

1 **FISCAL YEAR 2024 BUDGET HEARING TESTIMONY**
2 **for the**
3 **OFFICE OF COLLECTIVE BARGAINING**

4
5 **SUBMITTED BY:**

6
7 **JOSS N. SPRINGETTE, ESQ.**
8 **CHIEF NEGOTIATOR**

9
10 **AUGUST 8, 2023**

11
12 Good afternoon, Honorable Senator and Chairperson of the Committee on Budget,
13 Appropriations and Finance, Donna Frett-Gregory, other members of the Committee,
14 non-committee members in attendance, and the People of the Virgin Islands. My name
15 is Joss Springette, and I am the Chief Negotiator at the Office of Collective Bargaining
16 (OCB). I appear before you today to recommend and support our proposed budget for
17 Fiscal Year 2024, in the amount of One Million Three Hundred Seventy-Five Thousand
18 Five Hundred Sixty-Four Dollars (\$1,375,564.00). Appearing with me today is Joycelyn
19 Durant, Director of Business and Administration at the Office of the Governor.

20 First, I will begin my testimony by publicly extending my sincerest appreciation
21 to my small but mighty staff. I remain grateful for your dedication to OCB’s mission
22 and service to your community. I would also like to give special recognition to our 2023
23 Employees of the Year, Zuleyma Chapman, Esquire in the St. Croix District and Juliette
24 Thomas in the St. Thomas-St. John District.

25 **OVERVIEW AND COMPOSITION OF THE OFFICE OF**
26 **COLLECTIVE BARGAINING**
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28 Through Act 4440, the Office of Collective Bargaining ("OCB") was established in
29 1980 within the Office of the Governor. The Office is supervised by me, the Chief
30 Negotiator, and its statutory responsibilities are as follows:

31 (i) exclusively represents the executive branch of Government and its departments and
32 divisions and negotiates on its behalf in all collective bargaining proceedings;

33 (ii) assists the Governor in formulating labor policies for collective bargaining and plan
34 strategies for such bargaining;

35 (iii) coordinates the Government's position in all mediation and arbitration cases and
36 labor disputes;

37 (iv) conducts systematic studies of collective bargaining agreements for the purpose of
38 contract negotiations; and

39 (v) prepares and submits an annual report and such other reports as may be requested, to
40 the Governor and the Legislature on the effects of this chapter on the annual budget and
41 personnel matters.

42 Our offices are in the GERS Building on St. Thomas, and at Chandler's Wharf on St.

43 Croix. We currently have a team of six (6) employees and one (1) Assistant Attorney

44 General-Labor. Next week, we will be onboarding a new Financial Specialist in the St.

45 Croix district. The Assistant Attorney General-Labor is assigned to OCB by the

46 Department of Justice (DOJ). OCB's current employees hold classified non-union

47 positions and the Assistant Attorney General-Labor is an exempt employee. The team

48 consists of professionals with a wealth of experience in administrative functions,

49 customer service, labor relations, human resources, arbitration, general legal practice,
50 labor law, and employment law. The Organizational Chart is attached.

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52 **PROPOSED FISCAL YEAR 2024 EXPENDITURES**

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54 **PERSONNEL SERVICES AND FRINGE BENEFITS**

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56 Our proposed budget for Personnel Services is Seven Hundred Forty Thousand
57 Seven Hundred Sixty-Six Dollars (\$740,766.00), which represents 53.85% of the overall
58 proposed budget. Fringe benefits are projected at Three Hundred Sixteen Thousand
59 Seventy-Six Dollars (\$316,076.00), which represents 22.98% of the overall budget.
60 Most of the increase in these categories represents the cost of adding an attorney to our
61 budget. Currently, the Department of Justice (DOJ) hires two Assistant Attorneys
62 General – Labor (AAG) and assigns them to our office. This arrangement has not been
63 effective. During the five (5) years that I served as an AAG-Labor at OCB, I was solely
64 responsible for about three hundred fifty (350) cases when the other AAG-Labor position
65 was vacant for over a year. The current AAG-Labor has been responsible for an average
66 of two hundred seventy (270) cases for over 3 years. Previous attorneys have had similar
67 experiences. The Department of Justice is the People’s attorney and needs to focus on
68 filling its own vacancies to meet their mandate. Therefore, our request for additional
69 funding allows us to hire our own attorney.

70 **EQUIPMENT AND SUPPLIES**

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72 Our proposed budget for equipment and supplies is Forty-Five Thousand Dollars
73 (\$45,000.00), or 3.27% of the overall budget. This amount covers the cost of paper,
74 printers, cleaning supplies and other items necessary for the daily operations of the office.

