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President of the Senate

THE MAINE SENATE
130th Legislature

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Testimony in Support of LD 677
An Act To Improve Public Sector Labor Relations by Amending the Laws Governing Arbitration
Under Certain Public Employees Labor Relations Laws
Presented to the Joint Standing Committee on Labor and Housing
May 17, 2021

Senator Hickman, Representative Sylvester, and esteemed members of the Joint Committee on Labor and Housing. As you know my name is Troy Jackson, and I represent the good people of northern Aroostook County in Senate District 1. I am here to proudly present LD 677, "An Act To Improve Public Sector Labor Relations by Amending the Laws Governing Arbitration under Certain Public Employees Labor Relations Laws."

This bill, like many others you have seen this session, is not new. It deals with public employees in the legislative, executive, and judicial branches, as well as municipal employees. It is an attempt to protect your constituents who teach our children, who prepare our committee work, who keep our offices safe and clean, who protect our streets and county lanes — in other words, who make our jobs as legislators possible.

The basics of LD 677 are as follows: In the public sector, if parties cannot reach a contract, there is a process that involves mediation, fact-finding and then arbitration. Under current law, when entities in the public sector enter arbitration, the agreement reached at the end of the process is not binding for the most significant issues. For example, agreements on salary, insurance, and retirement benefits are not binding, even after arbitration. As a result, neither management nor employees have any incentive to keep their end of the bargain. I think our public employees - our teachers, our firefighters, and snowplow drivers - deserve better.

With that in mind, I would like to share some background on this proposed legislation. This bill passed both the House and the Senate in the 129th Session. Unfortunately for the public employees it aims to protect, it was vetoed by the Governor. Her objection to the bill was based on two specific considerations, one had to do with assuring that arbitrators were neutral and understood how our State works. The other dealt with timing, making sure the public entities involved had time to react to the changes agreed upon in the contract. I can assure you, both of these concerns have been addressed.

With regard to the concern about neutral arbitrators, ones who understand our state and those who work for it, the bill gives the Governor the power to appoint a panel of impartial arbitrators who must reside in the state. This eliminates the concern of hiring private arbitrators from out of state. To address the concern regarding the timing of contracts and the implications of those

contracts, the bill assures that cost items in any arbitrated agreement are not included in the operating budget for the fiscal year it is ratified. This, in my mind, gives more than ample time to consider the fiscal implications of a new contract. Also, it is important to remember that this legislation only comes into play when parties meet, discuss, and disagree — when they dig deep into the issues — and cannot reach an agreement. To be clear, this is a rather simple but important bill. It's about making sure that outcomes reached through arbitration mean something for both management and workers in the public sectors. It's about giving workers and employers assurance when a good faith negotiation has been reached.

Thank you for your time. I look forward to working with all of you to pass this bill into law.

Troy D. Jackson
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