HOUSE FILE 525 BY COMMITTEE ON LABOR

(SUCCESSOR TO HSB 117)

A BILL FOR

1 An Act relating to public employee collective bargaining

- 2 agreements and including applicability provisions.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 20.3, Code 2011, is amended by adding the 2 following new subsections:

3 <u>NEW SUBSECTION</u>. 1A. "*Bargaining unit"* means only those 4 employees in a particular class of employees who have not 5 declared themselves a free agent employee.

6 <u>NEW SUBSECTION</u>. 4A. "Free agent employee" means a public 7 employee who has signed a release declaring that the employee 8 rejects representation by an employee organization and that the 9 employee understands that signing the release waives any claim 10 or right to representation by that employee organization.

11 Sec. 2. Section 20.8, Code 2011, is amended by adding the
12 following new subsection:

13 <u>NEW SUBSECTION</u>. 5. Declare themselves a free agent 14 employee.

15 Sec. 3. Section 20.9, Code 2011, is amended to read as 16 follows:

17 20.9 Scope of negotiations.

18 1. The public employer and the employee organization 19 shall meet at reasonable times, including meetings reasonably 20 in advance of the public employer's budget-making process, 21 to negotiate in good faith with respect to wages, hours, 22 vacations, insurance, holidays, leaves of absence, shift 23 differentials, overtime compensation, supplemental pay, 24 seniority, transfer procedures, job classifications, health and 25 safety matters, evaluation procedures, procedures for staff 26 reduction, in-service training, and other matters mutually 27 agreed upon. Negotiations shall also include terms authorizing 28 dues checkoff for members of the employee organization and 29 grievance procedures for resolving any questions arising under 30 the agreement, which shall be embodied in a written agreement 31 and signed by the parties. If an agreement provides for dues 32 checkoff, a member's dues may be checked off only upon the 33 member's written request and the member may terminate the dues 34 checkoff at any time by giving thirty days' written notice. 35 Such obligation to negotiate in good faith does not compel

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1 either party to agree to a proposal or make a concession.
2 2. Nothing in this section shall diminish the authority
3 and power of the department of administrative services, board
4 of regents' merit system, Iowa public broadcasting board's
5 merit system, or any civil service commission established by
6 constitutional provision, statute, charter, or special act to
7 recruit employees; prepare, conduct, and grade examinations;
8 or rate candidates in order of their relative scores for
9 certification for appointment or promotion or for other matters
10 of classification, reclassification, or appeal rights in the
11 classified service of the public employer served.

12 <u>3.</u> All retirement systems <u>The following subjects</u> shall be 13 excluded from the scope of negotiations.:

14 a. All retirement systems.

15 b. Health insurance or any other insurance.

16 c. Restrictions or limitations on outsourcing.

17 d. Any restriction on the right of a public employer to

18 consider any factor which the employer may lawfully consider 19 in a layoff.

20 Sec. 4. Section 20.22, subsections 3, 6, 7, 9, 10, and 11, 21 Code 2011, are amended to read as follows:

22 3. The submission of the impasse items to the arbitrator 23 shall be limited to those items upon which the parties have not 24 reached agreement. With However, with respect to each such 25 item, the arbitrator's award shall <u>not</u> be restricted to the 26 final offers on each impasse item submitted by the parties to 27 the arbitrator.

6. From the time the board notifies the arbitrator of the selection of the arbitrator until such time as the arbitrator's selection <u>decision</u> on each impasse item is made, there shall be in o discussion concerning recommendations for settlement of the dispute by the arbitrator with parties other than those who are direct parties to the dispute.

34 7. The arbitrator shall consider, and may consider
35 additional information presented by either party, in addition

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1 to any other relevant factors, the following factors: a. Past collective bargaining contracts between the parties 2 3 including the bargaining that led up to such contracts. 4 b. a. Comparison of wages, benefits, hours, and conditions 5 of employment of the involved public employees with those 6 of other public employees, including public employees not 7 represented by an employee organization, and with private 8 sector employees doing comparable work, giving consideration to 9 factors peculiar to the area and the classifications involved. 10 In considering this comparison, the arbitrator shall strive to 11 maintain parity in wages, benefits, hours, and conditions of 12 employment between the public sector and the private sector 13 for comparable types of work, and shall give consideration to 14 similar and equitable economic conditions where applicable. The interests and welfare of the public, the ability 15 c. b. 16 of the public employer to finance economic adjustments without 17 raising any tax, and the effect of such adjustments on the 18 normal standard of services. 19 d. The power of the public employer to levy taxes and 20 appropriate funds for the conduct of its operations. 21 c. Efficiency of the public employer in its ability to carry 22 out any of its functions. 23 The arbitrator shall select render a decision within 9. 24 fifteen days after the hearing the most reasonable offer, in 25 the arbitrator's judgment, of the final offers on consisting 26 of final terms for each impasse item submitted by the parties. 27 The arbitrator may select one of the final offers on each 28 impasse item submitted by the parties or the arbitrator may 29 make an award which does not go beyond the terms of a final 30 offer for any impasse item submitted by the parties. The selections decisions by the arbitrator and 31 10. 32 items agreed upon by the public employer and the employee 33 organization, shall be deemed to be the collective bargaining 34 agreement between the parties. 35 11. The determination decisions of the arbitrator shall be

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6 Sec. 5. APPLICABILITY. This Act applies to collective 7 bargaining agreements entered into on or after the effective 8 date of this Act.

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EXPLANATION

10 This bill relates to public employee collective bargaining 11 agreements.

12 The bill provides that a public employee has the right 13 to declare oneself a free agent employee, meaning a public 14 employee who has signed a release declaring that the employee 15 rejects representation by an employee organization and that 16 the employee understands that signing the release waives any 17 claim or right to representation by that organization. The 18 bill specifies that for the purposes of collective bargaining, 19 a bargaining unit only consists of employees in a particular 20 class of employees who have not declared themselves free agent 21 employees.

The bill excludes certain subjects from the scope of negotiations for public employee collective bargaining agreements, including health insurance or any other insurance, restrictions or limitations on outsourcing, and any restriction on the right of a public employer to consider any factor which the employer may lawfully consider in a layoff.

The bill provides that the final decision of an arbitrator for a public employee collective bargaining agreement is not limited to each party's final offer for each impasse item, but that the final decision must not go beyond the terms of either party's final offer for each impasse item. The bill strikes the requirement of an arbitrator to consider past collective bargaining contracts between the parties including the bargaining that led up to such contracts and to consider

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1 the power of the public employer to levy taxes and appropriate 2 funds for the conduct of its operations as factors when 3 rendering a final decision. The bill adds additional factors 4 which an arbitrator must consider, including a comparison of 5 wages, benefits, hours, and conditions of employment of the 6 involved public employees with those of public employees not 7 represented by employment organizations and private-sector 8 employees doing comparable work, giving consideration to 9 similar and equitable economic conditions where applicable. 10 The bill requires an arbitrator making that comparison to ll strive to maintain parity in wages, benefits, hours, and 12 conditions of employment between the public sector and the 13 private sector for comparable types of work. The bill requires 14 an arbitrator to consider the ability of the public employer to 15 finance economic adjustments without raising any tax. The bill 16 also requires an arbitrator to consider as a factor efficiency 17 by the public employer in its ability to carry out any of its 18 functions. The bill provides that the arbitrator may consider 19 additional information presented by either party.

20 The bill applies to collective bargaining agreements entered 21 into on or after the effective date of the bill.

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