

34:13A-14a

LEGISLATIVE HISTORY CHECKLIST
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(Fire and Police --
Compulsory Arbitration)

NJSA: 34:13A-14a

LAWS OF: 1995 **CHAPTER:** 425

BILL NO: A3296

SPONSOR(S): DiGaetano

DATE INTRODUCED: January 4, 1996

COMMITTEE: **ASSEMBLY** ---
SENATE: ---

AMENDED DURING PASSAGE: No

DATE OF PASSAGE: **ASSEMBLY:** January 4, 1996
SENATE: January 9, 1996

DATE OF APPROVAL: January 10, 1996

FOLLOWING STATEMENTS ARE ATTACHED IF AVAILABLE:
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COMMITTEE STATEMENT: **ASSEMBLY:** No
SENATE: No

FISCAL NOTE: No

VETO MESSAGE: No

MESSAGE ON SIGNING: No

FOLLOWING WERE PRINTED:

REPORTS: No

HEARINGS: No

See newsaoer clippings--attached:

"Governor signs bill to alter police, fire contract negotiations," 1-11-96,
The Record.

"Whitman OKs arbitration reform," 1-11-96, Asbury Park Press.

KBP:pp

§1-C.34:13A-14a
§§4-9 -
C.34:13A-16.1 to
34:13A-16.6
§10-Repealer
§11-Note to
§§2-10

P.L.1995, CHAPTER 425, approved January 10, 1996

1995 Assembly No. 3296

1 AN ACT concerning compulsory arbitration for public fire and
2 police departments, amending and supplementing P.L.1977,
3 c.85, and repealing section 7 of P.L.1977, c.85.

4

5 BE IT ENACTED by the Senate and General Assembly of the
6 State of New Jersey:

7 1. (New section) This act shall be known and may be cited as
8 the "Police and Fire Public Interest Arbitration Reform Act."

9 2. Section 1 of P.L.1977, c.85 (C.34:13A-14) is amended to
10 read as follows:

11 1. [It] The Legislature finds and declares:

12 a. Recognizing the unique and essential duties which law
13 enforcement officers and firefighters perform for the benefit and
14 protection of the people of this State, cognizant of the life
15 threatening dangers these public servants regularly confront in
16 the daily pursuit of their public mission, and fully conscious of
17 the fact that these public employees, by legal and moral precept,
18 do not enjoy the right to strike, it is the public policy of this
19 State that [in public fire and police departments, where public
20 employees do not enjoy the right to strike,] it is requisite to the
21 high morale of such employees [and] , the efficient operation of
22 such departments , and to the general well-being and benefit of
23 the citizens of this State to afford an alternate, expeditious,
24 effective and binding procedure for the resolution of disputes[.] ;
25 and [to]

26 b. It also is the public policy of this State to ensure that the
27 procedure so established fairly and adequately recognizes and
28 gives all due consideration to the interests and welfare of the
29 taxpaying public; and

30 c. Further, it is the public policy of this State to prescribe the
31 scope of the authority delegated for the purposes of this reform
32 act; to provide that the authority so delegated be statutorily
33 limited, reasonable, and infused with stringent safeguards, while
34 at the same time affording arbitrators the decision making
35 authority necessary to protect the public good; and to mandate
36 that in exercising the authority delegated under this reform act,
37 arbitrators fully recognize and consider the public interest and
38 the impact that their decisions have on the public welfare, and
39 fairly and reasonably perform their statutory responsibilities to
40 the end that labor peace between the public employer and its
41 employees will be stabilized and promoted, and that the general
42 public interest and welfare shall be preserved; and, therefor,

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in the
above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 d. To that end the provisions of this reform act, providing for
2 compulsory arbitration, shall be liberally construed.

3 (cf: P.L.1977, c.85, s.1)

4 3. Section 3 of P.L.1977, c.85 (C.34:13A-16) is amended to
5 read as follows:

6 3. a. [Whenever] (1) Negotiations between a public fire or
7 police department and an exclusive representative concerning the
8 terms and conditions of employment shall begin at least 120 days
9 prior to the day on which their collective negotiation agreement
10 is to expire. The parties shall meet at least three times during
11 that 120 day period. The first of those three meetings shall take
12 place no later than the 90th day prior to the day on which their
13 collective negotiation agreement is to expire. By mutual
14 consent, the parties may agree to extend the period during which
15 the second and third meetings are required to take place beyond
16 the day on which their collective negotiation agreement is to
17 expire. A violation of this paragraph shall constitute an unfair
18 practice and the violator shall be subject to the penalties
19 prescribed by the commission pursuant to rule and regulation.

