HB

537

Introduced: 2/3/86
Referred: State Affairs,
Community & Regional Affairs
and Finance

IN THE HOUSE

BY KOPONEN, BOUCHER,
GRUENBERG AND FURNACE

HOUSE BILL NO. 537

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to participation of municipalities and political subdivisions in the Public Employment Relations Act."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 23.40 is amended by adding a new section to read:

Sec. 23.40.075. APPLICABILITY. AS 23.40.070 - 23.40.260 applies to an organized borough or a political subdivision of the state unless the borough or subdivision has adopted an ordinance that permits collective bargaining for its employees with either the right to strike or binding arbitration as the final step in the negotiation process.

* Sec. 2. Section 4, ch. 113, SLA 1972 is repealed.

C&RA

HOUSE
COMMITTEE REPORT

C &RA

(7)
Date referred: 2/3/86

FURTHER REFERRALS: FINANCE

DATE: 4/2/86

The STATE AFFAIRS Committee has considered HB 537

"An Act relating to participation of municipalities and political subdivisions in the Public Employment Relations Act."

and recommends:

[✓] do pass

[ ] do not pass

[ ] do pass with attached amendment(s)

[ ] no recommendation

[ ] replace with _____ [ ] same title
[ ] new title

and recommends _____

[ ] further referral to the _____ Committee

and attaches: [ ] letter of intent
[✓] first fiscal note w/analysis
[ ] new fiscal note
[ ] zero fiscal note

SIGNING DO PASS:

O.S. Bruton
Bette Cato
Katie Hurley

SIGNING OTHER RECOMMENDATIONS:

NO REC
Roger Jackson No Rec.

Katie Hurley
Chairman

APR 4 RECD

KENAI PENINSULA BOROUGH

BOX 850 • SOLDOTNA, ALASKA 99669
PHONE 262-4441

STAN THOMPSON
MAYOR

April 1, 1986

by Kopanen P.E.R.A
Extend to municipalities
C&RA

House of Representatives
State Affairs Committee
The Honorable Katie Hurley, Chairperson
Pouch V
Juneau, AK 99811

Dear Representative Hurley:

This letter is to express our opposition to HB537. Quite simply, I feel that a local governmental ertity should be allowed to formulate its own labor relations policy in accordance with the desires of its citizens. This bill would be an unnecessary intrusion of the state into a political subdivision's affairs and interests. Title 29 allows local governments to establish their own personnel policies and regulations. Labor relations should be no different.

I strongly recommend that HB537 not be passed.

Sincerely,

Stan Thompson

Stan Thompson
Mayor

ST:cm

cc: Representatives Betty Cato
Andre Marrou
Mike Navarre
Mike Szymanski
Kay Wallis

Alaska State Legislature

House of Representatives

Committee on
Community & Regional Affairs

Pouch V
State Capitol
Juneau, Alaska 99811
(907) 465-4833

HEARING DATE: April 14, 1986 HB 537 HB 700

NAME (Please Print)	ADDRESS	REPRESENTING	TESTIFY (Yes or No)	PHONE NUMBER
537 Bob Bacolas	P.O. Box 630	Dept of Labor	Yes	4870
537 IVAN WIDOM	P.O. BOX 487 BETHEL, AK 99559	CITY OF BETHEL	Y	543-2297
HB 537 Jean Krause	105 Municipal Way #302 Juneau	NEA-AK.	YES	586-3090
HB 537 Scott A. Burgess	Junean	AML	Yes	6-1325
Ken Koppen	JUNEAU	C.B.J.	YES	6-5250
HB 537 Mike Rudisill	Juneau	AK State AFL-CIO	yes	HB 537

DELIVER TO: TCJNU

ORIGINAL
SENT: 04/14/86 TIME: 16:36
FROM: LIOKOD
SUBJECT: KODIAK FINAL STATS
PRINT DATE: 04/14/86 TIME: 16:36

*** FINAL T/C STATS ***

DATE: APRIL 14, 1986 MONDAY
SITE: KODIAK L.I.O.
SPONSOR: HOUSE COMMUNITY AND REGIONAL AFFAIRS
SUBJECT: HB 537 - PUBLIC EMPLOYEE RELATIONS ACT
LOCAL MODERATOR: MARY JO SIMMONS

