

House Concurrent Resolution 104

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1 1 HOUSE CONCURRENT RESOLUTION NO. ____
1 2 BY COMMITTEE ON APPROPRIATIONS
1 3 (SUCCESSOR TO HSB 516)
1 4 A Concurrent Resolution urging state employee unions
1 5 and the Governor to renegotiate and establish a pay
1 6 freeze for the fiscal year beginning July 1, 2004.
1 7 WHEREAS, the Governor and state employee unions
1 8 negotiated collective bargaining agreements in the
1 9 winter of 2003 for wages and benefits for state
1 10 employees for fiscal years 2003=2004 and 2004=2005;
1 11 and
1 12 WHEREAS, the collective bargaining agreements
1 13 negotiated for most state employees provided for a 2.0
1 14 percent cost of living increase during each fiscal
1 15 year as well as 3.5 percent to 4.5 percent step
1 16 increases in pay for eligible state employees during
1 17 each fiscal year; and
1 18 WHEREAS, the estimated total cost to the general
1 19 fund of the state in fiscal year 2004=2005, compared
1 20 to the estimated net 2003=2004 fiscal year cost, due
1 21 to the collective bargaining agreements and an
1 22 increase in other costs, is \$69.4 million; and
1 23 WHEREAS, implementing a pay freeze for state
1 24 employees beginning in fiscal year 2004=2005 would
1 25 realize about \$18.7 million in savings to the state
1 26 general fund, and \$29.9 million in total savings from
1 27 all state employees other than employees under the
1 28 State Board of Regents; and
1 29 WHEREAS, state revenues since the collective
1 30 bargaining agreements were negotiated have continued
2 1 to lag; and
2 2 WHEREAS, in October 2003, the Revenue Estimating
2 3 Conference reduced its projection of fiscal year 2003=
2 4 2004 general fund revenue by \$142.2 million,
2 5 triggering the Governor's implementation of a 2.5
2 6 percent across-the-board reduction in state budgets
2 7 for executive branch agencies; and
2 8 WHEREAS, continued budget reductions as a result of
2 9 less than expected revenues make it increasingly
2 10 difficult to adequately fund the priorities of this
2 11 state, including education, homeland security, and
2 12 economic development activities; and
2 13 WHEREAS, many Iowans have endured financial
2 14 sacrifices in the last few years due to layoffs and
2 15 pay reductions in the private sector; and
2 16 WHEREAS, implementation of a pay freeze on all
2 17 union and nonunion state employees for fiscal year
2 18 2004=2005 would allow the state to better fund
2 19 priorities applicable to all Iowans while only
2 20 requiring a modest sacrifice by state employees;
2 21 NOW THEREFORE, BE IT RESOLVED BY THE HOUSE OF
2 22 REPRESENTATIVES, THE SENATE CONCURRING, That the
2 23 General Assembly urges the Governor and each state
2 24 employee union representing state employees to
2 25 renegotiate the current collective bargaining
2 26 agreement applicable to that union and implement a
2 27 wage freeze for the fiscal year beginning July 1,
2 28 2004; and
2 29 BE IT FURTHER RESOLVED, That the General Assembly
2 30 encourages leaders of each state employee union
3 1 representing state employees to call for a vote of
3 2 their members to reopen contract negotiations with the
3 3 Governor in order to renegotiate the current
3 4 collective bargaining agreement and accept a wage
3 5 freeze for the fiscal year beginning July 1, 2004; and
3 6 BE IT FURTHER RESOLVED, That copies of this
3 7 Resolution be sent by the Chief Clerk of the House of
3 8 Representatives to the Governor of Iowa and to a
3 9 representative of each of the state employee unions
3 10 representing state employees.
3 11 HCR 104
3 12 ec/es/25