

## 98TH GENERAL ASSEMBLY State of Illinois 2013 and 2014 HB1585

by Rep. Brandon W. Phelps

## SYNOPSIS AS INTRODUCED:

5 ILCS 315/8 from Ch. 48, par. 1608 5 ILCS 315/11 from Ch. 48, par. 1611 5 ILCS 315/14 from Ch. 48, par. 1614

Amends the Illinois Public Labor Relations Act. Provides that, unless mutually agreed otherwise, any party to a collective bargaining agreement who fails to timely comply with an arbitration award or who, after timely demand, fails to submit a grievance dispute concerning the administration or interpretation of an agreement to arbitration shall pay to the prevailing party all reasonable costs of the proceeding in the trial and reviewing courts, including reasonable attorneys' fees. Provides that a charging party or person who, pursuant to an application for judicial review of an order of the Board issued in relation to an unfair labor practice proceeding, obtains a stay of the Board's order pending judicial review shall pay all reasonable costs of the proceedings in the reviewing courts, including reasonable attorneys' fees, as determined by the court, in the event the final unappealable decision of the reviewing courts is adverse to the party obtaining the stay. Makes other changes. Effective immediately.

LRB098 08647 JDS 38767 b

FISCAL NOTE ACT MAY APPLY

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1 AN ACT concerning government.

## Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Illinois Public Labor Relations Act is amended by changing Sections 8, 11, and 14 as follows:

6 (5 ILCS 315/8) (from Ch. 48, par. 1608)

Grievance Procedure; attorneys' Sec. 8. The collective bargaining agreement negotiated between the employer and the exclusive representative shall contain a grievance resolution procedure which shall apply to all employees in the bargaining unit and shall provide for final binding arbitration of disputes concerning the and administration or interpretation of the agreement unless mutually agreed otherwise. Any agreement containing a final and binding arbitration provision shall also contain a provision prohibiting strikes for the duration of the agreement. The grievance and arbitration provisions of any collective bargaining agreement shall be subject to the Illinois "Uniform Arbitration Act". The costs of such arbitration shall be borne equally by the employer and the employee organization.

Unless mutually agreed otherwise, any party to a collective bargaining agreement who fails to timely comply with an arbitration award or who, after timely demand, fails to submit

- 1 a grievance dispute concerning the administration 2 interpretation of an agreement to arbitration shall pay to the 3 prevailing party all reasonable costs of the proceeding in the trial and reviewing courts, including reasonable attorneys' 4 5 fees, as determined by the court, incurred in relation to any action to confirm or amend an award or to compel or stay 6 7 arbitration of a grievance in the event the final, unappealable 8 decision of the reviewing courts is adverse to the 9 non-compliant party. Any mutual agreements otherwise shall be a 10 permissive subject of bargaining.
- 11 (Source: P.A. 83-1012.)

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- 12 (5 ILCS 315/11) (from Ch. 48, par. 1611)
- Sec. 11. Unfair Labor Practice Procedures. Unfair labor practices may be dealt with by the Board in the following manner:
  - (a) 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 the charge involves a dispositive issue of law or fact 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 thereof designated by the Board, or before a qualified hearing officer designated by the Board at the offices of the Board or

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such other location as the Board deems appropriate, not less than 5 days after serving of such complaint provided that no complaint shall issue based upon any unfair labor practice occurring more than six months prior to the filing of a charge with the Board and the service of a copy thereof upon the person against whom the charge is made, unless the person aggrieved thereby did not reasonably have knowledge of the alleged unfair labor practice or was prevented from filing such a charge by reason of service in the armed forces, in which event the six month period shall be computed from the date of his discharge. Any such complaint may be amended by the member or hearing officer conducting the hearing for the Board in his discretion at any time prior to the issuance of an 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 or the Board, any other 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 shall be bound by the rules of evidence applicable to courts, except as to the rules of privilege recognized by law.

