THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 1845 ^{Session of} 2014

INTRODUCED BY KAUFFMAN, SWANGER, JAMES, MCGINNIS, EVERETT, CUTLER, ROCK, BLOOM, KNOWLES, OBERLANDER, LUCAS AND DENLINGER, MARCH 25, 2014

REFERRED TO COMMITTEE ON LOCAL GOVERNMENT, MARCH 25, 2014

AN ACT

1	Amending the act of June 24, 1968 (P.L.237, No.111), entitled
2	"An act specifically authorizing collective bargaining
3	between policemen and firemen and their public employers;
4	providing for arbitration in order to settle disputes, and
5	requiring compliance with collective bargaining agreements
6	and findings of arbitrators," further providing for right to
7	collectively bargain, for duty to exert reasonable efforts,
8	for commencement of collective bargaining, for board of
9	arbitration, for notice, for powers and procedures, for
10	determination of board of arbitration, for costs and
11	expenses, for applicability, for severability, for repeals
12	and for effective date; and making editorial changes.
13	The General Assembly of the Commonwealth of Pennsylvania
14	hereby enacts as follows:
15	Section 1. Sections 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 and 12
16	of the act of June 24, 1968 (P.L.237, No.111), referred to as
17	the Policemen and Firemen Collective Bargaining Act, are amended
18	to read:
19	Section 1. Right to collectively bargain.
20	Policemen or firemen employed by a political subdivision of
21	the Commonwealth or by the Commonwealth shall, through labor
22	organizations or other representatives designated by [fifty

percent] 50% or more of such policemen or firemen, have the 1 2 right to bargain collectively with their public employers 3 concerning the terms and conditions of their employment, which are not otherwise established or prohibited under Federal or 4 State law, including compensation, hours, working conditions, 5 retirement, pensions and other benefits, and shall have the 6 right to an adjustment or settlement of their grievances or 7 8 disputes in accordance with the terms of this act.

9 Section 2. <u>Duty to exert reasonable efforts.</u>

It shall be the duty of public employers and their policemen 10 and firemen [employes] employees to exert every reasonable 11 12 effort to settle all disputes by engaging in collective 13 bargaining in good faith and by entering into settlements by way 14 of written agreements and maintaining the same. Any party may assert an unfair labor practice charge for a refusal to bargain 15 16 in good faith or a failure to comply with the time periods provided under this act in accordance with the act of June 1, 17 18 1937 (P.L.1168, No.294), known as the Pennsylvania Labor

19 Relations Act, for which the Pennsylvania Labor Relations Board

20 <u>shall have jurisdiction</u>.

21 Section 3. <u>Commencement of collective bargaining.</u>

22 Collective bargaining shall begin at least [six] <u>ten</u> months 23 before the start of the fiscal year of the political subdivision 24 or of the Commonwealth, as the case may be, and any request for 25 arbitration, as [hereinafter] provided <u>in this act</u>, shall be 26 made at least [one hundred ten] <u>180</u> days before the start of 27 [said] <u>the</u> fiscal year.

28 Section 4. <u>Board of arbitration.</u>

29 (a) <u>Right to request.--</u>

30 <u>(1)</u> If in any case of a dispute between a public

20140HB1845PN3240

- 2 -

1 employer and its policemen or firemen [employes] employees 2 the collective bargaining process reaches an impasse and 3 stalemate, or if the appropriate lawmaking body does not approve the agreement reached by collective bargaining, with 4 5 the result that [said] the employers and [employes] employees 6 are unable to effect a settlement, then either party to the 7 dispute, after written notice to the other party containing 8 specifications of the issue or issues in dispute, may request 9 the appointment of a board of arbitration.

10 (2) For purposes of this section, an impasse or 11 stalemate shall be deemed to occur in the collective 12 bargaining process if the parties do not reach a settlement 13 of the issue or issues in dispute by way of a written 14 agreement within [thirty] <u>60</u> days after collective bargaining 15 proceedings have been initiated.

16 (3) In the case of disputes involving political 17 subdivisions of the Commonwealth, the agreement shall be 18 deemed not approved within the meaning of this section if it 19 is not approved by the appropriate lawmaking body within one 20 month after the agreement is reached by way of collective 21 bargaining.

