

HOUSE BILL NO. 1372

Introduced by

Representatives Ekstrom, Aarsvold, Fairfield, Maragos, Winrich

Senator T. Mathern

- 1 A BILL for an Act relating to organization and representation of political subdivision employees,
2 collective bargaining between political subdivision employers and their employees, and
3 establishment of an employment relations board.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. Definitions.** As used in this Act, unless the context otherwise requires:

- 6 1. "Appropriate bargaining unit" or "bargaining unit" means a group of employees
7 designated by the board as appropriate for representation by an employee
8 organization for purposes of collective bargaining.
- 9 2. "Arbitration" means the procedure by which the parties involved in a labor dispute
10 over the interpretation of the application of an existing collective bargaining
11 agreement submit their differences to a third party for a final and binding decision.
- 12 3. "Board" means the employment relations board.
- 13 4. "Collective bargaining" means the performance of the mutual obligation of an
14 employer through its designated representatives and the exclusive representative
15 to confer and negotiate in good faith with respect to wages, hours, terms, and other
16 conditions of employment, and to execute a contract incorporating any agreements
17 reached.
- 18 5. "Confidential employee" means an employee who in the regular course of that
19 employee's duties assists and acts in a confidential capacity to persons who
20 formulate, determine, and effectuate management policies with regard to labor
21 relations or who in the regular course of the employee's duties has authorized
22 access to information relating to the effectuation or review of the employer's
23 collective bargaining policies.

- 1 6. "Decertification" means the withdrawal by the board of an employee organization's
2 official designation as exclusive representative following a decertification election
3 which shows that the exclusive representative no longer has the support of a
4 majority of the members in an appropriate bargaining unit.
- 5 7. "Employee" means any individual employed by an employer including a supervisor,
6 but excluding an elected official; an executive head of a department; an appointed
7 member of a board or commission; an employee of any agency, board, or
8 commission created by this Act; a teacher and administrator as defined in section
9 15-38.1-02; a managerial employee; and a confidential employee.
- 10 8. "Employee organization" means any organization that admits employees to
11 membership and which has as a primary purpose the representation of those
12 employees in collective bargaining. The term includes any person acting as an
13 officer, representative, or agent of the organization.
- 14 9. "Exclusive representative" means the employee organization that has been
15 designated by the board as the representative of a majority of employees in an
16 appropriate bargaining unit in accordance with the procedures set out in this Act.
- 17 10. "Governing body" means the authority of the local government employer
18 possessing legislative or policymaking responsibilities under state law.
- 19 11. "Impasse" means the failure of an employer and an exclusive representative to
20 reach agreement in the course of collective bargaining.
- 21 12. "Managerial employee" means an individual who formulates policy on behalf of the
22 employer, who responsibly directs the implementation of policy, who may
23 reasonably be required on behalf of the employer to assist in the preparation for
24 the conduct of collective negotiations and to administer collectively negotiated
25 agreements, or who has a major role in personnel administration.
- 26 13. "Mediation" means an effort by an impartial third party to assist confidentially in
27 reconciling an impasse between the employer and the exclusive representative
28 regarding wages, hours, terms, and conditions of employment.
- 29 14. "Professional employee" means any employee engaged in work: (a)
30 predominantly intellectual and varied in character rather than routine mental,
31 manual, mechanical, or physical work; (b) involving the consistent exercise of

discretion and adjustment in performance; (c) of such a character that the output produced or result accomplished cannot be standardized in relation to a given period of time; (d) requiring advanced knowledge in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study in an institution of higher learning or a hospital, as distinguished from a general academic education or from apprenticeship or from training in the performance of routine mental, manual, mechanical, or physical processes; or (e) under the supervision of a professional person upon completion of a course of specialized intellectual instruction and study to qualify to become a professional employee.

15. "Strike" means concerted action in failing to report to duty; willful absence from one's position; stoppage of work; or slowdown or abstinence, in whole or in part, from the full, faithful, and proper performance of the duties of employment for the purpose of inducing, influencing, or coercing a change in wages, hours, terms, and other conditions of employment. The term does not include stoppage of work by employees in good faith because of dangerous or unhealthful working conditions at the place of employment which are abnormal to the place of employment.

