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By: Montgomery County Delegation

Introduced and read first time: February 6, 2002

Assigned to: Commerce and Government Matters Reassigned: Appropriations, February 12, 2002

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 22, 2002

CHAPTER

## 1 AN ACT concerning

8

Housing Opportunities Commission of Montgomery County - Binding
Arbitration
MC 209-02

- 5 FOR the purpose of requiring that collective bargaining between the Housing
- 6 Opportunities Commission of Montgomery County and the exclusive
- 7 representative of a bargaining unit for Commission employees begin each year
  - not later than a certain date and end not later than a certain date; requiring
- 9 that negotiations be conducted in good faith; establishing a procedure for
- 10 resolving a negotiability dispute; repealing certain provisions authorizing the
- appointment of a fact finder and the use of fact-finding procedures when there
- is an impasse in collective bargaining between the Commission and the
- exclusive representative; establishing procedures requiring the appointment of
- a mediator-arbitrator and binding arbitration when there is an impasse; setting
- 15 certain deadlines; requiring the mediator-arbitrator to take certain actions in
- determining a final reasonable offer; requiring the mediator-arbitrator to direct
- 17 the parties to submit certain memoranda outlining previous offers and
- agreements and hold a nonpublic hearing to consider the proposals submitted by
- 19 the parties; limiting the items which the mediator-arbitrator may consider in
- selecting a final offer; prohibiting the arbitrator from compromising or altering
- 21 the final offer selected; providing that the parties need not ratify, but must
- execute, the final offer; providing that the economic terms of the final offer are
- 23 subject to being funded by the Housing Opportunities Commission of
- 24 Montgomery County Council; requiring the Commission to request appropriate
- 25 funds for all economic provisions of the final agreement in the Commission's
- 26 final budget; requiring the parties to reopen negotiations if the county council

### **HOUSE BILL 710**

- 1 Commission does not fund all provisions of the final agreement; providing for
- 2 the treatment of the final offer; requiring the parties to share equally in paying
- 3 the costs of arbitration; making certain stylistic changes; providing for the
- 4 application of this Act; and generally relating to procedures for the appointment
- 5 of a mediator-arbitrator and binding arbitration in collective bargaining
- 6 between the Housing Opportunities Commission of Montgomery County and the
- 7 exclusive representative of a bargaining unit for Commission employees.