75 **UTILITIES**

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77 Utility costs for Fiscal Year 2024 are projected to be Thirteen Thousand Dollars
78 (\$13,000.00) or 0.95% of our overall budget. This amount only applies to our St. Croix
79 office, because we do not pay utilities in our St. Thomas office. These funds are
80 transferred to the Department of Finance and utilities are paid through the Single Payer
81 Utility Fund.

82 **OTHER SERVICES**

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84 Our proposed budget for Other Services is One Hundred Ninety-Two Thousand
85 Five Hundred Dollars (\$192,500.00) or 14.00% of our overall budget. These funds cover
86 operating expenses, including rent, service agreements, IT, communications, and
87 training.

88 **CAPITAL OUTLAY**

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90 Our proposed budget for Capital Outlay is Sixty-Eight Thousand Two Hundred
91 Twenty-Two Dollars (\$68,222.00) or 4.96% of our overall budget. These funds will
92 cover the cost to increase our electronic storage, improve our network on St. Croix, and

93 purchase new network equipment on St. Thomas. Our goal is to reduce our physical file
 94 storage space, electronically access files from either district, and maintain our repository
 95 of labor-related documents for the benefit of the government. Currently, all our network
 96 and internet access in St. Thomas is through the Department of Justice. To accomplish
 97 our goals, we need our own infrastructure and updated equipment. We are in the
 98 assessment and planning phases of this project with the help of the Bureau of Information
 99 Technology and expect to complete the project during the next fiscal year.

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 101 **OVERVIEW OF PROPOSED FY 2024 BUDGET**

Personnel Services	\$740,766	53.85%
	\$316,076	22.98%
Fringe Benefits		
Equipment & Supplies	\$ 45,000	3.27 %
Other Services	\$192,500	13.99%
Utilities	\$ 13,000	0.95%
Capital Outlay	\$68,222	4.96%
TOTAL	\$1,375,564	100.00%

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 103 **OPERATIONS**
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105 The demands on the Office are increasing with more requests from our clients for
 106 training and advice. Therefore, we need to fill the current vacancies, improve our
 107 technology, and continue streamlining operations. We are recruiting candidates for our
 108 Financial Management Officer, Labor Relations Specialist, and Administrative Secretary

109 II positions. We will advertise our Administrative Secretary II and Labor Relations
110 Specialist positions within the next 10 days. These positions became vacant on June 2
111 and 30, 2023, respectively. We are seeking the Division of Personnel's (DOP) approval
112 of a Financial Management Officer job description that is specifically tailored to OCB
113 and will begin the recruitment for this position immediately after DOP approves the job
114 description.

115 My team and I continue to attend continuing education and skills courses and
116 webinars hosted by authorities such as the local and federal courts, Equal Employment
117 Opportunity Commission (EEOC), Society of Human Resource Management (SHRM),
118 Labor Arbitration Institute, American Bar Association (ABA), the National Association
119 of African Americans in Human Resources (NAAAHR), Skill Path, and U.S. Department
120 of Labor.

121 With the help of interns obtained through the Department of Labor's Work, Learn and
122 Earn Program, our office scanned and saved all our St. Croix files onto our server last
123 year. This has reduced our need for physical storage space and allowed for more efficient
124 access to files. This project will continue in the St. Thomas-St. John District once we
125 obtain the necessary equipment to do so.

126 Our annual Key Performance Indicators (KPIs) are:

- 127 1. Negotiate four (4) Collective Bargaining Agreements;
- 128 2. Conduct two (2) labor relations training for management; and

129 3. Reduce the caseload by ten percent (10%).

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131 We exceeded our goals for negotiations and case disposition, and continuously strive
132 to conduct more training for our clients. However, it has been a challenge to schedule
133 training due to our staffing levels and current workload. In the interim, we have
134 recommended various reputable programs and conferences that can assist the agencies
135 with labor relations. We also assist each agency with issues as they arise.

