#### SENATE .. . No.

## The Commonwealth of Massachusetts

PRESENTED BY:

#### Marc R. Pacheco

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to binding arbitration.

#### PETITION OF:

NAME:	DISTRICT/ADDRESS:
Marc R. Pacheco	First Plymouth and Bristol
Byron Rushing	9th Suffolk
Martha M. Walz	8th Suffolk

# [SIMILAR MATTER FILED IN PREVIOUS SESSION SEE SENATE, NO. S01627 OF 2007-2008.]

### The Commonwealth of Massachusetts

In	the	Year	Two	Thousand	and	Nine

#### AN ACT RELATIVE TO BINDING ARBITRATION.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 SECTION 1. Chapter 701 of the Acts of 1960, as most recently amended by chapter 243 of the acts of
- 2 2002, is hereby amended by inserting after section 15, the following new sections:-
- 3 Section 15A. Notwithstanding any general or special law to the contrary, the authority or any
- 4 organizations representing employees of the authority shall not be permitted to submit any
- 5 dispute over the terms of a collective bargaining agreement to arbitration except in accordance
- 6 with Section 15A through section 15D, inclusive; provided, however, that this section shall not
- 7 limit the rights of organizations representing employees of the authority to submit grievances to
- 8 arbitration in accordance with the collective bargaining agreement between the parties.
- 9 In the event the directors and any organizations representing employees of the authority have not
- reached an agreement within 90 days from the date of the expiration of the agreement, either party
- 11 may notify the other that it desires mediation. The parties may agree upon a person to serve as a

mediator or, if unable to agree on said mediator, either party or the parties acting jointly may petition
the board of conciliation and arbitration to appoint a mediator from a list of qualified persons
maintained by the board.

Section 15B. After a reasonable period of mediation, not to exceed 45 days from the date of appointment, said mediator shall issue a report indicating the results of his services in resolving the impasse. If at the conclusion of mediation the impasse still exists, the mediator shall so certify. In the event, the mediator shall certify in his report the last best offer of each party on each unresolved issue which has been submitted to mediation and shall also certify the agreement of the parties on each issue on which agreement has been reached and shall submit such certifications to the arbitrator selected by the parties. In such event, so long as the mediator shall also certify that the parties have bargained in good faith, either party may notify the other that it desires arbitration of the dispute. Within 10 days of said notice, the parties shall meet to select a single neutral arbitrator.

If, within 15 days, the parties fail to select such single arbitrator, either party may forthwith petition the board of conciliation and arbitration to request a list of five arbitrators from the American Arbitration Association and said Association shall certify to the board that such arbitrators on the list it provides possess the qualifications as provided in section 30. The parties shall thereupon meet to select such arbitrator by striking one name each until one name remains and that person shall serve as the neutral arbitrator. If, after 10 days, one of the parties declines to strike their names, the other party shall strike two names and the board shall forthwith select the arbitrator from the remaining three names.

Section 15C. The single arbitrator, whether agreed upon by the parties or selected by the board of conciliation and arbitration, shall be a legal resident of the commonwealth and shall be experienced in state and local finance. The arbitrator shall rely primarily on the following factors in determining the basis for an award:

- 35 (a) The financial ability of the authority to meet additional costs, which shall include but not be limited
  36 to: (i) the statutory requirement that the authority produce revenues in excess of expenses; (ii) the
  37 financial ability of the individual communities and the commonwealth to meet additional costs; (iii) the
  38 average per capita tax burden, average annual income and sources of revenue within the
  39 commonwealth, and the effect of any arbitration award on the respective property tax rates of the cities
  40 and towns within the authority's district.
- (b) The overall compensation presently received by the employees, having regard not only for wages for
   time actually worked but also for wages for time not worked, including vacations, holidays and other
   excused time.
- (c) All benefits received by the employees, including insurance, pension, as well as the continuity and
   stability of employment.
- (d) The hazards of employment, physical, educational and mental qualifications, job training and skillsinvolved.
- (e) A comparison of wages, hours, and conditions of employment of the employees involved in the
   arbitration proceedings with the wages, hours and conditions of employment of other employees
   performing similar services within the commonwealth and with other employees generally in public and
   private employment within the commonwealth.
- 52 (f) The average consumer price for goods and services, commonly known as the cost of living.
- 53 (g) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

(h) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between parties, in the public service of the commonwealth, and which are not precluded from bargaining under section 25.

(i) The stipulation of the parties.

Section 15D. The arbitrator shall be limited in making his award to choosing between the last best offers of the parties on each issue as certified in the mediator's report or any award in the range between the last best offers of the parties. The arbitrator shall make no award on any issue found by him to be not authorized by law to be submitted to arbitration, but shall state such finding in his written opinion. Within 30 calendar days of an award, the arbitrator shall issue a written opinion inclusive of an analysis of all statutory factors applicable to the proceedings. Any determination by the arbitrator, if supported by material and substantial evidence on the record, shall be binding upon the parties and upon the appropriate legislative or appropriating body and may be enforced at the insistence of either party or by the arbitrator in the superior court. The scope of arbitration shall be limited to wages, hours, and conditions of employment and shall not include any provisions for any cost of living adjustment which are based on changes in the consumer price index after the expiration of the contract period covered by the award. In addition, any wage or salary adjustments shall be expressed in percent or dollar amounts, and in no case shall there be any provision for salary adjustments to occur after the expiration of the contract period covered by the award.

The cost, if any, of the mediation and of arbitration proceedings, exclusive of the expenses of the individual parties shall, be divided equally by the parties and shall be in accordance with a schedule of payments established by the American Arbitration Association.