20 (2) Whenever those negotiations [between a public fire or
21 police department and an exclusive representative] concerning
22 the terms and conditions of employment shall reach an impasse,
23 the commission, through the Division of Public Employment
24 Relations shall, upon the request of either party, or upon its own
25 motion take such steps, including the assignment of a mediator,
26 as it may deem expedient to effect a voluntary resolution of the
27 impasse. [The cost of mediation shall be borne by the
28 commission.]

29 b. (1) In the event of a failure to resolve the impasse by
30 mediation, the Division of Public Employment Relations, at the
31 request of either party, shall invoke factfinding with
32 recommendation for settlement of all issues in dispute unless the
33 parties reach a voluntary settlement prior to the issuance of the
34 [factfinders] factfinder's report and recommended terms of
35 settlement. Factfindings shall be limited to those issues that are
36 e by means of the procedure set forth [above] in this paragraph,
37 and notwithstanding the fact that such procedures have not been
38 exhausted, the parties shall notify the commission [60 days prior
39 to the required budget submission date of the public employer] ,
40 at a time and in a manner prescribed by the commission, as to
41 whether or not they have agreed upon a terminal procedure for
42 resolving the issues in dispute. Any terminal procedure mutually
43 agreed upon by the parties shall be reduced to writing, provide
44 for finality in resolving the issues in dispute, and shall be
45 submitted to the commission for approval.

46 (2) Notwithstanding the provisions of paragraph (2) of
47 subsection a. of this section or paragraph (1) of this subsection,
48 either party may petition the commission for arbitration on or
49 after the date on which their collective negotiation agreement
50 expires. The petition shall be filed in a manner and form
51 prescribed by the commission. The party filing the petition shall
52 notify the other party of its action. The notice shall be given in a
53 manner and form prescribed by the commission.

54 Within 10 days of the receipt of the notice by the

1 non-petitioning party, the parties shall notify the commission as
2 to whether or not they have agreed upon a terminal procedure for
3 resolving the issues in dispute. Any terminal procedure mutually
4 agreed upon by the parties shall be reduced to writing, provide
5 for finality in resolving the issues in dispute, and shall be
6 submitted to the commission for approval. If the parties fail to
7 agree on a terminal procedure, they shall be subject to the
8 provisions of subsection d. of this section.

9 c. Terminal procedures that are approvable include, but shall
10 not be limited to the following:

11 (1) Conventional arbitration of all unsettled items.

12 (2) Arbitration under which the award by an arbitrator or panel
13 of arbitrators is confined to a choice between (a) the last offer of
14 the employer and (b) the last offer of the employees'
15 representative, as a single package.

16 (3) Arbitration under which the award is confined to a choice
17 between (a) the last offer of the employer and (b) the last offer
18 of the employees' representative, on each issue in dispute, with
19 the decision on an issue-by-issue basis.

20 (4) If there is a factfinder's report with recommendations on
21 the issues in dispute, the parties may agree to arbitration under
22 which the award would be confined to a choice among three
23 positions: (a) the last offer of the employer as a single package,
24 (b) the last offer of the employees' representative as a single
25 package, or (c) the factfinder's recommendations as a single
26 package.

27 (5) If there is a factfinder's report with a recommendation on
28 each of the issues in dispute, the parties may agree to arbitration
29 under which the award would be confined to a choice on each
30 issue from among three positions: (a) the last offer of the
31 employer on the issue, (b) the employee representative's last
32 offer on the issue, or (c) the factfinder's recommendation on the
33 issue.

34 (6) Arbitration under which the award on the economic issues
35 in dispute is confined to a choice between (a) the last offer of the
36 employer on the economic issues as a single package and (b) the
37 employee representative's last offer on the economic issues as a
38 single package; and, on any noneconomic issues in dispute, the
39 award is confined to a choice between (a) the last offer of the
40 employer on each issue in dispute and (b) the employee
41 representative's last offer on that issue.

42 d. The following procedure shall be utilized if parties fail to
43 agree on a terminal procedure for the settlement of an impasse
44 dispute:

45 (1) In the event of a failure of the parties to agree upon an
46 acceptable terminal procedure [50 days prior to the public
47 employer's budget-submission date, no later than the aforesaid
48 time] the parties shall separately so notify the commission in
49 writing, indicating all issues in dispute and the reasons for their
50 inability to agree on the procedure. The substance of a written
51 notification shall not provide the basis for any delay in
52 effectuating the provisions of this subsection.