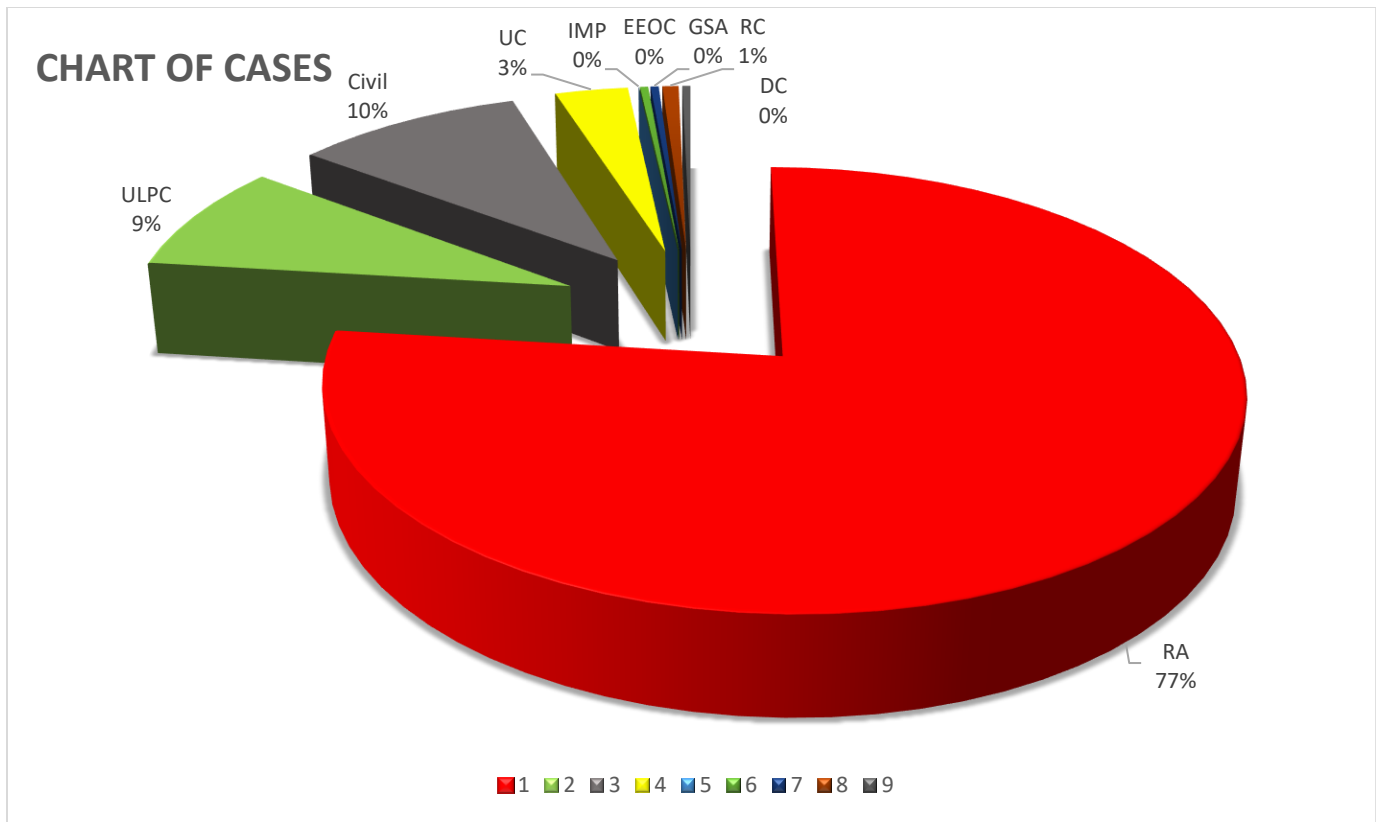
136
137 **LABOR RELATIONS**

138 OCB's mission is to fulfill our legal mandate to fairly engage in the collective
139 bargaining process and enhance the relationship between labor and management. Our
140 goals are to reduce labor disputes, continue training management in labor relations, and
141 improve relations between management and labor. OCB receives calls and email
142 inquiries daily from agencies seeking guidance on legal issues, organizational plans, or
143 OCB's intervention in various collective bargaining matters. These discussions provide
144 us with insight into the agencies' operations, their challenges and how OCB can better
145 serve the government. We also receive calls from unions who want to amicably resolve
146 issues without filing grievances or other formal complaints. This dialogue with union
147 representatives serves as an important factor in labor relations. We encourage our clients
148 to do the same, and some agencies meet with unions as often as biweekly.

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PENDING CASES

OCB continues its statutory commitment to amicably resolve pending cases and avoiding future ones. As of July 31, 2023, OCB has a caseload of Two Hundred Eighty-Six (286) cases. Of that amount, there are two hundred twenty (220) Rights Arbitration (RA) cases, twenty-four (24) Unfair Labor Practice Charges (ULPC), twenty-eight (28) civil cases, nine (9) Unit Clarification (UC) cases, one (1) Equal Employment Opportunity (EEOC) case, one (1) Government Service Appeal case, two (2) Recertification (RC) cases and one (1) Decertification (DC) case. From October 1, 2022 to July 31, 2023, we were successful in closing forty eight (48) cases through arbitration, dispositive orders, withdrawals, or settlements. This is about 17% of the caseload. Below is a chart showing the case activity as of July 31, 2023:



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NEGOTIATIONS

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OCB engages in contract negotiation with fifteen (15) labor unions that represent thirty-five (35) bargaining units within the government. There are thirty-four (34) collective bargaining agreements, of which fifteen (15) are current. Negotiations is a time-consuming and fluid process that requires management to, among other things, understand the history of negotiations, the cost of each contract, the effect of one contract on all other contracts, and consider government’s overall spending for personnel, fringe benefits and other forms of compensation. Negotiations of each contract cannot be done in isolation, so a regular analysis of all collective bargaining agreements is necessary to

172 ensure that we are properly compensating employees, staying within our budget and
173 meeting certain mandates.