(b) The Board shall have the power to issue subpoenas and administer oaths. If any party wilfully fails or neglects to

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- appear or testify or to produce books, papers and records pursuant to the issuance of a subpoena by the Board, the Board may apply to a court of competent jurisdiction to request that such party be ordered to appear before the Board to testify or produce the requested evidence.
  - Any testimony taken by the Board, or a member designated by the Board or a hearing officer thereof, must be reduced to writing and filed with the Board. A full and complete record shall be kept of all proceedings before the Board, and all proceedings shall be transcribed by a reporter appointed by the Board. The party on whom the burden of proof shall be required to sustain such burden by rests preponderance of the evidence. If, upon a preponderance of the evidence taken, the Board is of the opinion that any person named in the charge has engaged in or is engaging in an unfair labor practice, then it shall state its findings of fact and shall issue and cause to be served upon the person an order requiring him to cease and desist from the unfair labor practice, and to take such affirmative action, including reinstatement of public employees with or without back pay, as will effectuate the policies of this Act. If the Board awards back pay, it shall also award interest at the rate of 7% per annum. The Board's order may further require the person to make reports from time to time, and demonstrate the extent to which he has complied with the order. If there is no preponderance of evidence to indicate to the Board that the person named in the

charge has engaged in or is engaging in the unfair labor practice, then the Board shall state its findings of fact and shall issue an order dismissing the complaint. The Board's order may in its discretion also include an appropriate sanction, based on the Board's rules and regulations, and the sanction may include an order to pay the other party or parties' reasonable expenses including costs and reasonable attorney's fee, if the other party has made allegations or denials without reasonable cause and found to be untrue or has engaged in frivolous litigation for the purpose of delay or needless increase in the cost of litigation; the State of Illinois or any agency thereof shall be subject to the provisions of this sentence in the same manner as any other party.

- (d) Until the record in a case has been filed in court, the Board at any time, upon reasonable notice and in such manner as it deems proper, may modify or set aside, in whole or in part, any finding or order made or issued by it.
- (e) A charging party or any person aggrieved by a final order of the Board granting or denying in whole or in part the relief sought may apply for and obtain judicial review of an order of the Board entered under this Act, in accordance with the provisions of the Administrative Review Law, as now or hereafter amended, except that such judicial review shall be afforded directly in the appellate court for the district in which the aggrieved party resides or transacts business, and

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provided, that such judicial review shall not be available for the purpose of challenging a final order issued by the Board pursuant to Section 9 of this Act for which judicial review has been petitioned pursuant to subsection (i) of Section 9. Any direct appeal to the Appellate Court shall be filed within 35 days from the date that a copy of the decision sought to be reviewed was served upon the party affected by the decision. The Board in proceedings under this Section may obtain an order of the court for the enforcement of its order. A charging party or person who, pursuant to an application for judicial review of an order of the Board issued in relation to an unfair labor practice proceeding, obtains a stay of the Board's order pending judicial review shall pay all reasonable costs of the proceedings in the reviewing courts, including reasonable attorneys' fees, as determined by the court, in the event the final unappealable decision of the reviewing courts is adverse to the party obtaining the stay.

(f) Whenever it appears that any person has violated a final order of the Board issued pursuant to this Section, the Board must commence an action in the name of the People of the State of Illinois by petition, alleging the violation, attaching a copy of the order of the Board, and praying for the issuance of an order directing the person, his officers, agents, servants, successors, and assigns to comply with the order of the Board. The Board shall be represented in this action by the Attorney General in accordance with the Attorney

- General Act. The court may grant or refuse, in whole or in part, the relief sought, provided that the court may stay an order of the Board in accordance with the Administrative Review Law, pending disposition of the proceedings. The court may punish a violation of its order as in civil contempt.
  - (g) The proceedings provided in paragraph (f) of this Section shall be commenced in the Appellate Court for the district where the unfair labor practice which is the subject of the Board's order was committed, or where a person required to cease and desist by such order resides or transacts business.
  - (h) The Board through the Attorney General, shall have power, upon issuance of an unfair labor practice complaint alleging that a person has engaged in or is engaging in an unfair labor practice, to petition the circuit court where the alleged unfair labor practice which is the subject of the Board's complaint was allegedly committed, or where a person required to cease and desist from such alleged unfair labor practice resides or transacts business, for appropriate temporary relief or restraining order. Upon the filing of any such petition, the court shall cause notice thereof to be served upon such persons, and thereupon shall have jurisdiction to grant to the Board such temporary relief or restraining order as it deems just and proper.
  - (i) If an unfair labor practice charge involves the interpretation or application of a collective bargaining