16. "Supervisory employee" means any employee, regardless of job description, having the authority to hire, transfer, suspend, lay off, recall, promote, discharge, assign, evaluate, reward, or discipline other employees, or having the responsibility to direct them or adjust their grievances, or effectively to recommend action if, in connection with the foregoing, the exercise of authority is not of a merely routine or clerical nature but requires the use of independent judgment. The term includes only those individuals who devote a preponderance of their employment time to exercising the described authority.

SECTION 2. Employee rights - Exclusive representation.

1. Employees are protected in the exercise of the right of self-organization and may form, join, or assist any employee organization to bargain collectively through representatives of their own choosing on questions of wages, hours, terms, and other conditions of employment, not excluded by section 4 of this Act, and to engage in other concerted activities not otherwise prohibited by law for the

1 purposes of collective bargaining or other mutual aid or protection, free from
2 interference, restraint, or coercion. Employees also have, and are protected in the
3 exercise of, the right to refrain from participating in any such concerted activities.

4 2. An employee organization designated by the board as the representative of the
5 majority of employees in an appropriate unit in accordance with the procedures
6 herein or recognized by an employer as the representative of the majority of
7 employees in an appropriate unit is the exclusive representative for the employees
8 of that unit for the purpose of collective bargaining with respect to wages, hours,
9 terms, and other conditions of employment not excluded by section 4 of this Act.

10 3. An employee organization designated as an exclusive representative is
11 responsible for representing the interests of all employees in the unit.

12 4. The collective bargaining agreement must contain a provision that authorizes the
13 employer to deduct the periodic dues of members of the exclusive representative
14 upon presentation of a written deduction authorization by the employee.

15 5. Only the exclusive representative may negotiate provisions in a collective
16 bargaining agreement providing for the payroll deduction of employee organization
17 dues. These payments must be paid to the exclusive representative. Any
18 deductions may only be made upon an employee's written authorization and must
19 be continued until revoked in writing or until the termination date of an applicable
20 collective bargaining agreement. The authorization is irrevocable unless written
21 notice of termination by the employee is given to the employer and the employee
22 organization within thirty days before the expiration of the collective bargaining
23 agreement.

24 6. This Act does not prevent an employee from presenting a grievance to the
25 employer and having the grievance heard and settled without the intervention of an
26 employee organization, if the exclusive bargaining representative is afforded the
27 opportunity to be present at that conference and if any settlement made is not
28 inconsistent with the terms of any agreement in effect between the employer and
29 the exclusive bargaining representative. With respect to processing of any
30 grievance, an employee who maintains membership in the employee organization

designated as the exclusive representative for the employee's appropriate unit is eligible for representation by the exclusive representative at no charge.

SECTION 3. Duty to bargain. An employer and the exclusive representative shall bargain collectively. Collective bargaining may take place through meeting at reasonable times, including meetings in advance of the budgetmaking process, to negotiate an agreement with respect to wages, hours, terms, and other conditions of employment, to resolve questions arising from the negotiations, or to execute a written contract incorporating any agreement reached if requested by either party. The obligation to collectively bargain does not compel either party to agree to a proposal and does not require the making of a concession. If any other law pertains, in part, to a matter affecting the wages, hours, terms, and other conditions of employment, the other law may not be construed as limiting the duty to bargain collectively and to enter into collective bargaining agreements containing clauses that either supplement, implement, or relate to the effect of the provisions in other laws.

SECTION 4. Management rights. An employer may not be required to bargain over matters of inherent managerial policy, including areas of discretion or policies such as the functions of the employer, standards of service, its overall budget, the organizational structure and selection of new employees, and direction of employees. An employer, however, is required to collectively bargain with regard to policy matters directly affecting wages, hours, terms, and other conditions of employment upon request by employee representatives.

SECTION 5. Employment relations board. The board has jurisdiction over collective bargaining matters between employee organizations and employers. The governor shall appoint the three members to the board. Only persons who have experience in public sector labor relations, in teaching labor or employment relations, or in administering executive orders or regulations applicable to labor or employment relations may be appointed to the board. The governor shall designate one member to serve as chairman of the board. The chairman initially must be appointed for a term of two years, one member shall serve a term of three years, and one member shall serve a term of four years. Upon expiration of the term of office of any member, that member shall continue to serve until a successor is appointed and available. In case of vacancy, the governor shall appoint a successor to serve for the unexpired portion of the term. The term of a member commences on the fourth Monday in January of the year

1 appointed. A vacancy does not impair the rights of the remaining members to exercise the
2 powers of the board.