53 (2) Upon receipt of such notification from either party or on
54 the commission's own motion, the procedure to provide finality

1 for the resolution of issues in dispute shall be binding arbitration
2 under which the award [on the economic issues in dispute shall be
3 confined to a choice between: (a) the last offer of the employer
4 on such issues as a single package and (b) the employee
5 representative's last offer, on such issues, as a single package;
6 and, on the noneconomic issues in dispute, the award shall be
7 confined to a choice between: (a) the last offer of the employer
8 on each issue in dispute and (b) the employee representative's
9 last offer on such issue] on the unsettled issues is determined by
10 conventional arbitration. The arbitrator shall separately
11 determine whether the total net annual economic changes for
12 each year of the agreement are reasonable under the eight
13 statutory criteria set forth in subsection g. of this section.

14 e. (1) The commission shall take measures to assure the
15 impartial selection of an arbitrator or arbitrators from its special
16 panel of arbitrators. Unless the parties, in a time and manner
17 prescribed by the commission, mutually agree upon the selection
18 of an arbitrator from the commission's special panel of
19 arbitrators and so notify the commission in writing of that
20 selection, the assignment of any arbitrator for the purposes of
21 this act shall be the responsibility of the commission, independent
22 of and without any participation by either of the parties. The
23 commission shall select the arbitrator for assignment by lot.

24 In any proceeding where an arbitrator selected by mutual
25 agreement is unable to serve, the two parties shall be afforded an
26 opportunity to select a replacement. If the two parties are
27 unable to mutually agree upon the selection of a replacement
28 within a time period prescribed by the commission, the
29 commission shall select the replacement in the manner
30 hereinafter provided.

31 In any proceeding where an assigned arbitrator is unable to
32 serve or, pursuant to the preceding paragraph, the two parties are
33 unable to mutually agree upon a replacement, the commission
34 shall assign a replacement arbitrator. The assignment shall be
35 the responsibility of the commission, independent of and without
36 any participation by either of the parties. The commission shall
37 select the replacement arbitrator for assignment by lot.

38 (2) Appointment [of an arbitrator] to the commission's special
39 panel of arbitrators shall be for a [3-year] three-year term, with
40 reappointment contingent upon a screening process similar to
41 that used for determining initial appointments.

42 The commission may suspend, remove, or otherwise discipline
43 an arbitrator for a violation of P.L. 1977, c.85 (C.34:13A-14 et
44 seq.), section 4 of P.L. , c. (C.)(now pending before the
45 Legislature as this bill) or for good cause.

46 f. (1) [Prior to the arbitration proceedings] At a time
47 prescribed by the commission, the parties shall submit to the
48 arbitrator or tripartite panel of arbitrators [, pursuant to rules
49 and procedures established by the commission.] their final offers
50 [in two separate parts: (a) a single package containing all the
51 economic issues in dispute and (b) the individual issues in dispute
52 not included in the economic package, each set forth separately
53 by issue] on each economic and non-economic issue in dispute.

1 The offers submitted pursuant to this section shall be used by the
2 arbitrator for the purposes of determining an award pursuant to
3 paragraph (2) of subsection d. of this section. The commission
4 shall promulgate rules and procedures governing the submission of
5 the offers required under this paragraph, including when those
6 offers shall be deemed final, binding and irreversible.

7 (2) In the event of a dispute, the commission shall have the
8 power to decide which issues are economic issues. Economic
9 issues include those items which have a direct relation to
10 employee income including wages, salaries, hours in relation to
11 earnings, and other forms of compensation such as paid vacation,
12 paid holidays, health and medical insurance, and other economic
13 benefits to employees.

14 (3) Throughout formal arbitration proceedings the chosen
15 arbitrator or panel of arbitrators may mediate or assist the
16 parties in reaching a mutually agreeable settlement.

17 (4) Arbitration shall be limited to those subjects that are
18 within the required scope of collective negotiations, except that
19 the parties may agree to submit to arbitration one or more
20 permissive subjects of negotiation.

