision to consolidate public employers or services, and to renegotiate existing bargaining agreements upon a consolidation, a prohibited subject of collective bargaining.
- Require a new collective bargaining agreement to allow the public employer to renegotiate an existing agreement concerning affected employees upon a consolidation.

Specifically, a public employer's decision to consolidate public employers or public services through a merger or inter-local agreement as permitted by law, and a public employer's decision to renegotiate an existing, applicable bargaining agreement upon a consolidation, would be solely at the discretion of the public employer and would be a prohibited subject of bargaining under the act.

In addition, each collective bargaining agreement entered into between a public employer and public employees under the act after the bill's effective date would have to permit the employer to renegotiate an existing bargaining agreement as to affected public employees upon consolidation of public employers or services through merger or inter-local agreement.

### FISCAL IMPACT

As written, the bill would have no state fiscal impact, and to the extent that costs are achieved at the local level, the impacts are likely to be small.

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