3 **SECTION 6. Duties of the board.**

- 4 1. A member of the board may not hold any other public office or be employed as a
5 labor or management representative by the state or any political subdivision of the
6 state or of any department or agency of the state, or actively represent or act on
7 behalf of any employer or an employee organization on an employer and labor
8 relations matter. The governor may remove a member of the board. A member
9 may be removed only for inefficiency, neglect of duty, misconduct, or malfeasance
10 in office and must be given notice and opportunity for hearing.
- 11 2. The board, at the end of every fiscal year, shall make a biennial report to the
12 governor and the office of management and budget in the manner prescribed in
13 section 54-06-04, stating in detail the work it has done, including hearing and
14 deciding cases.
- 15 3. The board or its authorized designees shall investigate and attempt to resolve or
16 settle charges of unfair labor practices; determine bargaining units; maintain an
17 employees' mediation and arbitration roster; hold hearings in order to carry out its
18 functions; and issue orders as necessary to effectuate the rulings of the board.
19 The board shall sign and report in full an opinion in every case decided by the
20 board.
- 21 4. The board may appoint or employ employees as necessary to perform its
22 functions. The board shall prescribe the duties and qualifications of individuals
23 appointed, fix their compensation, and provide for reimbursement of actual and
24 necessary expenses incurred in the performance of their duties or provide for
25 reimbursement pursuant to established state rates, whichever is less. The board
26 shall exercise general supervision over all its employees.
- 27 5. The board has final authority with respect to complaints brought pursuant to this
28 Act.

29 **SECTION 7. Elections - Recognition.**

- 30 1. When a petition has been properly filed by an employee or group of employees, or
31 any employee organization acting in their behalf, the employee organization that is

1 currently recognized by the employer as the exclusive representative is no longer
2 the representative of the majority of the employees in the unit; or by an employer
3 alleging that one or more employee organizations have presented to the employer
4 a claim that they be recognized as the representative of a majority of the
5 employees in an appropriate unit, the board shall investigate the petition or claim,
6 and if it has reasonable cause to believe that a question of representation exists,
7 the board shall provide for an appropriate hearing upon due notice. The hearing
8 must be held at the offices of the board or at another location as appropriate. If the
9 board finds upon the record of the hearing that a question of representation exists,
10 the board shall direct that an election be held not later than one hundred twenty
11 days after the date the petition was filed.

- 12 2. When the employer does not voluntarily recognize an employee organization as
13 the exclusive representative for a unit of employees, within seven days after the
14 board issues its bargaining unit determination and direction of election, or the
15 execution of a stipulation for the purpose of a consent election, the employer shall
16 submit to the employee organization the complete names and addresses of those
17 employees determined by the board to be eligible to participate in the election.
18 When the board has determined that an employee organization has been fairly and
19 freely chosen by a majority of employees voting in an appropriate unit, the board
20 shall certify that organization as the exclusive representative.

- 21 3. The board, upon receipt of information from an employer, shall determine who may
22 vote in an election and shall establish rules governing the conduct of the election or
23 conduct affecting the results of the election. An employee organization that
24 receives a majority of the votes cast in an election must be certified by the board
25 as exclusive representative of all employees in the unit.

- 26 4. Any employee organization that is designated or selected by the majority of
27 employees in a unit of the employer having no other recognized or certified
28 representative for purposes of collective bargaining may request recognition by the
29 employer in writing. The employer shall post the request for a period of at least
30 twenty days following its receipt on bulletin boards or other places used or
31 reserved for employee notices.