21 (5) The decision of an arbitrator or panel of arbitrators shall
22 include an opinion and an award, [which] and shall be rendered
23 within 120 days of the selection of the arbitrator by the mutual
24 agreement of both parties or the commission's assignment of
25 that arbitrator or panel of arbitrators, as the case may be,
26 pursuant to paragraph (1) of subsection e. of this section;
27 provided, however, the arbitrator or panel of arbitrators, for good
28 cause, may petition the commission for an extension of not more
29 than 60 days. The two parties, by mutual consent, may agree to
30 an extension. The parties shall notify the arbitrator and the
31 commission of any such agreement in writing. The notice shall
32 set forth the specific date on which the extension shall expire.
33 Any arbitrator or panel of arbitrators violating the provisions of
34 this paragraph may be subject to the commission's powers under
35 paragraph (2) of subsection e. of this section. The decision shall
36 be final and binding upon the parties and shall be irreversible,
37 except [where there is submitted to the court extrinsic evidence
38 upon which the court may vacate, modify or correct such award
39 pursuant to N.J.S.2A:24-7 et seq. or for failure to apply the facts
40 specified in subsection g. below] :

41 (a) Within 14 days of receiving an award, an aggrieved party
42 may file notice of an appeal of an award to the commission on
43 the grounds that the arbitrator failed to apply the criteria
44 specified in subsection g. of this section or violated the standards
45 set forth in N.J.S.2A:24-8 or N.J.S.2A:24-9. The appeal shall be
46 filed in a form and manner prescribed by the commission. In
47 deciding an appeal, the commission, pursuant to rule and
48 regulation and upon petition, may afford the parties the
49 opportunity to present oral arguments. The commission may
50 affirm, modify, correct or vacate the award or may, at its
51 discretion, remand the award to the same arbitrator or to another
52 arbitrator, selected by lot, for reconsideration. An aggrieved
53 party may appeal a decision of the commission to the Appellate
54 Division of the Superior Court.

1 (b) An award that is not appealed to the commission shall be
2 implemented immediately. An award that is appealed and not set
3 aside by the commission shall be implemented within 14 days of
4 the receipt of the commission's decision absent a stay.

5 (6) The parties shall bear the costs of arbitration subject to a
6 fee schedule approved by the commission.

7 g. The arbitrator or panel of arbitrators shall decide the
8 dispute based on a reasonable determination of the issues, giving
9 due weight to those factors listed below that are judged relevant
10 for the resolution of the specific dispute. In the award, the
11 arbitrator or panel of arbitrators shall indicate which of the
12 factors are deemed relevant, satisfactorily explain why the
13 others are not relevant, and provide an analysis of the evidence
14 on each relevant factor:

15 (1) The interests and welfare of the public. Among the items
16 the arbitrator or panel of arbitrators shall assess when
17 considering this factor are the limitations imposed upon the
18 employer by P.L.1976, c.68 (C.40A:4-45.1 et seq.).

19 (2) Comparison of the wages, salaries, hours, and conditions of
20 employment of the employees involved in the arbitration
21 proceedings with the wages, hours, and conditions of employment
22 of other employees performing the same or similar services and
23 with other employees generally:

24 (a) In private employment in general; provided, however, each
25 party shall have the right to submit additional evidence for the
26 arbitrator's consideration.

27 (b) In public employment in general; provided, however, each
28 party shall have the right to submit additional evidence for the
29 arbitrator's consideration.

30 (c) In public employment in the same or similar comparable
31 jurisdictions, as determined in accordance with section 5 of
32 P.L. , c. (C.) (now pending before the Legislature as this
33 bill); provided, however, that each party shall have the right to
34 submit additional evidence concerning the comparability of
35 jurisdictions for the arbitrator's consideration.

36 [(b) In comparable private employment.

37 (c) In public and private employment in general.]

38 (3) The overall compensation presently received by the
39 employees, inclusive of direct wages, salary, vacations, holidays,
40 excused leaves, insurance and pensions, medical and
41 hospitalization benefits, and all other economic benefits received.

42 (4) Stipulations of the parties.

43 (5) The lawful authority of the employer. Among the items
44 the arbitrator or panel of arbitrators shall assess when
45 considering this factor are the limitations imposed upon the
46 employer by P.L.1976, c.68 (C.40A:4-45.1 et seq.).