- 1 agreement and said agreement contains a grievance procedure
- with binding arbitration as its terminal step, the Board may
- 3 defer the resolution of such dispute to the grievance and
- 4 arbitration procedure contained in said agreement.
- 5 (Source: P.A. 87-736; 88-1.)
- 6 (5 ILCS 315/14) (from Ch. 48, par. 1614)
- Sec. 14. Security Employee, Peace Officer and Fire Fighter

  Bisputes.
- 9 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 1.3 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 the parties. In the case of negotiations for an initial 17 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 from the Federal Mediation and Conciliation Service, the other 23 24 party shall either join in such request or bear the additional cost of mediation services from another source. The mediator 25

- shall have a duty to keep the Board informed on the progress of the mediation. If any dispute has not been resolved within 15 days after the first meeting of the parties and the mediator, or within such other time limit as may be mutually agreed upon by the parties, either the exclusive representative or employer may request of the other, in writing, arbitration, and shall submit a copy of the request to the Board.
  - (b) Within 10 days after such a request for arbitration has been made, the employer shall choose a delegate and the employees' exclusive representative shall choose a delegate to a panel of arbitration as provided in this Section. The employer and employees shall forthwith advise the other and the Board of their selections.
  - (c) Within 7 days after the request of either party, the parties shall request a panel of impartial arbitrators from which they shall select the neutral chairman according to the procedures provided in this Section. If the parties have agreed to a contract that contains a grievance resolution procedure as provided in Section 8, the chairman shall be selected using their agreed contract procedure unless they mutually agree to another procedure. If the parties fail to notify the Board of their selection of neutral chairman within 7 days after receipt of the list of impartial arbitrators, the Board shall appoint, at random, a neutral chairman from the list. In the absence of an agreed contract procedure for selecting an impartial arbitrator, either party may request a panel from the Board.

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

(d) The chairman shall call a hearing to begin within 15 days and give reasonable notice of the time and place of the hearing. The hearing shall be held at the offices of the Board or at such other location as the Board deems appropriate. The chairman shall preside over the hearing and shall take testimony. Any oral or documentary evidence and other data deemed relevant by the arbitration panel may be received in evidence. The proceedings shall be informal. Technical rules of

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evidence shall not apply and the competency of the evidence shall not thereby be deemed impaired. A verbatim record of the proceedings shall be made and the arbitrator shall arrange for the necessary recording service. Transcripts may be ordered at the expense of the party ordering them, but the transcripts shall not be necessary for a decision by the arbitration panel. The expense of the proceedings, including a fee for the chairman, established in advance by the Board, shall be borne equally by each of the parties to the dispute. The delegates, if public officers or employees, shall continue on the payroll of the public employer without loss of pay. The hearing conducted by the arbitration panel may be adjourned from time to time, but unless otherwise agreed by the parties, shall be concluded within 30 days of the time of its commencement. Majority actions and rulings shall constitute the actions and rulings of the arbitration panel. Arbitration proceedings under this Section shall not be interrupted or terminated by reason of any unfair labor practice charge filed by either party at any time.