PRESENTED:
NAME/REPRESENTING

1. WAYNE SEWELL/INTERNATIONAL ASSOC. OF FIREFIGHTERS
BOX 3561 KODIAK 99615, 486-8537
2. BRUCE GARRETT/CLASSIFIED EMPLOYEES ASSOC.
BOX 730 KODIAK 99615, 486-8349
3. CLIFF DAVIDSON/ SELF
BOX 2097 KODIAK 99615, 486-4853

TIME START 3PM
TIME END: 4:30 PM

Bo Shaw

* DELIVER TO: TCJNU
*
*
* ORIGINAL
* SENT: 04/15/96 TIME: 12:22
* FROM: FALEENE DIGGS
* SUBJECT: FINAL STATS--SITKA ONLY
* PRINT DATE: 04/15/96 TIME: 12:22
*

TO: JUNEAU TELECONFERENCE
FROM: FALEENE/SITKA

FINAL I/S STATS

HOUSE COMMUNITY & REGIONAL AFFAIRS COMMITTEE
MONDAY, APRIL 14, 1996 3-4:30 PM
PUBLIC HEARING FOR HB 537, PUBLIC EMPLOYMENT RELATIONS ACT

SITKA LTC, TESTIFIED

1. RICHARD ANDERSON, CITY AND BOROUGH OF SITKA ADMINISTRATOR
   329 LAKE STREET, ROOM 104, SITKA, AK 99835 747-1804

EOM

*
* DELIVER TO: TCJNU
*
*
* ORIGINAL
* SENT: 04/14/96 TIME: 16:17
* FROM: LIGGOL
* SUBJECT: FINAL STATS
* PRINT DATE: 04/14/96 TIME: 16:17
*

* * * FINAL STATS * * *

DATE: 4/14/96
SITE: SOLDOTNA
SPONSOR: HOUSE COMMUNITY AND REGIONAL AFFAIRS
SUBJECT: HB 537 P.E.R.A.

TESTIFIED
1.JOAN BENNETT SCHRADER BOX 1264,KENAI,99611 283-4359
2.RICHARD CAMPBELL BOX 850,SOLDOTNA,99669 283-3226

TOTAL TESTIFIED: 2

DELIVER TO: TCJNU

ORIGINAL
SENT: 04/15/86 TIME: 08:56
FROM: JUNE CALLEY
SUBJECT: T/C KTN./HB537:PUB. EMP.REL.
PRINT DATE: 04/15/86 TIME: 08:56

*** FINAL T/C STATS ***

DATE: APRIL 14, 1986
SITE: KETCHIKAN
SPONSOR: N C A P A
SUBJECT: HB 537/PUBLIC EMPLOYEES RELATIONS
FINAL MODERATOR: JUNE CALLEY

TESTIFIED:
NAME/REPRESENTING ADDRESS PHONE

1. JOHN BUTLBROOK, IBEW, P.O. BOX 7241, KETCHIKAN, AK. 99901 (225-5121)
2. ROBERT GARZA, 4169 TONGASS, KETCHIKAN, AK. 99901 (225-4002)

OBSERVED
NAME/REPRESENTING ADDRESS PHONE

1. LYNN STREEPER, P.O. BOX 6154, KETCHIKAN, AK. 99901 (225-4300)

TESTIFIED: 2
OBSERVED: 1
TOTAL: 3

TIME START: 7:00PM
TIME END: 8:30PM

DELIVER TO: TCJNU

ORIGINAL

SENT: 04/14/86 TIME: 16:41

FROM: TCFBX

SUBJECT: 4/14 HCARA HB 537, PUB EMP

PRINT DATE: 04/14/86 TIME: 16:41

FINAL T/C STATS

DATE: 4/14/86

SITE: FAIRBANKS MODERATOR: PAULA GRAY

SPONSOR: HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

SUBJECT: HB 537, PUBLIC EMPLOYEES RELATIONS ACT

NAME/REPRESENTING	ADDRESS	PHONE
TESTIFIED:		
1. BARRY WAIGHT	819 1ST AVE., FBX 99701	456-2030
2. FRANK BELTZ	2113 DUNKMAN ST, FBX 99701	452-2022
3. SCOTT MATHEWS	PO BX 2405, FBX 99707	456-4572
OBSERVERS:		
1. CINDY SPANYERS	PO BX 81474, FBX 99708	

