## MAINE STATE LEGISLATURE

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1 2	FIRST REGULAR SESSION
3 4	ONE HUNDRED AND TWELFTH LEGISLATURE
5 <b>6</b>	Legislative Document No. 211
7 8	H.P. 177 House of Representatives, January 29, 1985 Reference to the Committee on Labor suggested and ordered printed.
9	EDWIN H. PERT, Clerk
10	Presented by Representative Diamond of Bangor.  Cosponsored by Representative Weymouth of W. Gardiner.
12 13	STATE OF MAINE
14 15 16	IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-FIVE
17 18 19 20 21	AN ACT to Incorporate Last Best Offer Provisions into the Municipal Public Employees Labor Relations Law for School Employees.
22 23	Be it enacted by the People of the State of Maine as follows:
24 25	Sec. 1. 26 MRSA §962, sub-§4-C is enacted to read:
26 27	4-C. Economic issue. "Economic issue" means an issue that concerns wages, pensions or insurance.
28	Sec. 2. 26 MRSA §962, sub-§8 is enacted to read:
29 30 31	8. School employee. "School employee" means any employee of a public employer who is a public employee in a school administrative unit.
32	Sec. 3. 26 MRSA §965, sub-§7 is enacted to read:

1 7. Arbitration for school employees.

- A. A bargaining agent for school employees may request arbitration only when a period of 45 days has passed from the submission of the findings and recommendations contained in the fact finders' report, which 45-day period consists of the 30-day period referred to in subsection 3, plus 15 more days.
  - B. The bargaining agent for school employees shall make the request for arbitration by notifying the executive director and by serving written notice upon the employer or its representative.
    - C. Upon notice of the bargaining agent's request for arbitration, the parties shall have 7 days from receipt of the notice to jointly agree to an arbitration procedure which shall result in a binding determination of their controversy. The agreed upon plan shall include the number of arbitrators, the means of selection of the arbitrators and the form of arbitration. The agreed upon plan shall be filed within the 7-day period with the executive director.
    - D. When the parties do not agree upon an arbitration procedure, as provided for in paragraph C, either party to the dispute may implement the procedures provided for in this subsection by notifying the executive director and the other party to the dispute of the failure to agree. Upon serving that notice, the serving party shall request the American Arbitration Association to submit to each of the parties identical lists of names of arbitrators who would be eligible and available to act as a neutral arbitrator in the existing controversy, pursuant to its voluntary labor arbitration rules.
    - Upon notice of selection, the arbitrator shall set the time and place for a hearing to be held.
    - At least 7 days prior to the hearing, the arbitrator shall provide the notice of the time and place of the hearing to the employer, bargaining agent and executive director.

Not less than 2 days prior to the commencement of the hearing, each party shall file with the executive director and the arbitrator and deliver to the other party a proposed collective bargaining agreement, in numbered paragraphs, which that party is willing to execute and the cost data for all provisions of the proposed agreement. At the commencement of the hearing, each party shall file with the arbitrator a reply setting forth those paragraphs of the proposed agreement of the other party which it is willing to accept, and those paragraphs of the proposed agreement of the other party which it is unwilling to accept, together with any alternative contract language which it would accept in lieu of those paragraphs which it is unwilling to accept. At any time prior to the expiration of the 10-day period after the taking of the testimony, the parties may jointly file with the arbitrator stipulations setting forth the agreement provisions which both parties have agreed to accept. Within 5 days after the conclusion of taking testimony, the arbitrator shall forward to each party and to the executive director an arbitration statement, setting forth in numbered paragraphs all agreement provisions agreed upon by both parties in the proposed agreements, the replies and the stipulations, and stating, in numbered paragraphs, those issues which are resolved. The arbitration statement shall set forth in numbered paragraphs all of the unresolved items and identify which of the unresolved items are economic issues. determination of the arbitrator as to the issues in dispute and as to which issues are economic shall be conclusive. Within 10 days after the conclusion of the taking of testimony, the parties shall file with the arbitrator, with a copy to the opposing party, its statement of last best offer setting forth, in numbered paragraphs corresponding to the statement of unresolved issues contained in the arbitration statement, the final agreement proposed by that party. Within 20 days after the last day for filing the statements of last best offer, the arbitrator shall issue his decision on all unresolved issues set forth in the arbitration statement. A copy of the decision shall be distributed to each party and to

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46 47 the executive director. The arbitrator shall treat each unresolved issue set forth in the arbitration statement as a separate question to be decided by him. In deciding each economic issue, the arbitrator shall accept the final provision relating to such unresolved issue as contained in the statement of last best offer of one party or the other party. In deciding all other questions, the arbitrator shall accept the final provision relating to such unresolved issue as contained in the statement of last best offer of one party or trained in the statement of last best offer of one party or the other party, except when the arbitrator finds that a more equitable resolution of the question may be reached by the arbitrator writing a different provision than either party offered on the question.

