



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB1490

by Rep. Dwight Kay

#### SYNOPSIS AS INTRODUCED:

5 ILCS 315/14

from Ch. 48, par. 1614

Amends the Illinois Public Labor Relations Act. Provides that arbitration panels hearing security employee, peace officer, firefighter, and paramedic disputes must not take into consideration the ability of a unit of government to raise taxes or impose new taxes when determining the financial ability of that unit of government to pay the costs associated with those employees' wages and other conditions of employment. Effective immediately.

LRB098 05065 JDS 35096 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning government.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Illinois Public Labor Relations Act is  
5 amended by changing Section 14 as follows:

6 (5 ILCS 315/14) (from Ch. 48, par. 1614)

7 Sec. 14. Security Employee, Peace Officer and Fire Fighter  
8 Disputes.

9 (a) In the case of collective bargaining agreements  
10 involving units of security employees of a public employer,  
11 Peace Officer Units, or units of fire fighters or paramedics,  
12 and in the case of disputes under Section 18, unless the  
13 parties mutually agree to some other time limit, mediation  
14 shall commence 30 days prior to the expiration date of such  
15 agreement or at such later time as the mediation services  
16 chosen under subsection (b) of Section 12 can be provided to  
17 the parties. In the case of negotiations for an initial  
18 collective bargaining agreement, mediation shall commence upon  
19 15 days notice from either party or at such later time as the  
20 mediation services chosen pursuant to subsection (b) of Section  
21 12 can be provided to the parties. In mediation under this  
22 Section, if either party requests the use of mediation services  
23 from the Federal Mediation and Conciliation Service, the other

1 party shall either join in such request or bear the additional  
2 cost of mediation services from another source. The mediator  
3 shall have a duty to keep the Board informed on the progress of  
4 the mediation. If any dispute has not been resolved within 15  
5 days after the first meeting of the parties and the mediator,  
6 or within such other time limit as may be mutually agreed upon  
7 by the parties, either the exclusive representative or employer  
8 may request of the other, in writing, arbitration, and shall  
9 submit a copy of the request to the Board.

10 (b) Within 10 days after such a request for arbitration has  
11 been made, the employer shall choose a delegate and the  
12 employees' exclusive representative shall choose a delegate to  
13 a panel of arbitration as provided in this Section. The  
14 employer and employees shall forthwith advise the other and the  
15 Board of their selections.

16 (c) Within 7 days after the request of either party, the  
17 parties shall request a panel of impartial arbitrators from  
18 which they shall select the neutral chairman according to the  
19 procedures provided in this Section. If the parties have agreed  
20 to a contract that contains a grievance resolution procedure as  
21 provided in Section 8, the chairman shall be selected using  
22 their agreed contract procedure unless they mutually agree to  
23 another procedure. If the parties fail to notify the Board of  
24 their selection of neutral chairman within 7 days after receipt  
25 of the list of impartial arbitrators, the Board shall appoint,  
26 at random, a neutral chairman from the list. In the absence of

1 an agreed contract procedure for selecting an impartial  
2 arbitrator, either party may request a panel from the Board.  
3 Within 7 days of the request of either party, the Board shall  
4 select from the Public Employees Labor Mediation Roster 7  
5 persons who are on the labor arbitration panels of either the  
6 American Arbitration Association or the Federal Mediation and  
7 Conciliation Service, or who are members of the National  
8 Academy of Arbitrators, as nominees for impartial arbitrator of  
9 the arbitration panel. The parties may select an individual on  
10 the list provided by the Board or any other individual mutually  
11 agreed upon by the parties. Within 7 days following the receipt  
12 of the list, the parties shall notify the Board of the person  
13 they have selected. Unless the parties agree on an alternate  
14 selection procedure, they shall alternatively strike one name  
15 from the list provided by the Board until only one name  
16 remains. A coin toss shall determine which party shall strike  
17 the first name. If the parties fail to notify the Board in a  
18 timely manner of their selection for neutral chairman, the  
19 Board shall appoint a neutral chairman from the Illinois Public  
20 Employees Mediation/Arbitration Roster.