- 1 5. Within the twenty-day period, any other interested employee organization may
2 petition the board in the manner specified by the rules of the board, if the interested
3 employee organization has been designated by at least ten percent of the
4 employees in an appropriate bargaining unit that includes all or some of the
5 employees in the unit recognized by the employer. In that event, the board shall
6 proceed with the petition in the same manner as provided by subsection 1. An
7 election may not be directed by the board in any bargaining unit where there is in
8 force a valid collective bargaining agreement. The board, however, may process
9 an election petition filed between ninety days and sixty days before the expiration
10 of the date of a valid collective bargaining agreement, or its extension, and may
11 further refine, by rule or decision, the implementation of this subsection. A
12 collective bargaining agreement does not bar an election upon the petition of
13 persons not parties to the election when more than three years have elapsed since
14 the effective date of the agreement.

15 **SECTION 8. Unit determination.**

- 16 1. The board shall adopt rules and establish procedures and hearings for the
17 determination of appropriate bargaining units, to assure employees the fullest
18 freedom in exercising the rights guaranteed by this Act.
- 19 2. Bargaining units may be as large as is reasonable and may be interdepartmental.
- 20 3. The board may determine a unit to be the appropriate bargaining unit in a particular
21 case even though another unit might also be appropriate.
- 22 4. A single bargaining unit determined by the board may not include both supervisors
23 and nonsupervisors.
- 24 5. The board may not decide that any unit is appropriate if the unit includes both
25 professional and nonprofessional employees, unless a majority of the professionals
26 vote for inclusion in the unit.

27 **SECTION 9. Grievance procedure.** The collective bargaining agreement negotiated
28 between the employer and the exclusive representative must contain a grievance resolution
29 procedure that applies to all employees in the bargaining unit.

30 **SECTION 10. Unfair labor practices.**

- 31 1. It is an unfair labor practice for an employer or its agents:

- 1 a. To interfere with, restrain, or coerce employees in the exercise of the rights
2 guaranteed by this Act, or to dominate or interfere with the formation,
3 existence, or administration of any employee organization or contribute
4 financial or other support to it; provided, an employer may not be prohibited
5 from permitting employees to confer with the employer during working hours
6 without loss of time or pay.
- 7 b. To discriminate in regard to hire or tenure of employment or any term or
8 condition of employment in order to encourage or discourage membership in
9 any employee organization.
- 10 c. To discharge or otherwise discriminate against an employee because that
11 employee has signed or filed an affidavit, petition, or charge, or provided any
12 information or testimony under this Act.
- 13 d. To refuse to bargain collectively in good faith with the employee organization
14 that is the exclusive representative of employees in an appropriate unit.
- 15 e. To violate any of the rules adopted by the board relating to the conduct of
16 representation elections or conduct affecting the representation elections.
- 17 f. To expend public funds to any external agent, individual, firm, agency,
18 partnership, or association in any attempt to influence the outcome of a
19 representational election held pursuant to this Act; provided, that this
20 subsection does not limit an employer's right to internally communicate with
21 its employees, to be represented on any manner pertaining to unit
22 determinations, unfair labor practice charges, or preelection conferences in
23 any formal or informal proceeding before the board, or to seek or obtain
24 advice from legal counsel.
- 25 g. To lock out employees.
- 26 2. It is an unfair labor practice for an employee organization or its agent:
 - 27 a. To restrain or coerce employees in the exercise of the rights guaranteed by
28 this Act, but this subdivision does not impair the right of an employee
29 organization to prescribe its own rules with respect to the acquisition or
30 retention of membership within that organization.

- b. To restrain or coerce an employer in the selection of its representative for the purpose of collective bargaining or the settlement of a grievance.
 - c. To cause, or attempt to cause, an employer to discriminate against an employee.
 - d. To refuse to bargain collectively in good faith with an employer if the employee organization has been designated as the exclusive representative of employees in an appropriate unit.
 - e. To violate any of the rules adopted by the board relating to the conduct of representation election or the conduct affecting the representation election.
 - f. To discriminate against any employee because the employee has signed or filed an affidavit, petition, or charge, or provided any information or testimony under this Act.
 - g. To picket, cause to be picketed, or threaten to picket any employer where the objective is to force or require an employer to recognize or bargain with an employee organization or the representative of its employees, or to force or to require the employees of the employer to accept or select the employee organization as its collective bargaining representative, unless the employee organization is currently certified as the representative of such employees:
 - (1) Where the employer has lawfully recognized in accordance with this Act any employee organization and a question concerning representation may not appropriately be raised under this Act; or
 - (2) Where within the preceding twelve months a valid representation election has been conducted under section 7 of this Act.
3. The expression of a view, argument, or opinion, or the dissemination thereof by the employer, employee, or employee organization, whether in written, printed, graphic, or visual form, may not constitute or be evidence of an unfair labor practice under this Act, if that expression contains no threat of reprisal or force, or promise of benefit.