174 Since my last budget hearing, we have completed negotiations with the following
175 unions:

- 176 1. United Steelworkers – Masters Bargaining Unit which covers employees at
177 about 14 departments;
- 178 2. Virgin Islands Licensed Practical Nurses Association which covers employees
179 at the Department of Health and the Hospital facilities;
- 180 3. Seafarers International Union Assistant Attorney General which covers
181 employees at the Department of Justice;
- 182 4. Virgin Islands State Nurses Association which covers employees at the
183 Department of Health and the Hospital facilities;
- 184 5. United Steelworkers Lottery Support Staff; and
- 185 6. United Steelworkers Lottery Supervisors.

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187 Negotiations continue with the following unions:

- 188 1. United Steelworkers for Virgin Islands Waste Management Supervisors;
- 189 2. International Association of Machinists and Aerospace Workers for Virgin
190 Islands Waste Management Support Staff and Enforcement Officers;
- 191 3. Registered Nurses Leadership Union;
- 192 4. Association of Firefighters for Firefighters and Corporals; and
- 193 5. Association of Firefighters for Support Staff.

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195 Attached is a spreadsheet showing the status of each CBA.

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197 With only one attorney at our Office, I have to assist our legal team with pending
198 cases. With no fiscal or human resources staff, I and other staff handle some of these
199 functions. This is the second time that some of these positions have been vacant. We
200 also partly rely on the Business and Administration Division at the Governor’s Office to

201 handle our payroll, vendor payments and other functions. In addition, I currently rely on
202 the fiscal teams at the agencies and entities for which I am negotiating to complete the
203 costings and various tasks to complete negotiations. As a result, this has slowed the pace
204 of negotiations and overall operations. This may continue even with all positions filled
205 because OCB's operations have not kept pace with the changes in union representation.
206 And with today's workforce shortages, there is no guarantee that increasing our staff will
207 yield the desired results. So, we must make changes in other areas to achieve efficiency.

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209 The labor relations landscape has changed in many ways since Act 4440 was
210 enacted in 1980. It is time that we change how unionized employees receive their
211 benefits and compensation. In 1980, there were not as many unions or bargaining units.
212 Each union only represented a handful of bargaining units. Collective bargaining
213 agreements resembled small booklets or contained less than fifty (50) pages. Today,
214 over seventy (70%) percent of the workforce is unionized. Some unions have up to eight
215 (8) bargaining units. Some CBAs are as thick as textbooks. With more unions,
216 bargaining units and unionized employees, OCB needs more time to negotiate each CBA.
217 Some employees have not received an increase since 2007. It is patently unfair for
218 *anyone* to wait sixteen (16) years to negotiate a new CBA, much less receive an increase.
219 For reasons unknown to me, one (1) bargaining unit has never had a contract although
220 the unit has existed since 1994. This is our current situation. To change that, we need

221 to expand Act 4440 to allow the governor to grant a general increase to all unionized
222 employees while negotiations are pending.

223 This administration has already taken some steps to provide annual wage increases
224 for all employees. Each year, we have set aside 3-4% of the total personnel and fringe
225 costs for the executive branch to cover salary increases for all public sector employees.
226 However pursuant to Act 4440, we cannot legally grant any increases to over 70% of the
227 government workforce without negotiations. In addition, I have discussed with unions
228 the option of extending existing CBAs and stipulating to a general increase pending
229 negotiation. Of the five (5) unions that I have discussed these options with thus far, four
230 (4) are open to considering these options. With Act 4440 in its current form, all unions
231 do not have to agree. Therefore, thousands of employees are likely to continue waiting
232 several years before negotiations are completed if the law is not expanded to allow *all*
233 employees to benefit. Let us make it happen by the end of your current term.

234
235 **CONCLUSION**
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237 Thank you for the opportunity to testify before you today in support of our budget for
238 Fiscal Year 2024. The Office of Collective Bargaining will continue to manage with its
239 limited resources and fulfill our mandates. We urge this body to approve our
240 recommended budget of One Million Three Hundred Seventy-Five Thousand Five
241 Hundred Sixty-Four Dollars (\$1,375,564.00). The additional funding will allow us to

242 hire an additional attorney, improve our technology and infrastructure, and reduce my
243 need to assist with pending cases. We welcome any questions that you may have.