



# Ohio Legislative Service Commission

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## Fiscal Note & Local Impact Statement

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**Bill:** Sub. [H.B. 271 of the 128th G.A.](#) **Date:** December 8, 2009  
**Status:** As Reported by House Commerce & Labor **Sponsor:** Reps. Patten and Stewart

**Local Impact Statement Procedure Required:** Yes

**Contents:** Allows the employees of certain township fire departments to bargain collectively

### State Fiscal Highlights

- The State Employment Relations Board could incur some new GRF costs for mediation and election services provided for any new collective bargaining agreements entered into as a result of the bill. In future years, the Board could see increased costs to monitor these additional collective bargaining agreements. These costs would be paid from appropriation item 125321, Operating Expenses.

### Local Fiscal Highlights

- By allowing employees of qualified township fire departments to bargain collectively, the bill could increase township fire department costs. This is because public employees with the ability to collectively bargain generally have higher salaries and benefit costs compared to employees that do not have this right.

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## **Detailed Fiscal Analysis**

### **Townships**

The Public Employees' Collective Bargaining Law permits certain public employees to bargain collectively with their public employers concerning wages, hours, terms, and conditions of employment and the continuation, modification, or deletion of an existing collective bargaining agreement. For townships, this includes townships with a population of at least 5,000 in their unincorporated areas according to the most recent federal decennial census.

The bill modifies this provision to allow township fire department employees to collectively bargain if a township has a population of less than 5,000 in its unincorporated area, but has a population of at least 5,000 in both the incorporated and unincorporated areas of the township served by the fire department. The bill also allows a township to terminate such a collective bargaining agreement if a municipality currently served by the township fire department opts out of a fire service agreement, thereby causing the population served by the township fire department to fall below 5,000.

Data from the 2000 Census indicate that roughly 196 (15%) of Ohio's 1,309 townships would meet the bill's population requirements. However, the actual number of townships directly affected by this bill would likely be considerably less, as many townships receive fire response services via special districts, which are already subject to collective bargaining. The Ohio Professional Firefighter's Association indicates that 13 township fire departments have contacted it and expressed interest in collective bargaining, should the bill become law. Because public employees with the right to collectively bargain usually have higher salary and benefit costs than employees whom do not have the right to collectively bargain, it seems reasonable to assume that the bill could result in increased salary and benefit costs to those townships whose fire departments qualify for collective bargaining under the bill.

### **State Employment Relations Board**

The bill could increase GRF costs for the State Employment Relations Board (SERB). For each new collective bargaining agreement entered into by public employees, SERB acts as a mediating body during the negotiations process. Additionally, when a group that has decided to bargain collectively elects a representative body, these elections are overseen by SERB. Any new collective bargaining agreements entered into as a result of the collective bargaining law changes made by the bill would likely increase costs for SERB to provide such services to these additional entities. Furthermore, in future years the Board could see increased costs to

monitor these additional collective bargaining agreements. These expenses would be paid from GRF line item 125321, Operating Expenses.

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