

## Legislative Review of State Employee Collective Bargaining Agreements

*The executive branch negotiates agreements that must be approved by the legislature*

The commissioner of management and budget negotiates collective bargaining agreements with exclusive representatives of state employees. The law establishes a process for legislative review of these collective bargaining agreements. ([Minn. Stat. §§ 3.855, 43A.06, 179A.22.](#))

The legislative review process has two parts:

- review and possible interim approval by a legislative subcommittee
- ratification by the full legislature

*A legislative subcommittee may give interim approval to agreements*

The law provides for a legislative commission or subcommittee to initially review collective bargaining agreements between the state and exclusive representatives of state employees. The Legislative Coordinating Commission (LCC) has created a Subcommittee on Employee Relations (SER) to review collective bargaining agreements and to carry out other powers and duties dealing with state employee compensation and related matters.

The commissioner of management and budget must submit a negotiated collective bargaining agreement to the chair of the SER for legislative approval. The agreement must be submitted within five days of the date of approval by the commissioner or the date of approval by the affected state employees, whichever is later.

When the legislature is not in session, the SER may give interim approval to a negotiated collective bargaining agreement, arbitration award, compensation plan, or salary. Failure of the SER to disapprove a collective bargaining agreement within 30 days constitutes approval. Upon interim approval by the SER, the collective bargaining agreement is implemented. (If the legislature is in session when the SER approves a contract, the contract is not implemented until it is ratified by the full legislature.)

*A legislative subcommittee can reject a proposed agreement*

If the SER rejects a collective bargaining agreement when the legislature is not in session, the collective bargaining agreement is not implemented. New negotiations between the commissioner of management and budget and the exclusive representative could occur. Also, if the SER rejection occurs during a legislative interim, state employees have the right to strike.

***Agreements must be ratified by the full legislature***

The SER submits approved collective bargaining agreements to the entire legislature for ratification. Approval or disapproval by the SER is not binding on the legislature.

When the legislature has approved agreements, it has done so by reference (e.g., “The collective bargaining agreement between the commissioner and the exclusive representative of state employees, approved by the Legislative Coordinating Commission Subcommittee on Employee Relations is ratified.”). Legislative ratification of the agreement is the final step in approval of the contract.

There is no statutory authority for the legislature to modify a collective bargaining agreement. If the legislature enacted a law that had the effect of changing the terms of a proposed collective bargaining agreement, it would be difficult to characterize the result as a contract, as it would no longer represent a document voluntarily entered into by the parties.

***The legislature can reject an agreement, either explicitly or by failing to approve it before adjournment***

If the legislature rejects the collective bargaining agreement or adjourns without acting on it, wages or benefit increases provided in the contract must cease to be paid effective upon the rejection of the agreement or adjournment. However, wage or benefit increases previously paid under SER interim approval need not be repaid.

The statute does not specifically state that the entire contract is void upon legislative rejection or adjournment without action. However, this seems implicit. If the legislature rejects or fails to ratify a collective bargaining agreement, affected state employees and the state could resume negotiations. Also, state employees have the right to strike upon legislative rejection of an agreement or legislative failure to ratify an agreement.

***There is a similar review process for other compensation plans***

The process for legislative review of arbitration awards and compensation plans for nonunionized employees is similar to that for collective bargaining agreements, but some of the details are different. For example, failure of the SER to ratify a compensation plan does not constitute approval. Also, the SER does not have authority to modify a collective bargaining agreement before approving it, while it does have authority to modify a compensation plan for nonunionized employees.

**For more information:** Contact legislative analyst Mark Shepard at 651-296-5051.

The Research Department of the Minnesota House of Representatives is a nonpartisan office providing legislative, legal, and information services to the entire House.