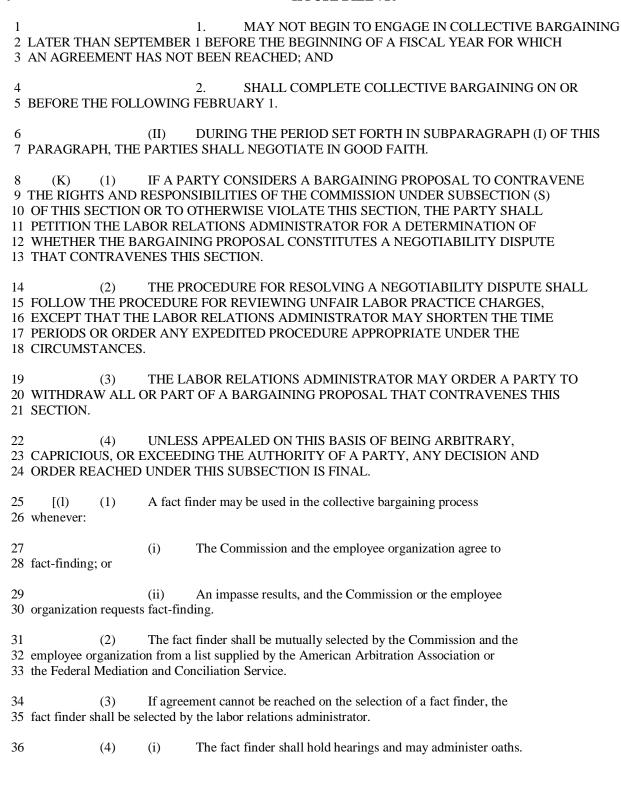
## 8 BY renumbering

- 9 Article 44A Housing Authorities
- 10 Section 2-106(k), (m), (n), (o), (p), (q), (r), (s), (t), and (u), respectively
- 11 to be 2-106(m), (n), (o), (p), (q), (r), (s), (t), (u), and (v), respectively
- 12 Annotated Code of Maryland
- 13 (1998 Replacement Volume and 2001 Supplement)
- 14 BY repealing and reenacting, with amendments,
- 15 Article 44A Housing Authorities
- 16 Section 2-106(j)
- 17 Annotated Code of Maryland
- 18 (1998 Replacement Volume and 2001 Supplement)
- 19 BY adding to
- 20 Article 44A Housing Authorities
- 21 Section 2-106(k) and (l)
- 22 Annotated Code of Maryland
- 23 (1998 Replacement Volume and 2001 Supplement)
- 24 BY repealing
- 25 Article 44A Housing Authorities
- 26 Section 2-106(1)
- 27 Annotated Code of Maryland
- 28 (1998 Replacement Volume and 2001 Supplement)
- 29 BY repealing and reenacting, with amendments,
- 30 Article 44A Housing Authorities
- 31 Section 2-106(o)(2) and (p)
- 32 Annotated Code of Maryland
- 33 (1998 Replacement Volume and 2001 Supplement)
- 34 (As enacted by Section 1 of this Act)
- 35 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
- 36 MARYLAND, That Section(s) 2-106(k), (m), (n), (o), (p), (q), (r), (s), (t), and (u),
- 37 respectively, of Article 44A Housing Authorities of the Annotated Code of Maryland
- 38 be renumbered to be Section(s) 2-106(m), (n), (o), (p), (q), (r), (s), (t), (u), and (v),
- 39 respectively.

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1 2	SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:			
3	Article 44A - Housing Authorities			
4	2-106.			
	(j) (1) The Commission and an employee organization certified as exclusive representative shall meet and engage in collective bargaining in good faith in regard to the following subjects of bargaining:			
10	(i) Salary and wages, including the percentage of the increase in the salary and wages budget that will be devoted to merit increments and cash awards, provided that salaries and wages shall be uniform for all employees in the same classification;			
12	(i	i)	Pension	and other retirement benefits for active employees;
13 14	(iii) Employee benefits such as insurance, leave, holidays, and vacations;			
15	(i	v)	Hours ar	nd working conditions;
	(v) Provisions for the orderly processing and settlement of grievances concerning the interpretation and implementation of a collective bargaining agreement that may include:			
19			1.	Binding third party arbitration, provided that:
20 21	costs of binding arbitra		A. ıally; and	The Commission and the employee organization share the
22 23	subtract from the provis		B. the colle	The arbitrator has no authority to amend, add to, or ective bargaining agreement; and
24			2.	Provisions for the exclusivity of forum;
25	(1	vi)	Matters	affecting the health and safety of employees; and
26 27				ct of the exercise of the Commission's rights and Q) of this section on employees.
28 29	(2) This subsection does not require the Commission or the employee organization to agree to any proposal or to make any concession.			
32 33	(3) (I) [The Commission and an employee organization certified as exclusive representative shall make every reasonable effort to complete negotiations at least 2 months prior to the Commission's budget submittal deadline.] THE COMMISSION AND AN EMPLOYEE ORGANIZATION CERTIFIED AS EXCLUSIVE REPRESENTATIVE:			

