

Senate Bill 295

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Specifies when employer's notice of anticipated changes to collective bargaining agreement that impose duty to bargain may be given to exclusive representative of employees and when mediator must be assigned by Employment Relations Board to meet with parties.

A BILL FOR AN ACT

1
2 Relating to notice period for anticipated changes to collective bargaining agreement that impose
3 duty to bargain; amending ORS 240.610, 243.698, 243.742 and 243.746.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 243.698 is amended to read:

6 243.698. (1) When the employer is obligated to bargain over employment relations during the
7 term of a collective bargaining agreement and the exclusive representative demands to bargain, the
8 bargaining may not, without the consent of both parties and provided the parties have negotiated
9 in good faith, continue past 90 calendar days after the date the notification specified in subsection
10 (2) of this section is received.

11 (2) The employer shall notify the exclusive representative in writing of anticipated changes that
12 impose a duty to bargain. **Such notice may not be given:**

13 (a) **For a collective bargaining agreement with a term of less than two years, within 60**
14 **days after the ratification date of the most recent collective bargaining agreement or 60 days**
15 **prior to the expiration date of the collective bargaining agreement.**

16 (b) **For a collective bargaining agreement with a term of two years or more, within 180**
17 **days after the ratification date of the most recent collective bargaining agreement or 180**
18 **days prior to the expiration date of the collective bargaining agreement.**

19 (3) Within 14 calendar days after the employer's notification of anticipated changes specified in
20 subsection (2) of this section is sent, the exclusive representative may file a demand to bargain **with**
21 **the employer and the Employment Relations Board**. If a demand to bargain is not filed within
22 14 days of the notice, the exclusive representative waives its right to bargain over the change or
23 the impact of the change identified in the notice.

24 (4) **If no agreement is reached within 30 days of the exclusive representative's demand**
25 **to bargain, the Employment Relations Board shall assign a mediator to meet with the parties**
26 **during the following 45-day period.**

27 [(4)] (5) The expedited bargaining process shall cease 90 calendar days after the written notice
28 described in subsection (2) of this section is sent, and the employer may implement the proposed
29 changes without further obligations to bargain. *[At any time during the 90-day period, the parties*
30 *jointly may agree to mediation, but that mediation shall not]* **Mediation may** continue past the 90-day

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 period from the date the notification specified in subsection (2) of this section is sent **with mutual**
2 **agreement of the parties**. Neither party may seek binding arbitration during the 90-day period.

3 **SECTION 2.** ORS 243.742 is amended to read:

4 243.742. (1) It is the public policy of the State of Oregon that where the right of employees to
5 strike is by law prohibited, it is requisite to the high morale of such employees and the efficient
6 operation of such departments to afford an alternate, expeditious, effective and binding procedure
7 for the resolution of labor disputes and to that end the provisions of ORS 240.060, 240.065, 240.080,
8 240.123, 243.650 to 243.782, 292.055 and 341.290, providing for compulsory arbitration, shall be liber-
9 ally construed.

10 (2) When the procedures set forth in ORS **243.698**, 243.712 and 243.722, relating to mediation of
11 a labor dispute, have not culminated in a signed agreement between the parties who are prohibited
12 from striking, the public employer and exclusive representative of its employees shall include with
13 the final offer filed with the mediator a petition to the Employment Relations Board in writing which
14 initiates binding arbitration for bargaining units with employees referred to in ORS 243.736 (1).
15 Arbitration shall be scheduled by mutual agreement not earlier than 30 days following the sub-
16 mission of the final offer packages to the mediator. Arbitration shall be scheduled in accordance
17 with the procedures prescribed in ORS 243.746.

18 **SECTION 3.** ORS 243.746 is amended to read:

19 243.746. (1) In carrying out the arbitration procedures authorized in ORS **243.698**, 243.712 (2)(e),
20 243.726 (3)(c) and 243.742, the public employer and the exclusive representative may select their own
21 arbitrator.

22 (2) Where the parties have not selected their own arbitrator within five days after notification
23 by the Employment Relations Board that arbitration is to be initiated, the board shall submit to the
24 parties a list of seven qualified, disinterested, unbiased persons. A list of Oregon interest arbi-
25 trations and fact-findings for which each person has issued an award shall be included. Each party
26 shall alternately strike three names from the list. The order of striking shall be determined by lot.
27 The remaining individual shall be designated the "arbitrator":

28 (a) When the parties have not designated the arbitrator and notified the board of their choice
29 within five days after receipt of the list, the board shall appoint the arbitrator from the list. How-
30 ever, if one of the parties strikes the names as prescribed in this subsection and the other party fails
31 to do so, the board shall appoint the arbitrator only from the names remaining on the list.

32 (b) The concerns regarding the bias and qualifications of the person designated by lot or by
33 appointment may be challenged by a petition filed directly with the board. A hearing shall be held
34 by the board within 10 days of filing of the petition and the board shall issue a final and binding
35 decision regarding the person's neutrality within 10 days of the hearing.