SECTION 11. Unfair labor practices procedures. The board shall deal with unfair labor practices in the following manner:

1. Whenever it is charged that any person has engaged in or is engaging in any unfair labor practice, the board or any agent designated by the board for such purposes, shall conduct an investigation of the charge. If, after such investigation the board finds that an unfair labor practice has occurred, the board shall issue a complaint and cause to be served upon the person a complaint stating the charges, accompanied by a notice of hearing before the board or a member or qualified hearing officer designated by the board at the offices of the board or at a location as the board requires, not less than five days after serving the complaint; provided, that a complaint may not be issued based upon any unfair labor practice occurring more than six months prior to the filing of a charge with the board in the service and a copy of that complaint upon the person against whom the charge is made, unless the person aggrieved did not reasonably have knowledge of the alleged unfair labor practice, or was prevented from filing a charge by reason of service in the armed forces, in which case the six months must be computed from the date of the person's discharge. Any complaint may be amended by the member or hearing officer conducting the hearing for the board members or hearing officers at any time prior to the issuance of any order based thereon. The person who is the subject of the complaint has the right to file an answer to the original or amended complaint and to appear in person, or by a representative, and give testimony at the place and time fixed in the complaint. In the discretion of the member or hearing officer conducting the hearing for the board, any person may be allowed to intervene in the proceeding and to present testimony. In any hearing conducted by the board, neither the board nor the member or agent conducting the hearing is bound by the rules of evidence applicable to courts, except as to the rules of privilege recognized by law.
2. Any testimony taken by the board or a member or a hearing officer designated by the board must be reduced to writing and filed with the board. A full and complete record must be kept of all proceedings before the board and all proceedings must be transcribed by a reporter appointed by the board. The party on whom the burden of proof rests is required to sustain the burden by a preponderance of the evidence. If, upon a preponderance of the evidence taken, the board is of the

1 opinion that any person named in the charge has engaged in or is engaging in an
2 unfair labor practice, then the board shall state its findings of fact and shall issue
3 and cause to be served upon the person an order requiring the person to cease
4 and desist from the unfair labor practice, and to take such affirmative action,
5 including reinstatement of employees with or without backpay, as will effectuate the
6 policies of this Act. The order may further require the person to make reports from
7 time to time and demonstrate the extent to which the person has complied with the
8 order. If the preponderance of the evidence does not indicate to the board that the
9 person named in the charge has engaged in or is engaging in the unfair labor
10 practice, then the board shall state its findings of fact and shall issue an order
11 dismissing the complaint.

12 3. Until the record in a case has been filed in court, the board at any time, upon
13 reasonable notice and in such manner as it deems proper, may modify or set
14 aside, in whole or in part, any finding or order made or issued by the board.

15 4. Judicial review is not available for the purpose of challenging the final order issued
16 by the board pursuant to section 7 of this Act.

17 5. Whenever it appears that any person has violated a final order of the board issued
18 pursuant to this section, the board must commence an action in the name of the
19 state of North Dakota by petition, alleging the violation, attaching a copy of the
20 order to the board, and requesting the issuance of an order directing the person
21 and the person's officers, agents, servants, successors, and assigns to comply
22 with the order of the board. The court may grant or refuse, in whole or in part, the
23 relief sought, provided that the court may stay an order of the board pending
24 disposition of the proceedings. The court may punish a violation of its order as civil
25 contempt.

26 6. The board, upon issuance of an unfair labor practice complaint alleging that a
27 person has engaged in or is engaging in an unfair labor practice, may petition a
28 district court for appropriate temporary relief or a restraining order. Upon the filing
29 of a petition, the court shall cause notice of filing to be served upon the affected
30 persons and shall have jurisdiction to grant to the board temporary relief or a
31 restraining order as the court determines just.

- 1 7. If an unfair labor practice charge involves the interpretation or application of a
2 collective bargaining agreement, the board may defer the resolution of the dispute
3 to the grievance and arbitration procedure contained in the agreement.