21 (d) The chairman shall call a hearing to begin within 15  
22 days and give reasonable notice of the time and place of the  
23 hearing. The hearing shall be held at the offices of the Board  
24 or at such other location as the Board deems appropriate. The  
25 chairman shall preside over the hearing and shall take  
26 testimony. Any oral or documentary evidence and other data

1 deemed relevant by the arbitration panel may be received in  
2 evidence. The proceedings shall be informal. Technical rules of  
3 evidence shall not apply and the competency of the evidence  
4 shall not thereby be deemed impaired. A verbatim record of the  
5 proceedings shall be made and the arbitrator shall arrange for  
6 the necessary recording service. Transcripts may be ordered at  
7 the expense of the party ordering them, but the transcripts  
8 shall not be necessary for a decision by the arbitration panel.  
9 The expense of the proceedings, including a fee for the  
10 chairman, established in advance by the Board, shall be borne  
11 equally by each of the parties to the dispute. The delegates,  
12 if public officers or employees, shall continue on the payroll  
13 of the public employer without loss of pay. The hearing  
14 conducted by the arbitration panel may be adjourned from time  
15 to time, but unless otherwise agreed by the parties, shall be  
16 concluded within 30 days of the time of its commencement.  
17 Majority actions and rulings shall constitute the actions and  
18 rulings of the arbitration panel. Arbitration proceedings  
19 under this Section shall not be interrupted or terminated by  
20 reason of any unfair labor practice charge filed by either  
21 party at any time.

22 (e) The arbitration panel may administer oaths, require the  
23 attendance of witnesses, and the production of such books,  
24 papers, contracts, agreements and documents as may be deemed by  
25 it material to a just determination of the issues in dispute,  
26 and for such purpose may issue subpoenas. If any person refuses

1 to obey a subpoena, or refuses to be sworn or to testify, or if  
2 any witness, party or attorney is guilty of any contempt while  
3 in attendance at any hearing, the arbitration panel may, or the  
4 attorney general if requested shall, invoke the aid of any  
5 circuit court within the jurisdiction in which the hearing is  
6 being held, which court shall issue an appropriate order. Any  
7 failure to obey the order may be punished by the court as  
8 contempt.

9 (f) At any time before the rendering of an award, the  
10 chairman of the arbitration panel, if he is of the opinion that  
11 it would be useful or beneficial to do so, may remand the  
12 dispute to the parties for further collective bargaining for a  
13 period not to exceed 2 weeks. If the dispute is remanded for  
14 further collective bargaining the time provisions of this Act  
15 shall be extended for a time period equal to that of the  
16 remand. The chairman of the panel of arbitration shall notify  
17 the Board of the remand.

18 (g) At or before the conclusion of the hearing held  
19 pursuant to subsection (d), the arbitration panel shall  
20 identify the economic issues in dispute, and direct each of the  
21 parties to submit, within such time limit as the panel shall  
22 prescribe, to the arbitration panel and to each other its last  
23 offer of settlement on each economic issue. The determination  
24 of the arbitration panel as to the issues in dispute and as to  
25 which of these issues are economic shall be conclusive. The  
26 arbitration panel, within 30 days after the conclusion of the

1 hearing, or such further additional periods to which the  
2 parties may agree, shall make written findings of fact and  
3 promulgate a written opinion and shall mail or otherwise  
4 deliver a true copy thereof to the parties and their  
5 representatives and to the Board. As to each economic issue,  
6 the arbitration panel shall adopt the last offer of settlement  
7 which, in the opinion of the arbitration panel, more nearly  
8 complies with the applicable factors prescribed in subsection  
9 (h). The findings, opinions and order as to all other issues  
10 shall be based upon the applicable factors prescribed in  
11 subsection (h).

12 (h) Where there is no agreement between the parties, or  
13 where there is an agreement but the parties have begun  
14 negotiations or discussions looking to a new agreement or  
15 amendment of the existing agreement, and wage rates or other  
16 conditions of employment under the proposed new or amended  
17 agreement are in dispute, the arbitration panel shall base its  
18 findings, opinions and order upon the following factors, as  
19 applicable:

20 (1) The lawful authority of the employer.

21 (2) Stipulations of the parties.

22 (3) The interests and welfare of the public and the  
23 financial ability of the unit of government to meet those  
24 costs, but only with respect to existing revenues and  
25 without any consideration of the ability of the unit of  
26 government to raise taxes or impose new taxes in order to

1       meet those costs.

2           (4) Comparison of the wages, hours and conditions of  
3       employment of the employees involved in the arbitration  
4       proceeding with the wages, hours and conditions of  
5       employment of other employees performing similar services  
6       and with other employees generally:

7           (A)     In     public     employment     in     comparable  
8       communities.