47 (6) The financial impact on the governing unit, its residents
48 and taxpayers. When considering this factor in a dispute in which
49 the public employer is a county or a municipality, the arbitrator
50 or panel of arbitrators shall take into account, to the extent that
51 evidence is introduced, how the award will affect the municipal
52 or county purposes element, as the case may be, of the local
53 property tax; a comparison of the percentage of the municipal
54 purposes element or, in the case of a county, the county purposes

1 element, required to fund the employees' contract in the
2 preceding local budget year with that required under the award
3 for the current local budget year; the impact of the award for
4 each income sector of the property taxpayers of the local unit;
5 the impact of the award on the ability of the governing body to
6 (a) maintain existing local programs and services, (b) expand
7 existing local programs and services for which public moneys
8 have been designated by the governing body in a proposed local
9 budget, or (c) initiate any new programs and services for which
10 public moneys have been designated by the governing body in a
11 proposed local budget.

12 (7) The cost of living.

13 (8) The continuity and stability of employment including
14 seniority rights and such other factors not confined to the
15 foregoing which are ordinarily or traditionally considered in the
16 determination of wages, hours, and conditions of employment
17 through collective negotiations and collective bargaining between
18 the parties in the public service and in private employment.

19 h. A mediator, factfinder, or arbitrator while functioning in a
20 mediatory capacity shall not be required to disclose any files,
21 records, reports, documents, or other papers classified as
22 confidential received or prepared by him or to testify with regard
23 to mediation, conducted by him under this act on behalf of any
24 party to any cause pending in any type of proceeding under this
25 act. Nothing contained herein shall exempt such an individual
26 from disclosing information relating to the commission of a crime.
27 (cf: P.L.1977, c.85, s.3)

28 4. (New section) The commission shall establish an annual
29 continuing education program for the arbitrators appointed to its
30 special panel of arbitrators. The program shall include sessions
31 or seminars on topics and issues of relevance and importance to
32 arbitrators serving on the commission's special panel of
33 arbitrators, such as public employer budgeting and finance, public
34 management and administration, employment trends and labor
35 costs in the public sector, pertinent court decisions, employment
36 issues relating to law enforcement officers and firefighters, and
37 such other topics as the commission shall deem appropriate and
38 necessary. In preparing the curriculum for the annual education
39 program required under this section, the commission shall solicit
40 suggestions from employees' representatives and public
41 employers concerning the topics and issues each of those parties
42 deem relevant and important.

43 Every arbitrator shall be required to participate in the
44 commission's continuing education program. If a mediator or an
45 arbitrator in any year fails to participate, the commission may
46 remove that person from its special panel of arbitrators. If an
47 arbitrator fails to participate in the continuing education
48 program for two consecutive years, the commission shall
49 immediately remove that individual from the special panel.

50 5. (New section) a. The commission shall promulgate
51 guidelines for determining the comparability of jurisdictions for
52 the purposes of paragraph (2) of subsection g. of section 3 of
53 P.L.1977, c.85 (C.34:13A-16).

54 b. The commission shall review the guidelines promulgated

1 under this section at least once every four years and may modify
2 or amend them as is deemed necessary; provided, however, that
3 the commission shall review and modify those guidelines in each
4 year in which a federal decennial census becomes effective
5 pursuant to R.S.52:4-1.

6 6. (New section) The commission may establish a fee schedule
7 to cover the costs of effectuating the provisions of P.L.1977, c.85
8 (C.34:13A-14 et seq.), as amended and supplemented; provided,
9 however, that the fees so assessed shall not exceed the
10 commission's actual cost of effectuating those provisions.

11 7. (New section) The commission shall submit biennial reports
12 to the Governor and the Legislature on the effects of this
13 amendatory and supplementary act on the negotiations and
14 settlements between local governmental units and their public
15 police departments and public fire departments and to include
16 with that report any recommendations it may have for changes in
17 the law. The reports required under this section shall be
18 submitted in January of even numbered years.

19 8. (New section) The commission, in accordance with the
20 provisions of the "Administrative Procedure Act," P.L.1968,
21 c.410 (C.52:14B-1 et seq.), shall promulgate rules and regulations
22 to effectuate the purposes of this act.

23 9. (New section) Beginning on the July 1 next following the
24 enactment of P.L. , c. (C.) (now pending before the
25 Legislature as this bill) and each July 1 thereafter, the New
26 Jersey Public Employment Relations Commission shall perform,
27 or cause to be performed, a survey of private sector wage
28 increases for use by all interested parties in public sector wage
29 negotiations. The survey shall include information on a Statewide
30 and countywide basis. The survey shall be completed by
31 September 1 next following enactment and by September 1 of
32 each year thereafter. The survey shall be a public document and
33 the commission shall make it available to all interested parties at
34 a cost not exceeding the actual cost of producing the survey.

35 10. Section 7 of P.L.1977, c.85 (C.34:13A-20) is repealed.

