

# FISCAL NOTE

**STATE OF ALASKA**  
**2012 LEGISLATIVE SESSION**

Bill Version CSSB 224(JUD)  
 Fiscal Note Number 3  
 (S) Publish Date 4/7/12

Identifier (file name) SB224-LAW-CIV-03-28-12 Dept. Affected Law  
 Title An Act making privileged certain communications Appropriation Civil  
between employees and employee union.... Allocation Labor and State Affairs  
 Sponsor Labor & Commerce  
 Requester (S) Judiciary OMB Component Number 2718

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
			FY14	FY15	FY16	FY17	FY18
<b>OPERATING EXPENDITURES</b>	<b>FY13</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>FUND SOURCE</b>		(Thousands of Dollars)					
1002	Federal Receipts						
1003	GF Match						
1004	GF						
1005	GF/Prgm (DGF)						
1037	GF/MH (UGF)						
1178	temp code (UGF)						
<b>TOTAL</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>POSITIONS</b>							
Full-time							
Part-time							
Temporary							

<b>CHANGE IN REVENUES</b>							
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**Estimated SUPPLEMENTAL (FY12) operating costs** \_\_\_\_\_ (separate supplemental appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY13) costs** \_\_\_\_\_ (separate capital appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Why this fiscal note differs from previous version (if initial version, please note as such)**

Not applicable, initial version.

Prepared by Sheila Bugbee, Administrative Officer  
 Division Administrative Services  
 Approved by Michael C. Geraghty, Attorney General  
Department of Law

Phone 465-3675  
 Date/Time 3/28/2012 8:30AM  
 Date 3/28/2012

FISCAL NOTE #3

STATE OF ALASKA  
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BILL NO. CSSB 224(JUD)

**Analysis**

Senate Bill 224 creates a new evidentiary privilege for communications between an employee and their union — a union testimonial privilege. The privilege would apply to communications between a union member and the union when those communications relate to disciplinary proceedings. Importantly, the privilege applies not only to union grievance procedures but also to any subsequent civil court proceedings when the terminated union employee sues the employer for wrongful termination. The union member holds the privilege indefinitely under the bill. Although a zero fiscal note attaches to this bill, there are potential fiscal impacts to be considered, including whether this privilege will make it more difficult for the State of Alaska and other employers to defend the interests of workplace safety in wrongful termination cases. These concerns are currently before the Alaska Supreme Court in *Peterson v. State of Alaska*, Supreme Court No.:S-14233.