

MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE OFFICE
COUNTY OF PLACER

To: Honorable Board of Supervisors
From: Allison Carlos, Principal Management Analyst
Date: June 18, 2013
Subject: Legislation

Requested Action

Receive a legislative update and consider approval of position letters for labor negotiation related bills, AB 537 (Bonta) and AB 616 (Bocanegra).

Background

In December 2012, your Board approved the 2013 Legislative Platform. There has been significant activity by the California Legislature this year, some issues forecast within the Platform. This staff report is a point in time report, developed concurrent with California bills moving from their house of origin and as state budget trailer bills are emerging. This is an opportune time for your Board to receive an update of key issues and consider advocacy position letters that may be time sensitive in the next weeks.

In addition to the advocacy work performed throughout the year by our lobbyists and CSAC, it is the engagement of our department staff and members of your Board that helps deliver results. This requires constant judgment as to approach and emphasis of advocacy engagement that meets County objectives.

Health Care Reform

California is rapidly preparing for implementation of the Affordable Care Act in January 2014. The Governor proposed a state-based implementation option and a county-based option. On March 15, 2013, consistent with the Platform for opposing unfunded mandates and insufficient local program authority, Placer County joined with other jurisdictions and issued an opposition letter to the county-based implementation option. While Placer County does not have a county-run hospital, we are one of the twelve non-hospital counties with clinics as part of meeting our mandated safety net services for indigent populations. This small coalition of counties and CSAC worked rapidly to frame policy implementation that would ensure sufficient funding and local control, and to mitigate the impact of shifts of existing County 1991 health realignment funds which fund both indigent health and public health. The Governor's administration incorporated a state-based option within the May Revise. However, other program issues and the funding implications were not addressed. Subsequently, and through leadership from Placer County staff and CSAC, a number of details of the final policy changes have been significantly improved, resulting in substantially reduced risk to the County. No additional action is currently requested by your Board.

Pension Reform and Labor Relations

Since enactment of the California Public Employees' Pension Reform Act (PEPRA) and AB 646 Mandating Fact Finding under the Meyers-Millias-Brown Act, advocacy efforts this year have focused

on monitoring clean up provisions and new bills. Staff recommends your Board take positions on the following labor negotiation-related bills to ensure that the laws remain fair and are consistently applied to both parties at the table, and that the negotiation process can proceed without unnecessary administrative delays. Should you concur, there are suggested opposition letters contained within this staff report.

AB 537 (Bonta) – Meyers-Millas-Brown Act: impasse procedures

This bill undermines California counties' right to provide for the compensation of employees and appears inconsistent with the central premise of the Meyers-Millas-Brown Act (MMBA), the collective bargaining law that governs local public agencies. The bill: (a) makes mediation mandatory rather than a joint decision by both the employer and the employee representative; (b) upon tentative agreement, requires a jointly prepared memorandum of understanding become binding to the local agency upon execution or ratification, inappropriately usurping authority of the Board by not allowing non-binding tentative agreement prior to Board approval while imposing no reciprocal terms on employee representatives; and (c) prohibits meet and confer ground rules that would limit the right of an employee or employee organization to communicate with the public agency's officials while again, placing no such reciprocal limitations on the employee representatives. This bill ignores decades of successful local rulemaking on collective bargaining procedures and practices, and adds unproductive administrative processes that delay finalizing a good faith bargaining process which is costly to the governing body and the state. This bill is expected to be heard in the Senate Public Employment and Retirement policy committee June 24th.

AB 616 (Bocanegra) Local public employee organizations: dispute: fact finding panel

This bill allows either an employer or an employee representative to seek a determination from the Public Employment Relations Board (PERB) as to whether the parties have reached impasse during labor negotiations and, further, would extend the timeline for an employee representative to submit a dispute to fact finding. In consideration of their respective rights and duties under the MMBA, public agencies have enacted reasonable rules and regulations for governing employee relations after consultation in good faith with employee organizations. This bill is expected to be heard in the Senate Public Employment and Retirement policy committee June 24th.

Other item of interest

AB 416 (Gordon) - Cap and Trade Revenues

AB 416, now a 2-year bill, would have established a competitive grant program from Cap and Trade funds for local governments to fund projects that develop and implement greenhouse gas emission reductions at the local level, such as for transportation, natural resources or energy. While there has been a coalition of agencies to advocate support for local government use of funds, of which Placer County has participated, last week the Budget Conference Committee passed the Governor's proposal to loan the entire \$500 million of auction revenue to the California State General Fund. Next fall coalition efforts are expected to seek new opportunities to fund a Local Emission Reduction Program.

Fiscal Impact

The fiscal implications of the bills discussed are not fully known at this time. It is the intention through the advocacy efforts discussed, to mitigate adverse fiscal impacts to Placer County.