TESTIFIED: 3 TIME START: 2:00 PM TIME END: 4:30 PM

OBSERVERS: 1

TOTAL: 4

######

DELIVER TO: TCJNU

ORIGINAL
SENT: 04/14/86 TIME: 16:20
FROM: HARRY MANDREGAN
SUBJECT: FINAL STATE T/C 04/14/86
PRINT DATE: 04/14/86 TIME: 15:20

*** FINAL T/C STATE ***

DATE: APRIL 14TH, 1986
SITE: ANCHORAGE, ALASKA
SPONSOR: HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE
SUBJECT: HB 537: PUBLIC EMPLOYMENT RELATIONS ACT
LOCAL MODERATOR: HARRY TRACY MANDREGAN

TESTIFY:

NAME/REPRESENTING	ADDRESS	PHONE
1. JOHN KIEWIK (FIREFIGHTERS LOCAL 1264)		345-3454
	1290 E. 76TH AVE.#1227 ANCHORAGE 99502	349-0052

OBSERVE:

NAME/REPRESENTING	ADDRESS	PHONE
1. BUCK HOKINSON (FIREFIGHTERS LOCAL 1264)		345-3454
	P.O.BOX 111582 ANCHORAGE 99511	344-0454

REPORTED: 1
OBSERVE: 1
TOTAL 2

TIME START: 3:45 PM
TIME END: 4:30 PM

DELIVER TO: TCJNU

ORIGINAL
SENT 04/14/96 TIME: 16:09
FROM LIOPSG
SUBJECT: FINAL STATS-4/14 P.E.R.A.
PRINT DATE 04/14/96 TIME: 16:09

*** FINAL T/C STATS ***

DATE: APRIL 14, 1996
SITE: PETERSBURG
SPONSOR: (H) C&RA
SUBJECT HB 537 - P.E.R.A.
LOCAL MODERATOR: CRIS

TESTIFIED:

NAME/REPRESENTING	ADDRESS	PHONE
NONE		

OBSERVED:

NAME/REPRESENTING	ADDRESS	PHONE
1. MATT HOLMES / KFSK RADIO	BOX 149	772-3967

TESTIFIED: 0
OBSERVED: 1
TOTAL: 1

TIME START: 2:55 PM
TIME END: 4:09 PM

CTS

an agreement reached if requested by either party, but these obligations do not compel either party to agree to a proposal or require the making of a concession;

(2) "election" means a proceeding conducted by the labor relations agency in which the employees in a collective bargaining unit cast a secret ballot for collective bargaining representatives, or for any other purpose specified in secs. 70 - 260 of this chapter;

(3) "labor relations agency" means the state personnel board with regard to the state and employees of the state, and means the Department of Labor with regard to all other public employees and all other public employers;

(4) "organization" means a labor or employee organization of any kind in which employees participate and which exists for the primary purpose of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment and conditions of employment;

(5) "public employee" means any employee of a public employer, whether or not in the classified service of the public employer, except elected or appointed officials or teachers or noncertificated employees of school districts;

(6) "public employer" means the state or a political subdivision of the state, including without limitation, a town, city, borough, district, board of regents, public and quasi-public corporation, housing authority, or other authority established by law, and a person designated by the public employer to act in its interest in dealing with public employees;

(7) "terms and conditions of employment" means the hours of employment, the compensation and fringe benefits, and the employer's personnel policies affecting the working conditions of the employees; but does not mean the general policies describing the function and purposes of a public employer.

Sec. 23.40.260. SHORT TITLE. Secs. 70 - 260 of this chapter may be cited as the Public Employment Relations Act.

