# MINUTES OF THE SENATE COMMITTEE ON GOVERNMENT AFFAIRS

# Seventy-ninth Session June 2, 2017

The Senate Committee on Government Affairs was called to order by Chair David R. Parks at 1:38 p.m. on Friday, June 2, 2017, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. <a href="Exhibit A">Exhibit A</a> is the Agenda. <a href="Exhibit B">Exhibit B</a> is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

# **COMMITTEE MEMBERS PRESENT:**

Senator David R. Parks, Chair Senator Mark A. Manendo, Vice Chair Senator Joseph P. Hardy Senator Pete Goicoechea

#### **COMMITTEE MEMBERS ABSENT:**

Senator Julia Ratti (Excused)

# **GUEST LEGISLATORS PRESENT:**

Assemblyman Jim Wheeler, Assembly District No. 39

# **STAFF MEMBERS PRESENT:**

Jennifer Ruedy, Policy Analyst Heidi Chlarson, Counsel Debi Szaro, Committee Secretary

# OTHERS PRESENT:

Rick McCann, Nevada Association of Public Safety Officers; Nevada Law Enforcement Coalition

Michael Ramirez, Las Vegas Police Protective Association; Nevada Law Enforcement Coalition

Ronald P. Dreher, Peace Officers Research Association of Nevada

Marlene Lockard, Service Employees International Union Local 1107 Nevada; Las Vegas Police Protective Association for Civilian Employees

Thomas Dunn, Professional Fire Fighters of Nevada

Scott Edwards, Las Vegas Peace Officers Association; Southern Nevada Conference of Police and Sheriffs

Carter Bundy, American Federation of State, County and Municipal Employees International

Thomas Morley, Laborers International Union Local 872 AFL-CIO

Steve Grammas, Las Vegas Police Protective Association

Priscilla Maloney, American Federation of State, County and Municipal Employees International Retiree Chapter Local 4041

Kent M. Ervin, Ph.D., Nevada Faculty Alliance

Deandre Caruthers, Las Vegas City Employees Association; Washoe County Employees Association

# CHAIR PARKS:

I will open the hearing on Assembly Bill 290.

ASSEMBLY BILL 290 (1st Reprint): Makes certain changes relating to collective bargaining. (BDR 23-35)

ASSEMBLYMAN JIM WHEELER (Assembly District No. 39):

I request your support for the bill which will revise NRS 288.225 by clarifying existing concession language regarding employee organization leave time. If a leave time existed in the collective bargaining agreement prior to June 1, 2015, the employee organization shall be deemed to have made concessions to offset the past, present and future costs of providing the leave to that number of employees to whom leave was provided as of that date. After that date if new employee organizations want to add to the number of employees, the cost will be on the employee organization not the municipality. Assembly Bill 290 passed in the Assembly on May 31 with unanimous support, 41 to 0. Also supporting this bill are the northern and southern Nevada Chambers of Commerce and many local government management employers and employer representatives.

RICK McCann (Nevada Association of Public Safety Officers; Nevada Law Enforcement Coalition):

Our thanks to Assemblyman Wheeler and his cosponsors of the original version of the bill, Assemblymen Al Kramer, John Hambrick and John Ellison. They have allowed us to work with their bill and Proposed Amendment 5026 (Exhibit C).

Senate Bill No. 241 of the 78th Session was an attempt to reform collective bargaining. The purpose was to force employee associations to the bargaining table, removing incentives to dragging their feet in negotiating contracts, in a timely fashion. There were three parts to S.B. No. 241 of the 78th Session. One issue dealt with what is known as evergreen clauses. The second dealt with retroactivity of payment of compensation and benefits after the contract expiration. The third allows labor unions to have union leave time to conduct important business of the associations, including negotiating their own contracts, as they have been doing for years as negotiated between the associations and their employers. They had that time in the past.

Since then, labor unions have to continually pay for that time under the S.B. No. 241 of the 78th Session mandate with new money and with concessions. I testified against S.B. No. 241 of the 78th Session. My opinion did not float that day. Assembly Bill 290 is in no way an attempt to repeal S.B. No. 241 of the 78th Session. This bill does not roll back the evergreen clause. It does not deal with evergreen clauses, it does not roll back retroactivity and it does not deal with retroactivity. The bill seeks to advance the logic behind S.B. No. 241 of the 78th Session by getting employee associations to the bargaining table as the sponsors wanted in 2015. As we watched the development of the situation, we asked ourselves, how are the employee associations able to get to the bargaining table unless they have the time to do so.