(e) The arbitration panel may administer oaths, require the attendance of witnesses, and the production of such books, papers, contracts, agreements and documents as may be deemed by it material to a just determination of the issues in dispute, and for such purpose may issue subpoenas. If any person refuses to obey a subpoena, or refuses to be sworn or to testify, or if any witness, party or attorney is guilty of any contempt while

- in attendance at any hearing, the arbitration panel may, or the attorney general if requested shall, invoke the aid of any circuit court within the jurisdiction in which the hearing is being held, which court shall issue an appropriate order. Any failure to obey the order may be punished by the court as contempt.
  - (f) At any time before the rendering of an award, the chairman of the arbitration panel, if he is of the opinion that it would be useful or beneficial to do so, may remand the dispute to the parties for further collective bargaining for a period not to exceed 2 weeks. If the dispute is remanded for further collective bargaining the time provisions of this Act shall be extended for a time period equal to that of the remand. The chairman of the panel of arbitration shall notify the Board of the remand.
  - (g) At or before the conclusion of the hearing held pursuant to subsection (d), the arbitration panel shall identify the economic issues in dispute, and direct each of the parties to submit, within such time limit as the panel shall prescribe, to the arbitration panel and to each other its last offer of settlement on each economic issue. The determination of the arbitration panel as to the issues in dispute and as to which of these issues are economic shall be conclusive. The arbitration panel, within 30 days after the conclusion of the hearing, or such further additional periods to which the parties may agree, shall make written findings of fact and

- promulgate a written opinion and shall mail or otherwise deliver a true copy thereof to the parties and their representatives and to the Board. As to each economic issue, the arbitration panel shall adopt the last offer of settlement which, in the opinion of the arbitration panel, more nearly complies with the applicable factors prescribed in subsection (h). The findings, opinions and order as to all other issues shall be based upon the applicable factors prescribed in subsection (h).
  - (h) Where there is no agreement between the parties, or where there is an agreement but the parties have begun negotiations or discussions looking to 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 arbitration panel shall base its findings, opinions and order upon the following factors, as applicable:
    - (1) The lawful authority of the employer.
  - (2) Stipulations of the parties.
    - (3) The interests and welfare of the public and the financial ability of the unit of government to meet those costs.
    - (4) 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 generally:
- 2 (A) In public employment in comparable communities.
  - (B) In private employment in comparable communities.
    - (5) The average consumer prices for goods and services, commonly known as the cost of living.
    - (6) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of employment and all other benefits received.
    - (7) Changes in any of the foregoing circumstances during the pendency of the arbitration proceedings.
    - (8) Such other factors, not confined to the foregoing, which are normally or traditionally taken into consideration in the determination of wages, hours and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration or otherwise between the parties, in the public service or in private employment.
  - (i) In the case of peace officers, the arbitration decision shall be limited to wages, hours, and conditions of employment (which may include residency requirements in municipalities with a population under 1,000,000, but those residency requirements shall not allow residency outside of Illinois) and

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shall not include the following: i) residency requirements in municipalities with a population of at least 1,000,000; ii) the type of equipment, other than uniforms, issued or used; iii) manning; iv) the total number of employees employed by the department; v) mutual aid and assistance agreements to other units of government; and vi) the criterion pursuant to which force, including deadly force, can be used; provided, nothing herein shall preclude an arbitration decision regarding equipment or manning levels if such decision is based on a finding that the equipment or manning considerations in a specific work assignment involve a serious risk to the safety of a peace officer beyond that which is inherent in the normal performance of police duties. Limitation of the terms of the arbitration decision pursuant to this subsection shall not be construed to limit the factors upon which the decision may be based, as set forth in subsection (h).

In the case of fire fighter, and fire department or fire district paramedic matters, the arbitration decision shall be limited to wages, hours, and conditions of employment (which may include residency requirements in municipalities with a population under 1,000,000, but those residency requirements shall not allow residency outside of Illinois) and shall not include the following matters: i) residency requirements in municipalities with a population of at least 1,000,000; ii) the type of equipment (other than uniforms and fire fighter turnout gear) issued or used; iii) the total number of employees

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employed by the department; iv) mutual aid and assistance agreements to other units of government; and v) the criterion pursuant to which force, including deadly force, can be used; provided, however, nothing herein shall preclude arbitration decision regarding equipment levels if such decision is based on а finding that the considerations in a specific work assignment involve a serious risk to the safety of a fire fighter beyond that which is inherent in the normal performance of fire fighter duties. Limitation of the terms of the arbitration decision pursuant to this subsection shall not be construed to limit the facts upon which the decision may be based, as set forth in subsection (h).