Within 10 days after the issuance of the arbitrator's decision, the parties shall sign an agreement binding each party to the decision, unless, within that 10-day period, the parties both agree to a different agreement and execute that agreement in the form of a binding contract. When the final contract differs from the arbitrator's decision, a copy of the contract shall be forwarded to the executive director.

The arbitration hearing shall be conducted in accordance with the rules and procedures of the American Arbitration Association. The hearing shall be informal, and the rules of evidence prevailing in judicial proceedings shall not be binding. Any documentary evidence and other data deemed relevant by the arbitrator may be received in evidence. The fact finders' report will be in all cases the first evidence received by the arbitrator.

E. The arbitrator or each of the arbitrators, in those cases where the parties have agreed to a procedure requiring more than one arbitrator, shall have the power to administer oaths and to require by subpoena the attendance and testimony of witnesses, and the production of books, records and other evidence relative or pertinent to the issues presented to them for determination.

1 F. The final decision of the arbitrator or arbi-2 trators shall be subject to review by the Superi-3 or Court in the manner specified by section 972. 4 G. In reaching a decision under this paragraph, the arbitrator shall consider the following fac-5 6 tors: 7 (1) The negotiations between the parties 8 prior to arbitration; 9 (2) The interests and welfare of the public 10 and financial ability of the governmental 11 unit to finance the cost items proposed by 12 each party to the dispute; 13 (3) Changes in the cost of living; 14 (4) The interests and welfare of the school 15 employee group; (5) Comparison of the wages, hours and working conditions, including, but not lim-16 17 18 ited to, hazards of the job, of the employees involved in the arbitration proceeding 19 with the wages, hours and working conditions 20 21 of other employees performing similar services in public and private employment in 22 23 other jurisdictions competing in the same 24 labor market; 25 (6) The overall compensation presently received by the school employees, including 26 27 direct wage compensation, vacation, holidays and excused time, insurance and pensions, 28 29 medical and hospitalization benefits, the 30 continuity and stability of employment and 31 all other benefits needed; 32 (7) Such other factors not confined to this 33 paragraph which are normally and traditionally taken into consideration in the determination of wages, hours and work-34 35 36 ing conditions through voluntary collective bargaining, mediation, fact finding, arbi-37 38 tration or otherwise between the parties in 39 the public service or in private employment,

1	including wage and price statistics compiled
2	by the State Government or Federal Govern-
3	ment;
4	(8) The need of the public employer for
5	qualified school employees;
6	(9) Conditions of employment in similar oc-
7	cupations outside the governmental unit;
8	(10) The need to maintain appropriate rela-
9	tionships between different occupations in
10	the governmental unit; and
11	(11) The need to establish fair and reason-
12	able conditions in relation to job qualifi-
13	cations and responsibilities.
14	H. Nothing in this subsection in any way limits
L5	or restricts the right of school employees and
L6	their employers to arbitrate issues that arise
L7	under a contract, that is, so-called grievance
18	arbitration.

## STATEMENT OF FACT

When the Legislature gave public employees the right to organize and bargain collectively, it specifically denied those same employees the right to strike. In place of strike as a means of encouraging dispute resolutions, the law established a 3-stepped process of dispute resolutions: Mediation, fact finding and arbitration. Arbitration currently is not binding on wages, pensions and insurance which are defined as economic issues in this bill.

While the state's public bargaining laws have generally worked very well, in some instances the lack of a more powerful incentive to agree has caused employees to be without a contract for periods of 2 years or more. This bill addresses that shortcoming for school employees by making arbitration fully binding on both parties.

There are several safeguards built into the bill to assure that binding arbitration will only be used

2 3 4	as a final resort and not as the standard means of contract resolution. The bill authorizes arbitration to begin only after fact finding, followed by 45 days to come to an agreement. Only school employees are covered by this bill.
6	The means of arbitration on economic questions is

The means of arbitration on economic questions is so-called "item-by-item last best offer," the means that experts on labor law believe causes the greatest incentive to both parties to come to an agreement and not resort to arbitration.

This bill amends only the Municipal Public Employees Labor Relations Act.

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