I represent about 20 law enforcement associations around Nevada. Many are small groups with 5, 11, 26, 30, 59 and 74 members. Like each of our law enforcement associations, those groups have previously negotiated their union leave time and rely upon that time to get to the bargaining table to negotiate their contracts. They need the time to fulfill the goal behind S.B. No. 241 of the 78th Session. The associations cannot pay more for their leave time than already given. They have no money or concessions to give for stuff they have already have given in the past. They should not take their vacation time, sick time or any other time to negotiate their own contracts, but that is what they have to do. They cannot leave on their days off which may include nights, weekends or holidays because the employers will not always accommodate them on nights, weekends or holidays.

It is an overused term, but this is an unintended consequence of the goals and ambitions of what happened in 2015. Senate Bill No. 241 of the 78th Session got the associations to the bargaining table while at the same time standing in

the way of them getting there. These are the consequences and what may happen with A.B. 290, which is merely one paragraph and does not seek to turn back the clock on the premise of S.B. No. 241 of the 78th Session. Rather, it fixes the part that got away while still retaining the purpose and intent of S.B. No. 241 of the 78th Session. I reiterate what Assemblyman Jim Wheeler stated, S.B. No. 241 of the 78th Session passed the Assembly. We fully support A.B. 290 and urge the Committee to do so.

#### SENATOR GOICOECHEA:

The way I read the bill, if you had the agreement in place on June 1, 2015, then it is deemed to be in place going forward forever, but if you do not have one in place, then you have to bargain for it or pay for it.

#### Mr. McCann:

That is correct. I have two organizations now that are new groups to collective bargaining. They do not get the benefit of this. We are trying to find out how to buy them union time. If they do not have enough time, money or concessions, they will not get union time. If people have union time on the books by June 1, 2015, you are right, they will get that; that is what they paid for and bargained for. If they want more, they are going to have to negotiate and pay for it. This is not giving anyone a windfall.

#### SENATOR GOICOECHEA:

I will clarify what you are saying. They use the union time that they have earned or bargained for. I am under the impression that June 1, 2015, is the cutoff date. You either have it or you do not.

### MR. McCann:

That is correct.

#### ASSEMBLYMAN WHEELER:

Another important issue is the union or the organization would actually cover all the costs. There are no costs to the municipality or county.

#### SENATOR GOICOECHEA:

If you met those concessions before June 1, 2015, then the cost will be incurred by the municipality from June 1, 2015. Going forward, unless you bargained for it in concessions going forward, that would be a new agreement.

ASSEMBLYMAN WHEELER:

Yes Senator, that is the way I read it also.

MICHAEL RAMIREZ (Las Vegas Police Protective Association, Nevada Law Enforcement Coalition):

We have lists of concessions everyone has given. If they want to be fair and start from here and give us everything back and then we renegotiate, that is fair. If you have already given and then you say from this date you have to give more—that is all we are trying to do, to make it fair. To Senator Goicoechea's question, if we add 9, 10 or 11 bodies, we have to pay for it, make concessions. For everything prior, concessions were already made.

RONALD P. DREHER (Peace Officers Research Association of Nevada):

I am also a member of the Nevada Law Enforcement Coalition. We echo the comments of Mr. McCann. We believe in the enhancement and codification of the language of NRS 288.225 and appreciate your support.

MARLENE LOCKARD (Service Employees International Union Local 1107 Nevada; Las Vegas Police Protective Association for Civilian Employees): We support this bill.

THOMAS DUNN (Professional Fire Fighters of Nevada):

We support <u>A.B. 290</u> to clarify the intent of S.B. No. 241 of the 78th Session. We do have small organizations as well within the Professional Fire Fighters of Nevada that did give up concessions in the past due to the needless language of last Session. They lost the leave time, and we would like to give those associations that time back.

SCOTT EDWARDS (Las Vegas Peace Officers Association; Southern Nevada Conference of Police and Sheriffs):

We support this bill and ask you to support it as well.

CARTER BUNDY (American Federation of State, County and Municipal Employees International):

This is a fair bill and leads to better contract negotiations. We ask for your support.

THOMAS MORLEY (Laborers International Union Local 872 AFL-CIO):

We support this bill and stand side by side with our brothers and sisters in law enforcement.

