

**BDR 23-1050  
AB 378(R1)**

**UNSOLICITED  
EXECUTIVE AGENCY  
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: May 8, 2023

Agency Submitting: Department of Administration, Human Resource Management

<b>Items of Revenue or Expense, or Both</b>	<b>Fiscal Year 2022-23</b>	<b>Fiscal Year 2023-24</b>	<b>Fiscal Year 2024-25</b>	<b>Effect on Future Biennia</b>
20 - COLLECTIVE BARGAINING (Expense)			\$125,000	\$125,000
Total	0	0	\$125,000	\$125,000

Explanation

(Use Additional Sheets of Attachments, if required)

The Division has reviewed adopted Amendment 498 to A.B. 378 and determined that this amendment will create a fiscal impact on the Division of Human Resource Management (DHRM). This amendment requires a mediator and an arbitrator be selected prior to beginning negotiations concerning a collective bargaining agreement. Mediators and arbitrators are necessary when a collective bargaining agreement cannot be reached, and both parties reach an impasse. The preselection required in this amendment will result in an increased need for these services, in turn increasing costs. In DHRM's experience, the process of mediation and arbitration typically can cost up to \$25,000 per instance. With 5 exclusive representatives, the fiscal impact to DHRM could be approximately \$125,000 per biennium.

Name Mandee Bowsmith

Title Administrator