4 **SECTION 12. Negotiations.**

- 5 1. To begin negotiations, either party may serve notice upon the board and the other
6 parties setting forth the names and addresses of the parties and offering to meet.
7 Negotiations for collective bargaining agreements must commence at least ninety
8 days prior to the beginning of the fiscal year for the employer.
- 9 2. Parties may mutually agree to extend the time limits provided in sections 12
10 through 14 of this Act.
- 11 3. Any agreement reached between the employer and the exclusive representative
12 must be in writing. The employer and the exclusive representative shall execute
13 the agreement, in accordance with the terms of the agreement between the
14 parties, and in accordance with any arbitration order entered under this Act. If
15 there is a conflict between a written agreement and any rule previously adopted by
16 the employer, the terms of the agreement prevail. An agreement is valid and
17 enforceable in district court.

18 **SECTION 13. Mediation.**

- 19 1. At least forty-five days before the beginning of the fiscal year, the parties to the
20 negotiations shall notify the board of the status of negotiations. At that time the
21 board shall assign a mediator upon the request of either party or upon its own
22 motion. Alternatively, the parties may select their own mediator.
- 23 2. The board shall establish an employees' mediation arbitration roster, the services
24 of which must be available to employers and to employee organizations upon
25 request of the parties. The members of the roster must be appointed by the board.
26 Members must be impartial and competent and shall qualify by taking and
27 subscribing to an oath or affirmation of office. The board may set compensation
28 levels for members of the roster in establishing procedures for suspension or
29 dismissal of mediators for good cause.
- 30 3. The board shall select a mediator for a labor dispute from among the members of
31 the roster.

- 1 4. This Act does not prohibit the use of other mediators selected by the parties for the
2 resolution of disputes over interpretation or application of the terms or conditions of
3 the collective bargaining agreements between an employer and an employee
4 organization.

5 **SECTION 14. Arbitration.**

- 6 1. Arbitration is appropriate if a dispute has not been resolved within fifteen days after
7 the first meeting of the parties and the mediator, or within such other time limit as
8 may be mutually agreed upon by the parties.
- 9 2. Within seven days of the request of either party, the board shall select from the
10 employees' mediation and arbitration roster five persons as nominees for arbitrator.
11 Within five days after the selection, each party may preemptively strike the names
12 of two of the nominees. The remaining nominee is the arbitrator.
- 13 3. The arbitrator shall call a hearing to begin within fifteen days and give reasonable
14 notice of the time and place of the hearing. The hearing must be held at the offices
15 of the board or at another location as appropriate. The arbitrator shall preside over
16 the hearing and shall take testimony. Any oral or documentary evidence and other
17 data deemed relevant by the arbitrator may be received in evidence. A verbatim
18 record of the proceedings must be made and the arbitrator shall arrange for the
19 necessary recording services, but the transcripts are not necessary for a decision
20 by the arbitrator. The hearing conducted by the arbitrator may be adjourned from
21 time to time, but unless otherwise agreed by the parties, must be concluded within
22 thirty days of the time of its commencement. Majority actions and rulings constitute
23 the actions and rulings of the arbitrator. Arbitration proceedings under this section
24 may not be interacted or terminated by reason of any unfair labor practice charge
25 filed by either party at any time.
- 26 4. The arbitrator may administer oaths, require the attendance of witnesses, and the
27 production of any books, papers, contracts, agreements, and documents that are
28 determined to be material to a determination of the issues in dispute and may issue
29 subpoenas to achieve that purpose. If any person refuses to obey a subpoena, or
30 refuses to be sworn or to testify, or if any witness, party, or attorney is guilty of any
31 contempt while in attendance at any hearing, the arbitrator may invoke the aid of

any district court. The court shall issue an appropriate order. Failure to obey the order may be punished by the court as contempt.

5. At any time before the rendering of an award, the arbitrator may remand the dispute to the parties for further collective bargaining for a period not to exceed two weeks. If the dispute is remanded for further collective bargaining, the time provisions of this Act must be extended for a time period equal to that of the remand. The arbitrator shall notify the board of the remand.