9           (B)     In     private     employment     in     comparable  
10       communities.

11          (5) The average consumer prices for goods and services,  
12       commonly known as the cost of living.

13          (6) The overall compensation presently received by the  
14       employees, including direct wage compensation, vacations,  
15       holidays and other excused time, insurance and pensions,  
16       medical and hospitalization benefits, the continuity and  
17       stability of employment and all other benefits received.

18          (7) Changes in any of the foregoing circumstances  
19       during the pendency of the arbitration proceedings.

20          (8) Such other factors, not confined to the foregoing,  
21       which are normally or traditionally taken into  
22       consideration in the determination of wages, hours and  
23       conditions of employment through voluntary collective  
24       bargaining, mediation, fact-finding, arbitration or  
25       otherwise between the parties, in the public service or in  
26       private employment.



1           (i) In the case of peace officers, the arbitration decision  
2 shall be limited to wages, hours, and conditions of employment  
3 (which may include residency requirements in municipalities  
4 with a population under 1,000,000, but those residency  
5 requirements shall not allow residency outside of Illinois) and  
6 shall not include the following: i) residency requirements in  
7 municipalities with a population of at least 1,000,000; ii) the  
8 type of equipment, other than uniforms, issued or used; iii)  
9 manning; iv) the total number of employees employed by the  
10 department; v) mutual aid and assistance agreements to other  
11 units of government; and vi) the criterion pursuant to which  
12 force, including deadly force, can be used; provided, nothing  
13 herein shall preclude an arbitration decision regarding  
14 equipment or manning levels if such decision is based on a  
15 finding that the equipment or manning considerations in a  
16 specific work assignment involve a serious risk to the safety  
17 of a peace officer beyond that which is inherent in the normal  
18 performance of police duties. Limitation of the terms of the  
19 arbitration decision pursuant to this subsection shall not be  
20 construed to limit the factors upon which the decision may be  
21 based, as set forth in subsection (h).

22           In the case of fire fighter, and fire department or fire  
23 district paramedic matters, the arbitration decision shall be  
24 limited to wages, hours, and conditions of employment (which  
25 may include residency requirements in municipalities with a  
26 population under 1,000,000, but those residency requirements

1 shall not allow residency outside of Illinois) and shall not  
2 include the following matters: i) residency requirements in  
3 municipalities with a population of at least 1,000,000; ii) the  
4 type of equipment (other than uniforms and fire fighter turnout  
5 gear) issued or used; iii) the total number of employees  
6 employed by the department; iv) mutual aid and assistance  
7 agreements to other units of government; and v) the criterion  
8 pursuant to which force, including deadly force, can be used;  
9 provided, however, nothing herein shall preclude an  
10 arbitration decision regarding equipment levels if such  
11 decision is based on a finding that the equipment  
12 considerations in a specific work assignment involve a serious  
13 risk to the safety of a fire fighter beyond that which is  
14 inherent in the normal performance of fire fighter duties.  
15 Limitation of the terms of the arbitration decision pursuant to  
16 this subsection shall not be construed to limit the facts upon  
17 which the decision may be based, as set forth in subsection  
18 (h).

19 The changes to this subsection (i) made by Public Act  
20 90-385 (relating to residency requirements) do not apply to  
21 persons who are employed by a combined department that performs  
22 both police and firefighting services; these persons shall be  
23 governed by the provisions of this subsection (i) relating to  
24 peace officers, as they existed before the amendment by Public  
25 Act 90-385.

26 To preserve historical bargaining rights, this subsection

1 shall not apply to any provision of a fire fighter collective  
2 bargaining agreement in effect and applicable on the effective  
3 date of this Act; provided, however, nothing herein shall  
4 preclude arbitration with respect to any such provision.

5 (j) Arbitration procedures shall be deemed to be initiated  
6 by the filing of a letter requesting mediation as required  
7 under subsection (a) of this Section. The commencement of a new  
8 municipal fiscal year after the initiation of arbitration  
9 procedures under this Act, but before the arbitration decision,  
10 or its enforcement, shall not be deemed to render a dispute  
11 moot, or to otherwise impair the jurisdiction or authority of  
12 the arbitration panel or its decision. Increases in rates of  
13 compensation awarded by the arbitration panel may be effective  
14 only at the start of the fiscal year next commencing after the  
15 date of the arbitration award. If a new fiscal year has  
16 commenced either since the initiation of arbitration  
17 procedures under this Act or since any mutually agreed  
18 extension of the statutorily required period of mediation under  
19 this Act by the parties to the labor dispute causing a delay in  
20 the initiation of arbitration, the foregoing limitations shall  
21 be inapplicable, and such awarded increases may be retroactive  
22 to the commencement of the fiscal year, any other statute or  
23 charter provisions to the contrary, notwithstanding. At any  
24 time the parties, by stipulation, may amend or modify an award  
25 of arbitration.