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**HOUSE BILL 710** 1 Within 30 days after appointment, the fact finder shall give to (ii) 2 the Commission and the employee organization a written report with findings and 3 recommendations to resolve the impasse. If the impasse continues for 10 days after submission of the fact 5 finder's report, the fact finder shall make the report available to the public. The Commission and the employee organization shall share equally 6 (6) 7 the costs of the fact finder.] IF THE PARTIES HAVE NOT REACHED AN AGREEMENT ON OR 8 (L) (1) (I) 9 BEFORE DECEMBER 1 ON A COLLECTIVE BARGAINING AGREEMENT THAT WOULD 10 BECOME EFFECTIVE THE FOLLOWING JULY 1, THE PARTIES SHALL JOINTLY APPOINT 11 A MEDIATOR-ARBITRATOR. (II)IF THE PARTIES ARE UNABLE TO AGREE ON A 13 MEDIATOR-ARBITRATOR, THE LABOR RELATIONS ADMINISTRATOR SHALL NAME THE 14 MEDIATOR-ARBITRATOR ON OR BEFORE DECEMBER 7. 15 NOTWITHSTANDING APPOINTMENT OF THE (III)16 MEDIATOR-ARBITRATOR, NOTHING IN THIS SUBSECTION SHALL REQUIRE 17 COMMENCEMENT OF MEDIATION-ARBITRATION PRIOR TO THE DATE SET FORTH IN 18 PARAGRAPH (3) OF THIS SUBSECTION. 19 DURING THE COURSE OF THE COLLECTIVE BARGAINING EITHER 20 PARTY MAY DECLARE AN IMPASSE AND REQUEST THE SERVICES OF THE 21 MEDIATOR-ARBITRATOR, OR THE PARTIES MAY JOINTLY REQUEST THE SERVICES OF 22 A MEDIATOR-ARBITRATOR BEFORE AN IMPASSE IS DECLARED. IF THE MEDIATOR-ARBITRATOR FINDS IN THE 23 (3) 24 MEDIATOR-ARBITRATOR'S SOLE DISCRETION THAT THE PARTIES ARE AT A BONA 25 FIDE IMPASSE OR ON FEBRUARY 1, WHICHEVER OCCURS EARLIER, THE 26 MEDIATOR-ARBITRATOR SHALL DIRECT THE PARTIES TO SUBMIT: 27 A JOINT MEMORANDUM LISTING ALL ITEMS TO WHICH THE (I) 28 PARTIES PREVIOUSLY AGREED; AND A SEPARATE MEMORANDUM OF THE PARTY'S LAST FINAL 30 OFFER PRESENTED IN NEGOTIATIONS ON ALL ITEMS TO WHICH THE PARTIES DID 31 NOT PREVIOUSLY AGREE. ON OR BEFORE FEBRUARY 10, THE MEDIATOR-ARBITRATOR 32 (I) (4) 33 SHALL HOLD A NONPUBLIC HEARING ON THE PARTIES' PROPOSALS AT A TIME, DATE, 34 AND PLACE SELECTED BY THE MEDIATOR-ARBITRATOR. 35 EACH PARTY SHALL SUBMIT EVIDENCE OR MAKE ORAL AND (II)36 WRITTEN ARGUMENT IN SUPPORT OF THE PARTY'S LAST FINAL OFFER.

38 A PERSON WHO IS NOT A PARTY TO THE MEDIATION-ARBITRATION.

THE MEDIATOR-ARBITRATOR MAY NOT OPEN THE HEARING TO

6 **HOUSE BILL 710** ON OR BEFORE FEBRUARY 15, THE MEDIATOR-ARBITRATOR (5) (I)2 SHALL ISSUE A REPORT SELECTING BETWEEN THE FINAL OFFERS SUBMITTED BY 3 THE PARTIES, EXCLUSIVE OF WAGES, THAT THE MEDIATOR-ARBITRATOR 4 DETERMINES TO BE MORE REASONABLE, VIEWED AS A WHOLE. IN DETERMINING THE MORE REASONABLE OFFER, THE (II)6 MEDIATOR-ARBITRATOR MAY CONSIDER ONLY THE FOLLOWING FACTORS: PAST COLLECTIVE BARGAINING CONTRACTS BETWEEN 8 THE PARTIES, INCLUDING THE PAST BARGAINING HISTORY THAT LED TO THE 9 AGREEMENT OR THE PRECOLLECTIVE BARGAINING HISTORY OF EMPLOYEE WAGES. 10 HOURS, BENEFITS, AND OTHER WORKING CONDITIONS: 11 A COMPARISON OF WAGES, HOURS, BENEFITS, AND 12 CONDITIONS OF EMPLOYMENT OF SIMILAR EMPLOYEES OF OTHER PUBLIC 13 EMPLOYERS IN THE WASHINGTON METROPOLITAN AREA AND IN THE STATE; 14 A COMPARISON OF WAGES, HOURS, BENEFITS, AND 15 CONDITIONS OF EMPLOYMENT OF SIMILAR EMPLOYEES OF PRIVATE EMPLOYERS IN 16 MONTGOMERY COUNTY; 17 THE PUBLIC INTEREST AND WELFARE: THE ABILITY OF THE EMPLOYER TO FINANCE ANY 19 ECONOMIC ADJUSTMENTS REQUIRED UNDER THE PROPOSED AGREEMENT: THE EFFECTS OF ANY ECONOMIC ADJUSTMENTS ON THE 21 STANDARD OF PUBLIC SERVICES NORMALLY PROVIDED BY THE EMPLOYER; AND 22 THE ANNUAL INCREASE OR DECREASE IN CONSUMER 23 PRICES FOR ALL ITEMS AS REFLECTED IN THE MOST RECENT CONSUMER PRICE 24 INDEX - WAGE EARNERS AND CLERICAL WORKERS ("CPI-W") FOR THE 25 WASHINGTON-BALTIMORE METROPOLITAN AREA. IN DETERMINING THE MOST REASONABLE OFFER, THE 26 (III)27 MEDIATOR-ARBITRATOR SHALL CONSIDER TO BE INTEGRATED WITH EACH OFFER 28 ALL ITEMS ON WHICH THE PARTIES AGREED PRIOR TO THE 29 MEDIATION-ARBITRATION. THE MEDIATOR-ARBITRATOR MAY NOT RECEIVE OR CONSIDER 30 31 THE HISTORY OF COLLECTIVE BARGAINING RELATING TO THE IMMEDIATE DISPUTE, 32 INCLUDING ANY OFFERS OF SETTLEMENT NOT CONTAINED IN THE OFFER 33 SUBMITTED TO THE MEDIATOR-ARBITRATOR. 34 (6) THE MEDIATOR-ARBITRATOR MAY NOT COMPROMISE OR ALTER THE 35 FINAL OFFER THAT THE MEDIATOR-ARBITRATOR SELECTS.