6. The arbitrator, within thirty days after the conclusion of the hearing, or for additional periods to which the parties agree, shall prepare a written opinion and shall mail or otherwise deliver a copy of the opinion to the parties and their representatives and to the board. Findings, opinions, and orders on all issues must be based upon the applicable factors prescribed in subsection 7.

7. If there is no agreement between the parties, or if there is an agreement that the parties have begun negotiations or discussions toward a new agreement or amendment of the existing agreement, and wage rates or other conditions of employment under the proposed new or amended agreement are in dispute, the arbitrator shall base the findings, opinions, and order upon the following factors, as applicable:

- a. The lawful authority of the employer.
- b. Stipulations of the parties.
- c. The interest and welfare of the public.
- d. Comparison of the wages, hours, and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours, and conditions of employment of other employees performing similar services and with other employees in public employment in comparable communities and in private employment in comparable communities.
- e. The change in consumer prices for goods and services, commonly known as the cost of living.
- f. The total compensation presently received by the employees.
- g. Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.

- 1 h. Any factors that are normally or traditionally taken into consideration in the
2 determination of wages, hours, terms, and other conditions of employment
3 through voluntary collective bargaining, mediation, factfinding, and arbitration
4 in the public service or in private employment.
- 5 8. Arbitration procedures are initiated by the filing of the letter requesting arbitration.
6 Increases in rates of compensation awarded by the arbitrator may be effective only
7 at the start of the fiscal year next commencing after the date of the arbitration
8 award. If a new fiscal year has commenced either since the initiation of arbitration
9 procedures under this Act or since any mutually agreed extension of the statutorily
10 required period of mediation under this Act by the parties to the labor dispute
11 causing a delay in the initiation of arbitration, the foregoing limitations are
12 inapplicable, and the awarded increases may be retroactive to the commencement
13 of the fiscal year, any other statute or charters to the contrary notwithstanding. At
14 any time the parties, by stipulation, may amend or modify an award of arbitration.
- 15 9. Orders of arbitration are final and binding, except that the orders of the arbitrator
16 are reviewable by district court only for reasons that the arbitrator was without or
17 exceeded its statutory authority; the order is arbitrary or capricious; or the order
18 was procured by fraud, collusion, or other similar and unlawful means. Petitions for
19 review must be filed with the appropriate district court within ninety days following
20 the issuance of the arbitration orders. The pendency of proceedings for review
21 does not automatically stay the order of the arbitrator.
- 22 10. During the pendency of proceedings before the arbitrator existing wages, hours,
23 terms, and other conditions of employment may not be changed by action of either
24 party without the consent of the other but a party may consent to a change without
25 prejudice to that party's rights or position under this Act.
- 26 11. Within ten days of the distribution of an arbitration order, the employer shall submit
27 the order to its governing body for ratification and adoption by law, ordinance, or
28 the equivalent appropriate means. The budget appropriating authority of an
29 employer shall appropriate funds needed to comply with the arbitration order.

12. Notwithstanding this section, the employer and the exclusive representative may agree to submit unresolved disputes concerning wages, hours, terms, and other conditions of employment to an alternative form of impasse resolution.

SECTION 15. Act takes precedence.

1. In case of any conflict between this Act and any other law, executive order, or rule relating to wages, hours, terms, and other conditions of employment and employment relations, this Act or any collective bargaining agreement negotiated under this Act controls.
2. Except as provided in subsection 1, any collective bargaining contract between an employer and an employee organization executed pursuant to this Act supersedes any contrary statutes, charters, ordinances, rules, or regulations relating to wages, hours, and conditions of employment and employment relations adopted by the employer or its agents.

SECTION 16. Strike policy. Strikes, work stoppages, slowdowns, or lockouts are prohibited.

SECTION 17. Prohibitions. This Act does not require an individual employee to render labor or service without consent, nor does this Act make the quitting of an employee's labor by an individual employee an illegal act; nor may any court issue any process to compel the performance by an individual employee of the labor or service, without the employee's consent; nor may the quitting of labor by an employee or employees in good faith because of abnormally dangerous conditions for work at the place of employment be deemed a strike under this Act.

SECTION 18. Multiyear agreements. Employers and exclusive representatives may negotiate multiyear collective bargaining agreements pursuant to this Act.