22 (4) In the case of disputes involving the Commonwealth, 23 the agreement shall be deemed not approved within the meaning 24 of this section if it is not approved by the Legislature 25 within [six months] <u>180 days</u> after the agreement is reached 26 by way of collective bargaining.

27 (b) <u>Composition.--</u>

(1) The board of arbitration shall be composed of three
persons, one appointed by the public employer, one appointed
by the body of policemen or firemen involved, and a <u>neutral</u>

```
20140HB1845PN3240
```

- 3 -

third [member] <u>arbitrator</u> to be agreed upon by the public employer and such policemen or firemen. The members of the board representing the public employer and the policemen or firemen shall be named within five days from the date of the request for the appointment of such board.

6 (2) If, after a period of ten days from the date of the 7 appointment of the two arbitrators appointed by the public 8 employer and by the policemen or firemen, the neutral third 9 arbitrator has not been selected by them, then, within five 10 days, either arbitrator may request the American Arbitration Association, or its successor in function, to furnish a list 11 12 of [three] seven members of [said] the association who are 13 residents of Pennsylvania from which the neutral third 14 arbitrator shall be selected. [The arbitrator appointed by 15 the public employer shall eliminate one name from the list 16 within five days after publication of the list, following 17 which the arbitrator appointed by the policemen or firemen 18 shall eliminate one name from the list within five days 19 thereafter.] In the case of disputes involving political subdivisions of this Commonwealth, the American Arbitration 20 21 Association, or its successor in function, shall provide a 22 list that contains, if feasible and practical, at least one 23 name of a resident of the political subdivision in which the 24 public employer is located.

25 (3) Beginning with the selection of arbitrators which
26 occurs between a public employer and policemen or firemen
27 employed on or after January 1, 2014, the toss of a coin
28 shall determine which party shall be the first to eliminate a
29 name from the list provided in paragraph (2). Each arbitrator
30 shall then engage in alternate eliminations of names from the

- 4 -

1 list until only one name remains on the list. The individual 2 whose name remains on the list shall be the <u>neutral</u> third 3 arbitrator and shall act as chairman of the board of 4 arbitration.

5 <u>(4)</u> The board of arbitration thus established shall 6 commence the arbitration proceedings within ten days after 7 the <u>neutral</u> third arbitrator is selected and shall make its 8 determination within [thirty] <u>60</u> days after the appointment 9 of the <u>neutral</u> third arbitrator.

10 Section 5. <u>Notice.</u>

Notice by the policemen or firemen involved under section 4 shall, in the case of disputes involving the Commonwealth, be served upon the Secretary of the Commonwealth and, in the case of disputes involving political subdivisions of the Commonwealth, shall be served upon the head of the governing body of the local governmental unit involved.

17 Section 6. <u>Powers and procedures.</u>

18 (a) Witnesses and evidence.--Each of the arbitrators 19 selected in accordance with section 4 [hereof] shall have the 20 power to administer oaths and compel the attendance of witnesses 21 and physical evidence by subpoena.

22 (b) Meetings and records.--

(1) Except as otherwise provided under paragraph (2), 23 24 any hearing at which evidence of record is presented by any 25 party or witness under this act shall be open to the public and all documents and evidence of record submitted by any 26 party at such public hearing shall be public records subject 27 to the act of February 14, 2008 (P.L.6, No.3), known as the 28 29 Right-to-Know Law. A stenographic recording shall be made of 30 any such hearing.