SUBJECT TO SUB-SUBPARAGRAPH 2 OF THIS

(7)

(I)

1.

37 SUBPARAGRAPH, WITHOUT RATIFICATION BY THE PARTIES, THE OFFER SELECTED 38 BY THE MEDIATOR-ARBITRATOR, AS INTEGRATED WITH THE ITEMS ON WHICH THE

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- 1 PARTIES PREVIOUSLY AGREED, SHALL BE THE FINAL AGREEMENT BETWEEN THE
- 2 COMMISSION AND THE EXCLUSIVE REPRESENTATIVE.
- 3 2. THE ECONOMIC PROVISIONS OF THE FINAL AGREEMENT
- 4 ARE SUBJECT TO FUNDING BY THE HOUSING OPPORTUNITIES COMMISSION OF
- 5 MONTGOMERY COUNTY COUNCIL.
- 6 3. THE COMMISSION SHALL REQUEST APPROPRIATE FUNDS
- 7 IN THE COMMISSION'S FINAL BUDGET FROM THE MONTGOMERY COUNTY COUNCIL
- 8 FOR ALL ECONOMIC PROVISIONS OF THE FINAL AGREEMENT.
- 9 (II) THE PARTIES SHALL EXECUTE AN AGREEMENT
- 10 INCORPORATING THE FINAL AGREEMENT, INCLUDING ARBITRATION AWARDS AND
- 11 ALL ISSUES AGREED TO UNDER THIS SECTION.
- 12 (8) THE COMMISSION AND THE EMPLOYEE ORGANIZATION SHALL
- 13 SHARE EQUALLY IN PAYING THE COSTS OF THE ARBITRATOR'S SERVICES.
- 14 (o) (2) Unless the Commission's budget is funded adequately so as to
- 15 fimplement APPROVE the terms of the collective bargaining agreement, the
- 16 Commission [or an] AND THE employee organization, within [20] 5 days after [final
- 17 budget action, may give written notice to the other party that it is reopening THE
- 18 MONTGOMERY COUNTY COUNCIL MEETING FINAL BUDGET OF THE HOUSING
- 19 OPPORTUNITIES COMMISSION HAS BEEN ADOPTED, SHALL REOPEN the negotiated
- 20 agreement AND BARGAIN WITH RESPECT TO THE PROVISIONS OF THE AGREEMENT
- 21 NOT APPROVED BY THE COUNTY COUNCIL COMMISSION.
- 22 (p) If a provision in a collective bargaining agreement is ruled invalid or is not
- 23 funded adequately, the remainder of the agreement remains in effect unless reopened
- 24 under subsection [(n)(2)](O)(2) of this section.
- 25 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 26 October 1, 2002 and shall apply to all bargaining cycles that begin after the effective
- 27 date of this Act.