Attachments:

AB 537 Opposition Letter

AB 616 Opposition Letter

County of Placer Board of Supervisors

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JIM HOLMES
District 3

KIRK UHLER
District 4

JENNIFER MONTGOMERY
District 5



June 18, 2013

Honorable Senator Jim Beall, Chair
Senate Public Employment and Retirement Policy Committee
State Capitol, Room 2040
Sacramento, CA 95814

RE: AB 537 (Bonta) – Meyers-Millias-Brown Act: impasse procedures

Dear Senator Beall:

The Placer County Board of Supervisors wishes to express opposition to AB 537, as amended April 17, 2013, which unfairly places additional constraints on the collective bargaining process for local governments by changing terms of the Meyers-Millias-Brown Act (MMBA).

The Meyers-Millias-Brown Act requires the public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of employee organizations. If the public agency representatives and the employee organization fail to reach an agreement, they may mutually agree on the appointment of a mediator and equally share the cost. Assembly Bill 537 would instead make mediation mandatory if requested by either the public agency or employee organization representatives. Mandatory mediation will further delay the conclusion of labor negotiations, a process that often takes 6 months or more. This bill follows AB 646 which established the right of employees to request fact-finding, which instituted significant delays in the negotiating process. The addition of mandatory mediation needlessly extends the bargaining timeline further and cost both negotiating parties unnecessary expense.

Assembly Bill 537 would prohibit labor negotiation ground rules from restricting the communication between the employee representatives and local agency governing boards. These terms are one-sided as they don't prohibit the union from seeking a ground rule whereby the employer cannot communicate directly with employees. Under the MMBA, the current collective bargaining law for local agencies, members of a represented bargaining team communicate directly at the negotiating table with the employer designated team.

Further, AB 537 would bind a governing board to a tentative agreement reached by their bargaining representatives, however it does not bind employee groups until the agreement is ratified by the membership. The MMBA currently provides that a governing body can review tentative agreements prior to being bound by them.

Lastly, this bill applies the provisions of the California Arbitration Act to the enforcement of arbitration agreements under the MMBA; prohibits a rejection of a request for arbitration due to procedural challenges; and makes an agreement to arbitrate a dispute enforceable, even if the conduct in question may also constitute an unfair labor practice. The bill requires the parties to "meet and confer" over local rules rather than "consult" and subjects an impasse over local rules to the fact-finding procedures.

Honorable Senator Jim Beall, Chair
Senate Public Employment and Retirement Policy Committee
RE: AB 537 (Bonta) – Meyers-Millas-Brown Act: impasse procedures - OPPOSE
June 13, 2013

We respectfully request rejection of AB 537 as it would increase the cost and time of conducting labor negotiations while at the same time decreasing the fairness of such negotiations.

Sincerely,

COUNTY OF PLACER
Jim Holmes, Chairman (District 3)
Placer County Board of Supervisors

cc: Senator Ted Gaines
Senator Jim Nielsen
Assembly Member Brian Dahle
Assembly Member Dan Logue
Assembly Member Frank Bigelow
Assembly Member Beth B. Gaines
Peterson Consulting Inc.
California State Association of Counties (CSAC)
Regional Council of Rural Counties (RCRC)
Senate Appropriations Committee

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June 18, 2013

Honorable Senator Jim Beall, Chair
Senate Public Employment and Retirement Policy Committee
State Capitol, Room 2040
Sacramento, CA 95814

RE: AB 616 (Bocanegra) – Local Public Employee Organizations: dispute; Fact Finding

Dear Senator Beall:

The Placer County Board of Supervisors wishes to express opposition to AB 616, as amended April 25, 2013, which allows either an employer or an employee representative to seek a determination from the Public Employment Relations Board (PERB) as to whether the parties have reached impasse during labor negotiations and, further, would extend the timeline for an employee representative to submit a dispute to fact-finding.

Approval of AB 616 is anticipated to increase work backlog at PERB, result in unnecessary time delays for the conclusion of negotiations, and affecting tax payers by adding another cost to already financially challenged local government agencies.

AB 616 unnecessarily modifies terms of the Meyers-Millias-Brown Act, the collective bargaining law that has successfully permitted local government agencies to enact their own reasonable rules and regulations for governing employee relations. Placer County contends that AB 616 expands government bureaucracy, increases inefficiency, and results in increased costs and workloads for the PERB, an agency already impacted with prior legislation implementation.

AB646 established the right of employees to request fact-finding, a process which Placer County estimates will add at least 6 months to the bargaining process. Approval of AB 616 will only delay the conclusion of labor negotiations further.

We respectfully request removal of AB 616 from consideration, as the provisions are not consistent with the Meyers-Millias-Brown Act.

Sincerely,

COUNTY OF PLACER

Jim Holmes, Chairman (District 3)
Placer County Board of Supervisors

Honorable Senator Jim Beall, Chair
Senate Public Employment and Retirement Policy Committee
RE: AB 616 (Bocanegra) – Local Public Employee Organizations: dispute; Fact Finding
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