STEVE GRAMMAS (Las Vegas Police Protective Association):

The association is in full support of  $\underline{A.B. 290}$ , and we ask for your support as well.

PRISCILLA MALONEY (American Federation of State, County and Municipal Employees International, Retiree Chapter Local 4041):

We are in full support of this bill and appreciate the clarification in the language of  $\underline{A.B. 290}$  after the issue with the language in S.B. No. 241 of the 78th Session.

KENT M. ERVIN, Ph.D. (Nevada Faculty Alliance):

We support our public employee partners and ask for your support as well.

DEANDRE CARUTHERS (Las Vegas City Employees Association; Washoe County Employees Association):

We support this bill and ask for your support as well.

#### CHAIR PARKS:

Between the years of 1974 and 1984, I served on the labor negotiating team for the City of Las Vegas, both negotiating on contracts with Las Vegas firefighters as well as the Las Vegas City Employees Association. This issue came up in negotiations and was revisited when contracts were renegotiated. If there was a need for modification, that was taken care of. It was a concession that the employee groups paid for through a reduction in the overall negotiations in their contracts. In firefighters' contracts, it was often that we dealt with issues, such as uniform allowance along with time away from their regular work, to negotiate in the best interest of their organization. We also had issue when there was a complaint or dispute of some sort that required an employee, whether a firefighter or city employee, who would have to take time away from work. Those numbers were all calculated and based in the costs of pricing out a new negotiated contract.

#### SENATOR GOICOECHEA:

Is there no limit in this once you have a contract in place? You had a contract established on June 1, 2015, and it states you met the concessions. So as long as you have a contract negotiation open, you never have to go to work?

#### Mr. Dreher:

If the negotiation team has six members and we add two additional members, then we would address those costs on the association. Prior to June 1, 2015, if we added more members to our negotiating or release time, we would pick up those costs. There are some associations that have full release time and some do not. In Reno, we have half-time release for the President of the Association; if we decided we were going to add full release time, if that time came, then we would pick up the cost. Prior to June 1, 2015, we have already picked up that cost and the concern is addressed in the bill.

# SENATOR GOICOECHEA:

You have bargained and agreed and have a contract in place from June 1, 2015, but going forward, the employer organization of that local government has to let you have the leave time to bargain the contract. Does that mean they do not have any recourse? It would be in your benefit for the six employees to stay in contract negotiations for the next year because, bottom line is, they would not have to report to work.

#### Mr. McCann:

Keep in mind that this is just for union leave, it does not guarantee wages, benefits, working conditions. We still have that evergreen clause which is quite an incentive for us to get back to the bargaining table. All we are saying is we that we have to have that means to get to the bargaining table. We want to give effect to that part of S.B. No. 241 of the 78th Session. We do not want to take it away, but nothing else is being described within this bill that gives us any rights or reason to drag our feet. We just want to get there and do the things we need to do.

#### SENATOR GOICOECHEA:

The union organization is not on the hook for any of those costs. All your benefits and salary are being met while you are there negotiating this new contract.

#### Mr. McCann:

The premise of this, Senator, is the fact that they have already been bargained for, so I do not want you to think, "now we are paying your salary to come and negotiate with us." That is something that has been negotiated. It has been done. The cities and counties are on board with this process, and it is a fair deal. We are not getting something for nothing.

#### SENATOR GOICOECHEA:

I wish some of them were here to testify.

#### CHAIR PARKS:

Elsewhere, provisions in an NRS statute set timelines. It is not so open-ended such that if someone wanted to extend it for a lengthy period of time he or she could easily do that.

# Mr. Dreher:

Over the years, we have made these concessions. We have moved on with those concessions and have had the ability to sit at a table to negotiate. We have asked to negotiate on Saturdays, Sundays and the like, and it has been very difficult. Actually, NRS 288.225 codifies the fact that we have given the concessions; we provided for the concessions, and if more people are added to those teams in the future, then we are going to pay for them. We have no problem doing that.

#### SENATOR GOICOECHEA:

It seems like we are codifying your bargaining agreement in 2015 in the statute. It is only X amount. It can only be the four people negotiated in 2015—or does it mean any union. That is what gives me pause.

#### Mr. Dreher:

That sums it up and is correct. Most of the time we do not have six people, but we may have eight people depending on the size of negotiations. That is part and parcel to this, and we codify it here because as Mr. McCann testified, we believe it was an unintended consequence. The idea behind S.B. No. 241 of the 78th Session was to get people to the table, and the unintended consequences were—in a couple of counties, it worked—in the majority of counties it did not.

