# MAINE STATE LEGISLATURE

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#### FIRST REGULAR SESSION

## ONE HUNDRED AND TENTH LEGISLATURE

## Legislative Document

No. 921

H. P. 776 House of Representatives, February 19, 1981 Referred to the Committee on Labor. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Representative Jalbert of Lewiston. Cosponsor: Representative Boyce of Auburn.

### STATE OF MAINE

## IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-ONE

AN ACT to Provide Binding Arbitration for State, County and Municipal Employees.

Be it enacted by the People of the State of Maine, as follows:

- Sec. 1. 26 MRSA § 962, sub-§ 7, as amended by PL 1975, c. 9, is further amended to read:
- 7. Public employer. "Public employer" means any officer, board, commission, council, committee or other persons or body acting on behalf of any municipality or town or any subdivision thereof, or of any school, water, sewer or other district, or of the Maine Turnpike Authority, or of any county or any subdivisions thereof.
  - Sec. 2. MRSA § 965, sub-§ 4-A is enacted to read:
- 4-A. Binding arbitation. Arbitration of controversies over salaries, pensions and insurance shall be as provided in this subsection.
  - A. Following fact finding as provided in subsection 3 and at the end of the 45-day period as provided in subsection 4, the parties may jointly agree to an arbitration procedure which will result in a binding determination of their controversy over salaries, pensions or insurance. These determinations shall be subject to review by the Superior Court in the manner specified by section 972.

- B. If the parties do not jointly agree to a mutually satisfactory arbitration procedure within 10 days of the expiration of the 45-day period, then either party may, by written notice to the other, request that their differences be submitted to a board of 3 arbitrators to be selected in the manner outlined in subsection 4, except that only Maine residents may be selected. Resolution of the controversy by the arbitrators shall be by final offer arbitration.
- C. The procedure for arbitration is as follows: As soon as possible after the selection of the neutral arbitrator, the 3 arbitrators or, if either party shall not have selected its arbitrator, the 2 arbitrators, as the case may be, shall meet with the parties or their representatives to schedule a hearing to be held within 14 days; at least 7 days prior to the scheduled hearing, each party shall submit in writing to the arbitrators its final offer on each of the items in controversy; after the hearing, each party shall have 4 days in which to submit in writing to the arbitrators amendments to its final offer on any or all of the items in controversy; and the arbitrators, within 30 days of the expiration of the 4-day amendment period, if reasonably possible, shall select by majority vote the most reasonable offer for each item in controversy.
- D. In arriving at their selection, the arbitrators are limited exclusively to evidence submitted by the parties on the following standards and shall select the final offers which most closely effect the purposes of this chapter. The standards to be used are:
  - (1) The lawful authority of the employer;
  - (2) The value of the services performed by the members of the bargaining unit to the citizens in the municipality;
  - (3) The financial ability of the unit of government to meet proposed cost increases, including any possible changes in the local tax rate;
  - (4) Comparison of wage rates and other conditions of employment with those rates and conditions in similar communities;
  - (5) The physical, educational and mental qualifications necessary to perform the employment, together with the rate of occupational hazard, injury or disease;
  - (6) The decision recommended by the fact finder, if any;
  - (7) The average consumer prices for goods and services in the geographical area, known as the cost-of-living; and
  - (8) The stipulation of the parties.

The arbitrators shall give immediate notice of their selection to the parties. The selection shall be binding on the parties and on the appropriate legislative body, subject to review by the Superior Court only in the manner specified by section 972.

- Sec. 3. 26 MRSA § 979-D, sub-§ 4-A is enacted to read:
- 4-A. Binding arbitration. Arbitration of controversies over salaries, pensions and insurance shall be as provided in this subsection.
  - A. Following fact finding as provided in subsection 3 and at the end of the 45-day period as provided in subsection 4, the parties may jointly agree to an arbitration procedure which will result in a binding determination of their controversy over salaries, pensions or insurance. These determinations shall be subject to review by the Superior Court in the manner specified by section 972.
  - B. If the parties do not jointly agree to a mutually satisfactory arbitration procedure within 10 days of the expiration of the 45-day period, then either party may, by written notice to the other, request that their differences be submitted to a board of 3 arbitrators to be selected in the manner outlined in subsection 4, except that only Maine residents may be selected. Resolution of the controversy by the arbitrators shall be by final offer arbitration.
  - C. The procedure for the arbitration is as follows: As soon as possible after the selection of the neutral arbitrator, the 3 arbitrators or, if either party shall not have selected its arbitrator, the 2 arbitrators, as the case may be, shall meet with the parties or their representatives to schedule a hearing to be held within 14 days; at least 7 days prior to the scheduled hearing, each party shall submit in writing to the arbitrators its final offer on each of the items in controversy; after the hearing, each party shall have 4 days in which to submit in writing to the arbitrators amendments to its final offer on any or all of the items in controversy; and the arbitrators, within 30 days of the expiration of the 4-day amendment period, if reasonably possible, shall select by majority vote the most reasonable offer for each item in controversy.
  - D. In arriving at their selection, the arbitrators shall be limited exclusively to evidence submitted by the parties on the following standards and shall select the final offers which most closely effect the purposes of this chapter. The standards to be used are:
    - (1) The lawful authority of the employer;
    - (2) The value of the services performed by the members of the bargaining unit;
    - (3) The financial ability of the employer to meet proposed cost increases;
    - (4) Comparison of wage rates and other conditions of employment with those rates and conditions in similar occupations in public and private employment;
    - (5) The physical, educational and mental qualifications necessary to perform the employment, together with the rate of occupational hazard, injury or disease;
    - (6) The decision recommended by the fact finder, if any;

- (7) The average consumer prices for goods and services in the geographical area, known as the cost-of-living; and
- (8) The stipulation of the parties.

The arbitrators shall give immediate notice of their selection to the parties. The selection shall be binding on the parties and on the Legislature, subject to review by the Superior Court only in the manner specified by section 979-M.

#### STATEMENT OF FACT

This bill extends collective bargaining rights to county employees and provides for binding arbitration of cost items for state, county and municipal employees. A panel of arbitrators would select the most reasonable of the final offers of the parties on any of the items in controversy.