* Sec. 3. AS 09.43.010 is amended to read:

Sec. 09.43.010. ARBITRATION AGREEMENTS VALID; APPLICATION OF CHAPTER. A written agreement to submit an existing controversy to arbitration or a provision in a written contract to submit to arbitration a subsequent controversy between the parties is valid, enforceable and irrevocable, except upon grounds which exist at law or inequity for the revocation of a contract. However, this chapter does not apply to a labor-management contract unless it is incorporated into the contract by reference or its application provided for by statute.

* Sec. 4. This Act is applicable to organized boroughs and

political subdivisions of the state, home rule or otherwise, unless the legislative body of the political subdivision, by ordinance or resolution, rejects having its provisions apply.

* Sec. 5. AS 23.40.010 is repealed.

Approved by governor: June 7, 1972
Actual effective date: September 5, 1972

CS HOUSE BILL NO. 537 (C&RA)

Insert new Section.

Section 1. AS 09.43.010 is amended to read:

Sec. 09.43.010. ARBITRATION AGREEMENTS VALID; APPLICATION OF CHAPTER. A written agreement to submit an existing controversy to arbitration or a provision in a written contract to submit to arbitration a subsequent controversy between the parties is valid, enforceable and irrevocable, except upon grounds which exist at law or inequity for the revocation of a contract. However, this chapter does not apply to a labor-management contract unless it is incorporated into the contract by reference or its application provided for by statute or by ordinance.

Section 2. AS 23.40 is amended by adding a new section to read:

Section 23.40.075. APPLICABILITY. AS 23.40.070 - 23.40.260 and AS 09.43.010 apply to a municipality unless the municipality has adopted an ordinance that permits collective bargaining for its employees with either the right to strike or binding arbitration as the final step in the negotiation process.

Sec. 3. Section 4, ch. 113, SLA 1972 is repealed.

an agreement reached if requested by either party, but these obligations do not compel either party to agree to a proposal or require the making of a concession;

(2) "election" means a proceeding conducted by the labor relations agency in which the employees in a collective bargaining unit cast a secret ballot for collective bargaining representatives, or for any other purpose specified in secs. 70 - 260 of this chapter;

(3) "labor relations agency" means the state personnel board with regard to the state and employees of the state, and means the Department of Labor with regard to all other public employees and all other public employers;

(4) "organization" means a labor or employee organization of any kind in which employees participate and which exists for the primary purpose of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment and conditions of employment;

(5) "public employee" means any employee of a public employer, whether or not in the classified service of the public employer, except elected or appointed officials or teachers or noncertificated employees of school districts;

(6) "public employer" means the state or a political subdivision of the state, including without limitation, a town, city, borough, district, board of regents, public and quasi-public corporation, housing authority or other authority established by law, and a person designated by the public employer to act in its interest in dealing with public employees;

(7) "terms and conditions of employment" means the hours of employment, the compensation and fringe benefits, and the employer's personnel policies affecting the working conditions of the employees; but does not mean the general policies describing the function and purposes of a public employer.

Sec. 23.40.260. SHORT TITLE. Secs. 70 - 260 of this chapter may be cited as the Public Employment Relations Act.

* Sec. 3. AS 09.43.010 is amended to read:

Sec. 09.43.010. ARBITRATION AGREEMENTS VALID; APPLICATION OF CHAPTER. A written agreement to submit an existing controversy to arbitration or a provision in a written contract to submit to arbitration a subsequent controversy between the parties is valid, enforceable and irrevocable, except upon grounds which exist at law or inequity for the revocation of a contract. However, this chapter does not apply to a labor-management contract unless it is incorporated into the contract by reference or its application provided for by statute.

* Sec. 4. This Act is applicable to organized boroughs and

political subdivisions of the state, home rule or otherwise, unless the legislative body of the political subdivision, by ordinance or resolution, rejects having its provisions apply.

* Sec. 5. AS 23.40.010 is repealed.

Approved by governor: June 7, 1972
Actual effective date: September 5, 1972

Introduced: 2/3/86
Referred: State Affairs,
Community & Regional Affairs
and Finance

IN THE HOUSE

BY KOPONEN, BOUCHER, GRUENBERG AND FURNACE

CS HOUSE BILL NO. 537 (CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to participation of municipalities and political subdivisions in the Public Employment Relations Act."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 2. AS 23.40 is amended by adding a new section to read:

Sec. 23.40.075. APPLICABILITY. AS 23.40.070 - 23.40.260 [applies] and AS 09.43.010 apply to [an organized borough of a political subdivision of the state] a municipality unless the [borough or subdivision] municipality has adopted an ordinance that permits collective bargaining for its employees with either the right to strike or binding arbitration as the final step in the negotiation process.

