

LEGISLATIVE HEARING CALENDAR

Positions to be taken by the City of Milwaukee on the following bills will be discussed by the

COMMITTEE ON JUDICIARY-LEGISLATION

MONDAY, JULY 9, 2001 AT 10:45 A.M.

Room 301-B, City Hall

S-200 Municipal Collective Bargaining

2001 SENATE BILL 200

June 5, 2001 - Introduced by Senators SHIBILSKI, BAUMGART, RISSER, MOEN, GEORGE, HANSEN, JAUCH, WIRCH and DECKER, cosponsored by Representatives SCHOOFF, BOCK, REYNOLDS, BLACK, PLOUFF, RYBA, GRONEMUS, J. LEHMAN, COLON, BALOW, BERCEAU, POCAN, COGGS, HUBLER, SYKORA and MORRIS-TATUM. Referred to Committee on Education.

1 AN ACT *to repeal* 111.70 (1) (dm), 111.70 (1) (fm), 111.70 (1) (nc), 111.70 (4) (cm)
2 5s., 111.70 (4) (cm) 7., 111.70 (4) (cm) 7g., 111.70 (4) (cm) 8m. b., 111.70 (4) (cm)
3 8p. and 111.70 (4) (cn); *to consolidate, renumber and amend* 111.70 (4) (cm)
4 8m. a. and c.; and *to amend* 111.70 (1) (b), 111.70 (4) (cm) 5., 111.70 (4) (cm) 6.
5 a., 111.70 (4) (cm) 6. am., 111.70 (4) (cm) 7r. (intro.), 111.70 (4) (cm) 8s. and
6 111.70 (4) (d) 2. a. of the statutes; **relating to:** dispute settlement procedures
7 in local government employment other than law enforcement and fire fighting
8 employment.

Analysis by the Legislative Reference Bureau

This bill does all of the following:

1. Under current law, in local government employment other than law enforcement and fire fighting employment, if a dispute relating to the terms of a proposed collective bargaining agreement has not been settled after a reasonable period of negotiation and after mediation by the Wisconsin employment relations commission (WERC), either party, or the parties jointly, may petition WERC to initiate compulsory, final, and binding arbitration with respect to any dispute relating to wages, hours, and conditions of employment. If WERC determines, after investigation, that an impasse exists and that arbitration is required, WERC must

SENATE BILL 200

submit to the parties a list of seven arbitrators, from which the parties alternately strike names until one arbitrator is left. As an alternative to a single arbitrator, WERC may provide for an arbitration panel that consists of one person selected by each party and one person selected by WERC. As a further alternative, WERC may also provide a process that allows for a random selection of a single arbitrator from a list of seven names submitted by WERC. Under current law, an arbitrator or arbitration panel must adopt the final offer of one of the parties on all disputed issues, which is then incorporated into the collective bargaining agreement.

Under current law, however, this process does not apply to a dispute over economic issues involving a collective bargaining unit consisting of school district professional employees if WERC determines, subsequent to an investigation, that the employer has submitted a qualified economic offer (QEO). Under current law, a QEO consists of a proposal to maintain the percentage contribution by the employer to the employees' existing fringe benefit costs and the employees' existing fringe benefits and to provide for an annual average salary increase having a cost to the employer at least equal to 2.1% of the existing total compensation and fringe benefit costs for the employees in the collective bargaining unit plus any fringe benefit savings. Fringe benefit savings is that amount, if any, by which 1.7% of the total compensation and fringe benefit costs for all municipal employees in a collective bargaining unit for any 12-month period covered by a proposed collective bargaining agreement exceeds the increased cost required to maintain the percentage contribution by the municipal employer to the municipal employees' existing fringe benefit costs and to maintain all fringe benefits provided to the municipal employees.

This bill eliminates the qualified economic offer exception from the compulsory, final, and binding arbitration process.

2. Current law provides that in reaching a decision, the arbitrator or arbitration panel must give weight to many factors, including the lawful authority of the municipal employer, the stipulations of the parties, the interest and welfare of the public, and the financial ability of the unit of government to meet the costs of the proposed agreement, comparison of wages, hours, and conditions of employment with those of other public and private sector employees, the cost of living, the overall compensation and benefits that the employees currently receive, and other similar factors. But, under current law, the arbitrator is required to give greater weight to economic conditions in the jurisdiction of the employer and the greatest weight to any state law or directive that places expenditure or revenue limitations on an employer.

This bill eliminates the authorization for the arbitrator or arbitration panel to give any weight to economic conditions in the jurisdiction of the employer or to any state law or directive that places expenditure or revenue limitations on an employer.

3. Under current law, every collective bargaining agreement covering school district professional employees must expire on June 30 of the odd-numbered years. For all other local government employees, the term of a collective bargaining agreement must be two years, except for an initial agreement and except as the parties otherwise agree, and in no case may exceed three years. This bill treats the terms of collective bargaining agreements for school district professional employees the same as those of other local government employees.

SENATE BILL 200

4. Finally, under current law, school district professional employees are required to be placed in a collective bargaining unit that is separate from the units of other school district employees. This bill eliminates this requirement.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 111.70 (1) (b) of the statutes is amended to read:

2 111.70 (1) (b) "Collective bargaining unit" means a unit ~~consisting of municipal~~
3 ~~employees who are school district professional employees or of municipal employees~~
4 ~~who are not school district professional employees~~ that is determined by the
5 commission to be appropriate for the purpose of collective bargaining.

6 **SECTION 2.** 111.70 (1) (dm) of the statutes is repealed.

7 **SECTION 3.** 111.70 (1) (fm) of the statutes is repealed.

8 **SECTION 4.** 111.70 (1) (nc) of the statutes is repealed.

9 **SECTION 5.** 111.70 (4) (cm) 5. of the statutes is amended to read:

10 111.70 (4) (cm) 5. 'Voluntary impasse resolution procedures.' In addition to the
11 other impasse resolution procedures provided in this paragraph, a municipal
12 employer and labor organization may at any time, as a permissive subject of
13 bargaining, agree in writing to a dispute settlement procedure, including
14 authorization for a strike by municipal employees or binding interest arbitration,
15 which is acceptable to the parties for resolving an impasse over terms of any
16 collective bargaining agreement under this subchapter. A copy of such agreement
17 shall be filed by the parties with the commission. If the parties agree to any form of
18 binding interest arbitration, the arbitrator shall give weight to the factors
19 enumerated under ~~subds. 7., 7g. and subd. 7r.~~