36 11. This act shall take effect immediately and shall apply to
37 all collective negotiations between public fire and police
38 departments and the exclusive representatives of their public
39 employers except those formal arbitration proceedings in which
40 the arbitrator has, prior to the effective date of this act, taken
41 testimony from the parties; provided, however, in any collective
42 negotiation where there has occurred prior to the effective date
43 of this act mediation, factfinding, the selection of an arbitrator,
44 or agreement of a terminal procedure, those actions shall remain
45 valid and in force for the remainder of the collective
46 negotiations, which shall be subject to the provisions of this act;
47 and further provided, the commission may modify or waive the
48 mandatory meeting requirement set forth in subsection a. of
49 section 3 of P.L.1977, c.85 (C.34:13A-16) if this act takes effect
50 less than 120 days immediately preceding the expiration of a
51 collective negotiation agreement.

1 SPONSOR'S STATEMENT
2

3 This bill revises P.L.1977, c.85 (C.34:13A-14 et seq.), the
4 statute that provides for the compulsory arbitration of labor
5 disputes involving public employers and their police and fire
6 departments. The revisions reflect recent decisions by the New
7 Jersey Supreme Court and the Appellate Division of the Superior
8 Court.

9 Among the key revisions are:

10 • The bill requires that the public employer and the unions
11 meet at least three times during the 120 day period immediately
12 prior to the termination of their collective bargaining agreement.

13 • Although mediation and factfinding are available to the
14 parties, the bill permits either party to petition for arbitration
15 once their collective bargaining agreement expires.

16 • The bill mandates that arbitrators explain which factors they
17 consider relevant and which they did not when making an award.
18 The bill also directs arbitrators to consider the implications of
19 P.L.1976, c.68 (C.40A:4-45.1 et seq.) (the local cap law) when
20 making an award and the effect of the award on local property
21 taxes, taxpayers, and the ability of the local unit to maintain
22 existing programs and services.

23 • The bill authorizes the Public Employment Relations
24 Commission to develop guidelines for determining the
25 comparability of jurisdictions that may be used by an arbitrator
26 as one of the factors considered when determining an award.

27 • The bill requires that the arbitrator issue his award within
28 120 days of the beginning of the arbitration process, but does
29 permit the parties, by mutual agreement, to extend the
30 proceedings beyond that 120 days.

31 • The bill establishes an aggrieved party's right to appeal an
32 award to the commission. The commission may affirm, modify,
33 correct, or vacate an award, or may remand it for
34 reconsideration. A decision of the commission may be directly
35 appealed to the Appellate Division of the Superior Court.

36 • The bill provides that beginning with the July 1 following
37 enactment, and each July 1 thereafter, the commission shall
38 prepare, or have prepared, a survey of private sector salaried
39 wage increases to be used in public sector wage negotiations.
40 The survey is to be completed by September 1st each year and be
41 available, as a public document, to interested parties at a cost
42 not exceeding the actual cost of producing the survey.

43 • The bill specifies that arbitrators be selected by lot (but
44 permits the parties to select an arbitrator by mutual agreement),
45 mandates a continuing education program for arbitrators and
46 grants the commission greater oversight and disciplinary powers
47 with regard to arbitrators.

48 • The bill authorizes the commission to assess public employers
49 and public employees for the costs incurred by the commission in
50 resolving disputes. The bill specifies, however, that the fees
51 charged may not exceed the actual costs the commission incurs in
52 providing mediation, factfinding, arbitration and any other
53 services.

1 • The bill establishes conventional arbitration as the terminal
2 procedure to be utilized when a local governing body and the
3 bargaining unit for its police or fire department are at impasse
4 and unable to reach a new collective agreement (contract).

5 Finally, the effective date specifies that the bill's revisions
6 and provisions apply to all collective negotiations between public
7 fire and police departments and their public employers except
8 those where the parties are engaged in formal arbitration
9 proceedings in which the arbitrator has, prior to the effective
10 date of the act, taken testimony. There is, however, one
11 qualification to that exception: In those cases where the two
12 parties have begun negotiations and, prior to the effective date
13 of the act, there has occurred mediation, factfinding, the
14 selection of an arbitrator, or an agreement as to a terminal
15 procedure, those actions are to remain valid and in force, but the
16 remainder of the negotiating process is to be subject to the
17 revisions and provisions of the act.

18

19

20

21

22 Revises law governing compulsory arbitration for public fire and
23 police departments.