26 (k) Orders of the arbitration panel shall be reviewable,

1 upon appropriate petition by either the public employer or the  
2 exclusive bargaining representative, by the circuit court for  
3 the county in which the dispute arose or in which a majority of  
4 the affected employees reside, but only for reasons that the  
5 arbitration panel was without or exceeded its statutory  
6 authority; the order is arbitrary, or capricious; or the order  
7 was procured by fraud, collusion or other similar and unlawful  
8 means. Such petitions for review must be filed with the  
9 appropriate circuit court within 90 days following the issuance  
10 of the arbitration order. The pendency of such proceeding for  
11 review shall not automatically stay the order of the  
12 arbitration panel. The party against whom the final decision of  
13 any such court shall be adverse, if such court finds such  
14 appeal or petition to be frivolous, shall pay reasonable  
15 attorneys' fees and costs to the successful party as determined  
16 by said court in its discretion. If said court's decision  
17 affirms the award of money, such award, if retroactive, shall  
18 bear interest at the rate of 12 percent per annum from the  
19 effective retroactive date.

20 (1) During the pendency of proceedings before the  
21 arbitration panel, existing wages, hours, and other conditions  
22 of employment shall not be changed by action of either party  
23 without the consent of the other but a party may so consent  
24 without prejudice to his rights or position under this Act. The  
25 proceedings are deemed to be pending before the arbitration  
26 panel upon the initiation of arbitration procedures under this

1 Act.

2 (m) Security officers of public employers, and Peace  
3 Officers, Fire Fighters and fire department and fire protection  
4 district paramedics, covered by this Section may not withhold  
5 services, nor may public employers lock out or prevent such  
6 employees from performing services at any time.

7 (n) All of the terms decided upon by the arbitration panel  
8 shall be included in an agreement to be submitted to the public  
9 employer's governing body for ratification and adoption by law,  
10 ordinance or the equivalent appropriate means.

11 The governing body shall review each term decided by the  
12 arbitration panel. If the governing body fails to reject one or  
13 more terms of the arbitration panel's decision by a 3/5 vote of  
14 those duly elected and qualified members of the governing body,  
15 within 20 days of issuance, or in the case of firefighters  
16 employed by a state university, at the next regularly scheduled  
17 meeting of the governing body after issuance, such term or  
18 terms shall become a part of the collective bargaining  
19 agreement of the parties. If the governing body affirmatively  
20 rejects one or more terms of the arbitration panel's decision,  
21 it must provide reasons for such rejection with respect to each  
22 term so rejected, within 20 days of such rejection and the  
23 parties shall return to the arbitration panel for further  
24 proceedings and issuance of a supplemental decision with  
25 respect to the rejected terms. Any supplemental decision by an  
26 arbitration panel or other decision maker agreed to by the

1 parties shall be submitted to the governing body for  
2 ratification and adoption in accordance with the procedures and  
3 voting requirements set forth in this Section. The voting  
4 requirements of this subsection shall apply to all disputes  
5 submitted to arbitration pursuant to this Section  
6 notwithstanding any contrary voting requirements contained in  
7 any existing collective bargaining agreement between the  
8 parties.

9 (o) If the governing body of the employer votes to reject  
10 the panel's decision, the parties shall return to the panel  
11 within 30 days from the issuance of the reasons for rejection  
12 for further proceedings and issuance of a supplemental  
13 decision. All reasonable costs of such supplemental proceeding  
14 including the exclusive representative's reasonable attorney's  
15 fees, as established by the Board, shall be paid by the  
16 employer.

17 (p) Notwithstanding the provisions of this Section the  
18 employer and exclusive representative may agree to submit  
19 unresolved disputes concerning wages, hours, terms and  
20 conditions of employment to an alternative form of impasse  
21 resolution.

22 (Source: P.A. 96-813, eff. 10-30-09.)

23 Section 99. Effective date. This Act takes effect upon  
24 becoming law.