* Sec. 3. Section 4, ch. 113, SLA 1972 is repealed.

CS HOUSE BILL NO. 537 (C&RA)

Insert new Section.

Section 1. AS 09.43.010 is amended to read:

Sec. 09.43.010. ARBITRATION AGREEMENTS VALID; APPLICATION OF CHAPTER. A written agreement to submit an existing controversy to arbitration or a provision in a written contract to submit to arbitration a subsequent controversy between the parties is valid, enforceable and irrevocable, except upon grounds which exist at law or inequity for the revocation of a contract. However, this chapter does not apply to a labor-management contract unless it is incorporated into the contract by reference or its application provided for by statute or by ordinance.

Section 2. AS 23.40 is amended by adding a new section to read:

Section 23.40.075. APPLICABILITY. AS 23.40.070 - 23.40.260 and AS 09.43.010 apply to a municipality unless the municipality has adopted an ordinance that permits collective bargaining for its employees with either the right to strike or binding arbitration as the final step in the negotiation process.

Sec. 3. Section 4, ch. 113, SLA 1972 is repealed.

Offered: 4/16/86
Referred: Finance

Original sponsors: Koponen, Boucher, Gruenberg and Furnace

IN THE HOUSE

BY THE COMMUNITY AND REGIONAL AND AFFAIRS COMMITTEE

CS FOR HOUSE BILL NO. 537 (C&RA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to participation of municipalities and political subdivisions in the Public Employment Relations Act."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 09.43.010 is amended to read:

Sec. 09.43.010. ARBITRATION AGREEMENTS VALID; APPLICATION OF ARTICLE. A written agreement to submit an existing controversy to arbitration or a provision in a written contract to submit to arbitration a subsequent controversy between the parties is valid, enforceable and irrevocable, except upon grounds which exist at law or in equity for the revocation of a contract. However, AS 09.43.010 - 09.43.180 do not apply to a labor-management contract unless they are incorporated into the contract by reference or their application is provided for by statute or municipal ordinance.

* Sec. 2. AS 23.40 is amended by adding a new section to read:

Sec. 23.40.075. APPLICABILITY. AS 23.40.070 - 23.40.260 apply to a municipality unless the municipality has adopted an ordinance that permits collective bargaining for its employees with either the right to strike or binding arbitration under AS 09.43.010 as the final step in the negotiation process.

* Sec. 3. Section 4, ch. 113, SLA 1972 is repealed.

Introduced: 2/3/86
Referred: State Affairs,
Community & Regional Affairs
and Finance

IN THE HOUSE

BY KOPONEN, BOUCHER,
GRUENBERG AND FURNACE

HOUSE BILL NO. 537

IN THE LEGISLATURE OF THE STATE OF ALASKA

FOURTEENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to participation of municipalities and political subdivisions in the Public Employment Relations Act."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 23.40 is amended by adding a new section to read:

Sec. 23.40.075. APPLICABILITY. AS 23.40.070 - 23.40.260 applies to an organized borough or a political subdivision of the state unless the borough or subdivision has adopted an ordinance that permits collective bargaining for its employees with either the right to strike or binding arbitration as the final step in the negotiation process.

* Sec. 2. Section 4, ch. 113, SLA 1972 is repealed.

Bill No. House Bill 537

Title "An Act relating to participation of municipalities and political subdivisions in the Public Employment Relations Act."

Date April 2, 1986

Contact: Robert J. Bacolas
465-4870

Eileen Plate
465-2700

House Bill 537 would require political subdivisions in the state to either adopt a local ordinance which provides collective bargaining for its employees or be covered by the Public Employment Relations Act (PERA). Under current law, political subdivisions are not required to bargain collectively with their employees and they may simply opt not to be covered by PERA.