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

To preserve historical bargaining rights, this subsection shall not apply to any provision of a fire fighter collective bargaining agreement in effect and applicable on the effective date of this Act; provided, however, nothing herein shall preclude arbitration with respect to any such provision.

(j) Arbitration procedures shall be deemed to be initiated

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

(k) Orders of the arbitration panel shall be reviewable, upon appropriate petition by either the public employer or the exclusive bargaining representative, by the circuit court for the county in which the dispute arose or in which a majority of the affected employees reside, but only for reasons that the arbitration panel was without or exceeded its statutory

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authority; the order is arbitrary, or capricious; or the order was procured by fraud, collusion or other similar and unlawful means. Such petitions for review must be filed with the appropriate circuit court within 90 days following the issuance of the arbitration order. The pendency of such proceeding for shall not automatically stay the order arbitration panel. The party against whom the final decision of any such court shall be adverse, if such court finds such appeal or petition to be frivolous, shall pay reasonable attorneys' fees and costs to the successful party as determined by said court in its discretion. Any public employer who obtains a stay of an award issued by an arbitration panel or single arbitrator under the authority of this Section, or any mutually agreed procedures, shall pay all reasonable costs of the proceedings in the reviewing courts, including reasonable attorneys' fees, as determined by the court, in the event the final, unappealable decision of the reviewing courts is adverse to the public employer. Any mutually agreed procedures providing for submission of disputes to which this Section applies to an arbitrator other than an arbitration panel shall be a permissive subject of bargaining. If said court's decision affirms the award of money, such award, if retroactive, shall bear interest at the rate of 12 percent per annum from the effective retroactive date.

(1) During the pendency of proceedings before the arbitration panel, existing wages, hours, and other conditions

- of employment shall not be changed by action of either party without the consent of the other but a party may so consent without prejudice to his rights or position under this Act. The proceedings are deemed to be pending before the arbitration panel upon the initiation of arbitration procedures under this Act.
  - (m) Security officers of public employers, and Peace Officers, Fire Fighters and fire department and fire protection district paramedics, covered by this Section may not withhold services, nor may public employers lock out or prevent such employees from performing services at any time.
  - (n) All of the terms decided upon by the arbitration panel shall be included in an agreement to be submitted to the public employer's governing body for ratification and adoption by law, ordinance or the equivalent appropriate means.

The governing body shall review each term decided by the arbitration panel. If the governing body fails to reject one or more terms of the arbitration panel's decision by a 3/5 vote of those duly elected and qualified members of the governing body, within 20 days of issuance, or in the case of firefighters employed by a state university, at the next regularly scheduled meeting of the governing body after issuance, such term or terms shall become a part of the collective bargaining agreement of the parties. If the governing body affirmatively rejects one or more terms of the arbitration panel's decision, it must provide reasons for such rejection with respect to each

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term so rejected, within 20 days of such rejection and the parties shall return to the arbitration panel for further proceedings and issuance of a supplemental decision with respect to the rejected terms. Any supplemental decision by an arbitration panel or other decision maker agreed to by the be submitted to the governing body for shall ratification and adoption in accordance with the procedures and voting requirements set forth in this Section. The voting requirements of this subsection shall apply to all disputes submitted t.o arbitration pursuant t.o this Section notwithstanding any contrary voting requirements contained in any existing collective bargaining agreement between the parties.

- (o) If the governing body of the employer votes to reject the panel's decision, the parties shall return to the panel within 30 days from the issuance of the reasons for rejection for further proceedings and issuance of a supplemental decision. All reasonable costs of such supplemental proceeding including the exclusive representative's reasonable attorney's fees, as established by the Board, shall be paid by the employer.
- (p) Notwithstanding the provisions of this Section the employer and exclusive representative may agree to submit unresolved disputes concerning wages, hours, terms and conditions of employment to an alternative form of impasse resolution.

- 1 (Source: P.A. 96-813, eff. 10-30-09.)
- 2 Section 99. Effective date. This Act takes effect upon
- 3 becoming law.