36 (3) The arbitrator shall establish dates and places of hearings. Upon the request of either party
37 or the arbitrator, the board shall issue subpoenas. Not less than 14 calendar days prior to the date
38 of the hearing, each party shall submit to the other party a written last best offer package on all
39 unresolved mandatory subjects, and neither party may change the last best offer package unless
40 pursuant to stipulation of the parties or as otherwise provided in this subsection. The date set for
41 the hearing may thereafter be changed only for compelling reasons or by mutual consent of the
42 parties. If either party provides notice of a change in its position within 24 hours of the 14-day
43 deadline, the other party will be allowed an additional 24 hours to modify its position. The arbitrator
44 may administer oaths and shall afford all parties full opportunity to examine and cross-examine all
45 witnesses and to present any evidence pertinent to the dispute.

1 (4) Where there is no agreement between the parties, or where there is an agreement but the
2 parties have begun negotiations or discussions looking to a new agreement or amendment of the
3 existing agreement, unresolved mandatory subjects submitted to the arbitrator in the parties' last
4 best offer packages shall be decided by the arbitrator. Arbitrators shall base their findings and
5 opinions on these criteria giving first priority to paragraph (a) of this subsection and secondary
6 priority to paragraphs (b) to (h) of this subsection as follows:

7 (a) The interest and welfare of the public.

8 (b) The reasonable financial ability of the unit of government to meet the costs of the proposed
9 contract giving due consideration and weight to the other services, provided by, and other priorities
10 of, the unit of government as determined by the governing body. A reasonable operating reserve
11 against future contingencies, which does not include funds in contemplation of settlement of the la-
12 bor dispute, shall not be considered as available toward a settlement.

13 (c) The ability of the unit of government to attract and retain qualified personnel at the wage
14 and benefit levels provided.

15 (d) The overall compensation presently received by the employees, including direct wage com-
16 pensation, vacations, holidays and other paid excused time, pensions, insurance, benefits, and all
17 other direct or indirect monetary benefits received.

18 (e) Comparison of the overall compensation of other employees performing similar services with
19 the same or other employees in comparable communities. As used in this paragraph, "comparable"
20 is limited to communities of the same or nearest population range within Oregon. Notwithstanding
21 the provisions of this paragraph, the following additional definitions of "comparable" apply in the
22 situations described as follows:

23 (A) For any city with a population of more than 325,000, "comparable" includes comparison to
24 out-of-state cities of the same or similar size;

25 (B) For counties with a population of more than 400,000, "comparable" includes comparison to
26 out-of-state counties of the same or similar size;

27 (C) Except as otherwise provided in subparagraphs (D) and (E) of this paragraph, for the State
28 of Oregon, "comparable" includes comparison to other states;

29 (D) For the Department of State Police troopers, "comparable" includes the base pay for city
30 police officers employed by the five most populous cities in this state; and

31 (E) For Department of State Police telecommunicators, as defined in ORS 181A.355,
32 "comparable" includes the base pay for telecommunicators employed by the five public safety an-
33 swering points in this state, as defined in ORS 403.105, with the most employees.

34 (f) The CPI-All Cities Index, commonly known as the cost of living.

35 (g) The stipulations of the parties.

36 (h) Such other factors, consistent with paragraphs (a) to (g) of this subsection as are tradi-
37 tionally taken into consideration in the determination of wages, hours, and other terms and condi-
38 tions of employment. However, the arbitrator shall not use such other factors, if in the judgment
39 of the arbitrator, the factors in paragraphs (a) to (g) of this subsection provide sufficient evidence
40 for an award.

41 (5) Not more than 30 days after the conclusion of the hearings or such further additional periods
42 to which the parties may agree, the arbitrator shall select only one of the last best offer packages
43 submitted by the parties and shall promulgate written findings along with an opinion and order. The
44 opinion and order shall be served on the parties and the board. Service may be personal or by reg-
45 istered or certified mail. The findings, opinions and order shall be based on the criteria prescribed

1 in subsection (4) of this section.

2 (6) The cost of arbitration shall be borne equally by the parties involved in the dispute.

3 **SECTION 4.** ORS 240.610 is amended to read:

4 240.610. (1) Notwithstanding ORS 662.435, when the Employment Relations Board assigns a
5 mediator under ORS ~~243.698~~, 243.712 or 662.425 to resolve a labor dispute or labor controversy be-
6 tween a local public employer and the exclusive representative of the public employees of that em-
7 ployer, the board may charge a fee for the mediation services provided by the board. The local
8 public employer and the exclusive representative shall each pay one-half of the amount of the fee
9 to the board.

10 (2) Notwithstanding any other law, the fee charged by the board under this section may not
11 exceed:

12 (a) \$1,000 for the first two mediation sessions;

13 (b) \$500 for the third mediation session;

14 (c) \$750 for the fourth mediation session; and

15 (d) \$1,000 for each additional mediation session.

16 (3) Notwithstanding any other law, in addition to fees for mediation services, the board may
17 establish fees for training in interest-based problem solving. The fees are not subject to the pro-
18 visions of subsection (2) of this section.

19 (4) Fees received by the board under this section shall be deposited to the credit of the Em-
20 ployment Relations Board Administrative Account.

21 (5) As used in this section:

22 (a) “Exclusive representative” and “labor dispute” have the meanings given those terms in ORS
23 243.650.

24 (b) “Local public employer” means any political subdivision in this state, including a city,
25 county, community college, school district, special district and a public and quasi-public corporation.

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