



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

SB3105

Introduced 2/19/2016, by Sen. Pamela J. Althoff

#### SYNOPSIS AS INTRODUCED:

5 ILCS 315/14

from Ch. 48, par. 1614

Amends the Illinois Public Labor Relations Act. Provides that an arbitration hearing shall be open to the public and held within the district or boundaries of the security, peace officer, or fire fighter public employer, unless both parties agree to close the hearing to the public. Provides that in no event shall the decision of the arbitration panel regarding economic issues exceed the financial ability of the employer to fund the award based upon the current revenues and expenses of the employer, including annual pension funding requirements, and without consideration of the ability of the employer to increase tax levels prospectively.

LRB099 18748 RJF 43132 b

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 open to the public and held  
24 within the district or boundaries of the public employer,  
25 unless both parties agree to close the hearing to the public,  
26 in which case, the hearing shall be held at the offices of the

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

24 (e) The arbitration panel may administer oaths, require the  
25 attendance of witnesses, and the production of such books,  
26 papers, contracts, agreements and documents as may be deemed by

1 it material to a just determination of the issues in dispute,  
2 and for such purpose may issue subpoenas. If any person refuses  
3 to obey a subpoena, or refuses to be sworn or to testify, or if  
4 any witness, party or attorney is guilty of any contempt while  
5 in attendance at any hearing, the arbitration panel may, or the  
6 attorney general if requested shall, invoke the aid of any  
7 circuit court within the jurisdiction in which the hearing is  
8 being held, which court shall issue an appropriate order. Any  
9 failure to obey the order may be punished by the court as  
10 contempt.

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

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

1 which of these issues are economic shall be conclusive. The  
2 arbitration panel, within 30 days after the conclusion of the  
3 hearing, or such further additional periods to which the  
4 parties may agree, shall make written findings of fact and  
5 promulgate a written opinion and shall mail or otherwise  
6 deliver a true copy thereof to the parties and their  
7 representatives and to the Board. As to each economic issue,  
8 the arbitration panel shall adopt the last offer of settlement  
9 which, in the opinion of the arbitration panel, more nearly  
10 complies with the applicable factors prescribed in subsection  
11 (h). However, in no event shall the decision of the arbitration  
12 panel regarding economic issues exceed the financial ability of  
13 the employer to fund the award based upon the current revenues  
14 and expenses of the employer, including annual pension funding  
15 requirements, and without consideration of the ability of the  
16 employer to increase tax levels prospectively. The findings,  
17 opinions and order as to all other issues shall be based upon  
18 the applicable factors prescribed in subsection (h).

19 (h) Where there is no agreement between the parties, or  
20 where there is an agreement but the parties have begun  
21 negotiations or discussions looking to a new agreement or  
22 amendment of the existing agreement, and wage rates or other  
23 conditions of employment under the proposed new or amended  
24 agreement are in dispute, the arbitration panel shall base its  
25 findings, opinions and order upon the following factors, as  
26 applicable:

- 1 (1) The lawful authority of the employer.
- 2 (2) Stipulations of the parties.
- 3 (3) The interests and welfare of the public and the  
4 financial ability of the unit of government to meet those  
5 costs.
- 6 (4) Comparison of the wages, hours and conditions of  
7 employment of the employees involved in the arbitration  
8 proceeding with the wages, hours and conditions of  
9 employment of other employees performing similar services  
10 and with other employees generally:
  - 11 (A) In public employment in comparable  
12 communities.
  - 13 (B) In private employment in comparable  
14 communities.
- 15 (5) The average consumer prices for goods and services,  
16 commonly known as the cost of living.
- 17 (6) The overall compensation presently received by the  
18 employees, including direct wage compensation, vacations,  
19 holidays and other excused time, insurance and pensions,  
20 medical and hospitalization benefits, the continuity and  
21 stability of employment and all other benefits received.
- 22 (7) Changes in any of the foregoing circumstances  
23 during the pendency of the arbitration proceedings.
- 24 (8) Such other factors, not confined to the foregoing,  
25 which are normally or traditionally taken into  
26 consideration in the determination of wages, hours and



1 conditions of employment through voluntary collective  
2 bargaining, mediation, fact-finding, arbitration or  
3 otherwise between the parties, in the public service or in  
4 private employment.

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

26 In the case of fire fighter, and fire department or fire

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

23 The changes to this subsection (i) made by Public Act  
24 90-385 (relating to residency requirements) do not apply to  
25 persons who are employed by a combined department that performs  
26 both police and firefighting services; these persons shall be

1 governed by the provisions of this subsection (i) relating to  
2 peace officers, as they existed before the amendment by Public  
3 Act 90-385.

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

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

1 charter provisions to the contrary, notwithstanding. At any  
2 time the parties, by stipulation, may amend or modify an award  
3 of arbitration.

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

24 (l) During the pendency of proceedings before the  
25 arbitration panel, existing wages, hours, and other conditions  
26 of employment shall not be changed by action of either party

1 without the consent of the other but a party may so consent  
2 without prejudice to his rights or position under this Act. The  
3 proceedings are deemed to be pending before the arbitration  
4 panel upon the initiation of arbitration procedures under this  
5 Act.

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

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

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

1 parties shall return to the arbitration panel for further  
2 proceedings and issuance of a supplemental decision with  
3 respect to the rejected terms. Any supplemental decision by an  
4 arbitration panel or other decision maker agreed to by the  
5 parties shall be submitted to the governing body for  
6 ratification and adoption in accordance with the procedures and  
7 voting requirements set forth in this Section. The voting  
8 requirements of this subsection shall apply to all disputes  
9 submitted to arbitration pursuant to this Section  
10 notwithstanding any contrary voting requirements contained in  
11 any existing collective bargaining agreement between the  
12 parties.

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

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

26 (Source: P.A. 98-535, eff. 1-1-14; 98-1151, eff. 1-7-15.)