You asked Assemblyman Wheeler about local government entities coming up to the table and testifying in the Assembly. Mary Walker, who normally takes

opposite positions from us, testified the four counties that she represents are all on board and supported this bill. I have to tell you that. The last time I saw this kind of group involvement was in 2001 when we had this kind of bipartisan support and local government support.

In 2001, we successfully passed two issues: the 25-and-Out for Peace Officers in S.B. No. 349 of the 71st Session and the other when we raised the Public Employees' Retirement System limit from 2.5 percent to 2.67 in that same bill. We had the Chambers on board. We had everyone on board. This is something I have not seen since then. I have to give credit to our local government employers, the counties and Nevada Association of Counties (NACO). I do not know if NACO is taking neutral or coming in. We did talk to them along with the Nevada League of Cities and Municipalities, but I have to tell you we asked for their support.

# ASSEMBLYMAN WHEELER:

I echo the statements of Ron Dreher. The four-county coalition came out in full support. The Chambers from Las Vegas and Washoe County came out in full support. I have not seen this much bipartisan support on a union bill since I have been here. I wanted to inform you that the bill has been vetted.

# SENATOR GOICOECHEA:

I was just looking at the audience.

# **SENATOR HARDY:**

Even though there is a fiscal note on Lincoln and White Pine Counties and a small one on Carson City, the municipality is not supposed to pay anything, no liability. Any liability at this point is on the union organization. Going forward, it has to be agreed on with the bargaining agreement.

#### Mr. McCann:

That is correct. We are not getting something for nothing. If they want more hours to be able to do this, you want more people on your bargaining unit to do this, you have to pay for it. That is the concession.

# **SENATOR HARDY:**

So the fiscal note from White Pine and Lincoln Counties was already vetted from the Assembly Ways and Means Committee. Has it been removed?

#### Mr. Dreher:

I saw those fiscal notes, but if you look at all the others, I am not sure why those fiscal notes were put on. Maybe they did not realize what the bill meant or how we were codifying it. No one has come to us and said anything about it. The notes are not much, but they are there. I saw two counties; White Pine was one for \$5,000. I have no idea why it did that. Maybe that county did not understand we were paying for the enhancements to our bargaining.

#### SENATOR HARDY:

Those two counties may have been under the assumption that they were going to pay you for what you have already paid for or going to pay for. At any rate, they do not have any liability or obligation unless it is on the bargaining table and everyone agrees to it.

# Mr. Dreher:

That is correct. The counties do not have the liability; we do when we enhance it. Mr. McCann testified he has a couple of groups, and I represent and negotiate for a number of collective bargaining units of local governments throughout the State. Some are small, but most have a couple of hours of release time, and we use those for negotiations. When we enhance those now, if we go back to the table and say okay we are going to add 100 hours a year, then we are going to pick up the costs. That is what this is stating under NRS 288.225.

# **CHAIR PARKS:**

Ms. Chlarson, Legal Counsel informed me that this fiscal note was put on the original bill and not this amended bill, so it may apply to other provisions that were in the original bill.

I will close the hearing on <u>Assembly Bill 290</u>. We do not have a full complement of Committee members, so I was hoping we could hold this and vote behind the bar when we get to the Floor. If everyone agrees, that is what we will do.

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|---|-----------------------------------|
| CHAIR PARKS: I will adjourn the hearing at 2:07 p.m.              |                                   |
|   | RESPECTFULLY SUBMITTED:           |
|   |                                   |
|   | Jan Brase,<br>Committee Secretary |
| APPROVED BY:  |                                   |
|   |                                   |
| Senator David R. Parks, Chair                                     | _                                 |
| DATE:   | <u> </u>                          |

| EXHIBIT SUMMARY |                      |    |   |                         |
|-----------------|----------------------|----|---|-------------------------|
| Bill            | Exhibit / # of pages |    | Witness / Entity  | Description             |
|                 | Α                    | 1  |   | Agenda                  |
|                 | В                    | 4  |   | Attendance Roster       |
| A.B. 290        | С                    | 11 | Rick McCann / Nevada<br>Association of Public Safety<br>Officers; Nevada Law<br>Enforcement Coalition | Proposed Amendment 5026 |