20140HB1845PN3240

- 5 -

1	(2) Paragraph (1) shall not apply to a bargaining
2	session between the parties conducted before the hearing or
3	an executive session or other meeting between the arbitrators
4	conducted after the hearing.
5	Section 7. <u>Determination of board of arbitration.</u>
6	(a) <u>Finality and comprehensiveness</u> The determination of
7	the majority of the board of arbitration thus established shall
8	be final on the issue or issues in dispute and shall be binding
9	upon the public employer and the policemen or firemen involved.
10	Such determination shall be in writing and contain specific
11	findings of fact and conclusions of law with regard to each of
12	the issues presented to the board by the parties. Such issues
13	shall include a complete, accurate and detailed analysis, based
14	on the evidence presented at the hearing, as evaluated and
15	studied in any subsequent executive sessions, of the cost of the
16	award to the political subdivision and the impact it will have
17	on the finances and services provided by the political
18	subdivision; the relationship between projected revenues of the
19	political subdivision and the ability of the political
20	subdivision to pay all the costs of the award, including any
21	cost increases which may result from pre-existing terms and
22	conditions of employment which are allowed to continue under the
23	award; and the impact of the award on the future financial
24	stability of the political subdivision. The determination shall
25	be a public record and a copy thereof shall be forwarded to both
26	parties to the dispute. No appeal [therefrom] shall be allowed
27	to any court[.] if the determination complies with this section,
28	unless the board of arbitration exceeded its powers or
29	jurisdiction, the proceedings were irregular, the determination
30	requires an unconstitutional act or the determination would

20140HB1845PN3240

- 6 -

1 result in the deprivation of a constitutional right.

(a.1) Mandate.--[Such] The determination under subsection 2 3 (a) shall constitute a mandate to the head of the political subdivision which is the employer, or to the appropriate officer 4 of the Commonwealth if the Commonwealth is the employer, with 5 respect to matters which can be remedied by administrative 6 7 action, and to the lawmaking body of such political subdivision 8 or of the Commonwealth with respect to matters which require legislative action, to take the action necessary to carry out 9 10 the determination of the board of arbitration.

Effect.--With respect to matters which require 11 (b) 12 legislative action for implementation, such legislation shall be 13 enacted, in the case of the Commonwealth, within six months 14 following publication of the findings, and, in the case of a political subdivision of the Commonwealth, within one month 15 following publication of the findings. The effective date of any 16 17 such legislation shall be the first day of the fiscal year 18 following the fiscal year during which the legislation is thus 19 enacted.

20 (c) References to determination.--A determination of the
 21 board may alternatively be referred to as an award or

22 settlement. Such reference shall not affect the applicability of

23 <u>this act.</u>

24 (d) Issues excluded. -- No determination may award or

25 <u>otherwise grant postretirement health or pension benefits which</u>

26 are not required or authorized under Federal or State law, nor

27 any other term or condition of employment that is specifically

28 <u>exempted from collective bargaining under Federal or State law.</u>

29 No determination may award or grant any pension benefit or

30 provision that has been found to be unauthorized, unlawful or

20140HB1845PN3240

- 7 -

excessive by the Department of the Auditor General or any court 1 2 of law. Section 8. [The compensation, if any, of the arbitrator 3 appointed by the policemen or firemen shall be paid by them. The 4 compensation of the other two arbitrators, as well as all 5 6 stenographic and other expenses incurred by the arbitration 7 panel in connection with the arbitration proceedings, shall be 8 paid by the political subdivision or by the Commonwealth, as the 9 case may be.] Costs and expenses. 10 (a) General rule.--Except as provided for in subsection (b), the public employer and the policemen or firemen who are engaged 11 12 in the collective bargaining shall bear the costs of their 13 respective appointed arbitrators, witnesses, including any 14 actuary or expert witness, and attorneys in any arbitration 15 proceeding. 16 (b) Other expenses. -- The reasonable fees and costs associated with the neutral third arbitrator and the 17 18 stenographic and other expenses incurred by the board of 19 arbitration as a result of the arbitration proceedings shall be divided. One-half of such fees and costs shall be paid by the 20 public employer and one-half shall be paid by the policemen and 21 firemen who are engaged in the collective bargaining. 22 23 Section 9. Applicability. 24 The provisions of this act shall be applicable to every 25 political subdivision of this Commonwealth notwithstanding the 26 fact that any such political subdivision, either before or after the passage of this act, has adopted or adopts a home rule 27 28 charter. 29 Section 10. Severability. 30 If any provision of this act or the application thereof to 20140HB1845PN3240 - 8 -

1 any person or circumstances is held invalid, the remainder of 2 this act and the application of such provision to other persons 3 or circumstances, shall not be affected [thereby], and to this 4 end the provisions of this act are declared to be severable.

5 Section 11. <u>Repeals.</u>

All acts or parts of acts inconsistent herewith are herebyrepealed.

8 Section 12. Effective date.

9 This act shall take effect immediately.

10 Section 2. This act shall take effect in 60 days.