Currently, of the 30,600 local government employees in the state, 3,200 are covered by PERA (City of Fairbanks, Fairbanks North Star Borough, Petersburg, City of Ketchikan, and Unalaska). Another 10,700 work for the City of Anchorage and the City and Borough of Juneau which provide collective bargaining and labor relations activities by local ordinance. An additional 4,500 have various loose knit forms of employee representation with the employer's consent, but their collective bargaining activities are not subject to labor relations oversight (Kenai Peninsula Borough, City and Borough of Kodiak, Valdez/Cordova and the Mat-su Borough.

This leaves approximately 12,200 local government employees who presently are not provided an opportunity to bargain collectively with their employers, and who would have this right extended to them under the provisions of House Bill 537.

If House Bill 537 were enacted, the department projects that the employers of about 25% of these employees would opt for local control and, therefore, would adopt local ordinances to permit collective bargaining. Under this assumption the remaining 9,100 employees would be served by the Department of Labor's Labor Relations Agency.

The Department of Labor supports the concept of extending to employees of political subdivisions the opportunity to bargain collectively as provided in this bill. As permitted under the present law, nearly 40% of the employees who work for political subdivisions in the state have been denied the opportunity to be represented for collective bargaining purposes.

The Department's fiscal note is attached.

APPROVED:

Jim Robison, Commissioner
Department of Labor

POSITION PAPER/Department of Labor

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date : _____

REQUEST

Bill/Resolution No. : HB 537
Title : ...participation of municipalities and political subdivisions in the Public Employment Relations Act
Sponsor : Koponen, Boucher, et. al.
Requestor : House State Affairs
Date of Request : 3/26/86

FISCAL DETAIL

Agency Affected : Labor
BRU : Labor Standards and Safety
Components : Wage & Hour

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES		72.5	72.5	72.5	72.5	72.5
TRAVEL		12.5	13.0	8.1	8.4	8.7
CONTRACTUAL		31.3	32.6	15.5	16.1	16.8
SUPPLIES		3.0	3.1	3.2	3.4	3.6
EQUIPMENT		2.8	-	-	-	-
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		122.1	121.2	99.3	100.4	101.6
CAPITAL						
REVENUE						

FUNDING : (Thousands of Dollars)

GENERAL FUND		122.1	121.2	99.3	100.4	101.6
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME		2	2	2	2	2
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

See Attached

Prepared by : RJB Robert J. Bacolas
Division : Labor Standards & Safety
Phone : 465-4870
Date : 3/28/86

Approved by Commissioner : RJB Jim Robison Jim Robison
Agency : Labor
Date : 3/28/86

Distribution (by Agency preparing fiscal note) :
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

10/25/85

CONTINUATION of FISCAL NOTE ANALYSIS

For Bill/Resolution No. HB 537

Under the provisions of this bill the department would be required to provide labor relations services to approximately 9,100 local government employees under the Public Employment Relations Act (PERA). Two new employees, a Wage and Hour Investigator I and a Clerk Typist III, both located in Anchorage, would be necessary to handle the increase in workload. Additionally, a contractual hearing officer would be required to perform adjudication functions when necessary. The anticipated costs for the first two years are summarized as follows:

	FY 87	FY 88
Personal Services		
Two new employees	72.5	72.5
Travel		
New Wage & Hour Investigator	7.5	7.8
Contractual Hearing Officers	5.0	5.2
S/T	12.5	13.0
Contractual Services		
Communications/Postage	6.7	7.0
Printing	5.6	5.8
Hearing Officer	10.0	10.4
Transcription Service	3.0	3.1
Legal Services	2.0	2.1
Miscellaneous	4.0	4.2
S/T	31.3	32.6
Commodities	3.0	3.1
Equipment	2.8	-0-
TOTAL:	122.1	121.2

After the first two years we anticipate most of the organizational activity in the communities will be complete. Thus, in FY 89 and beyond the program should be able to be handled by the two new positions. The hearing officers and related costs would therefore be eliminated.

Assumptions:

1) Of approximately 30,600 local government employees in Alaska, 21,500 are currently covered by some form of collective bargaining and would fall within the group currently covered by the Public Employees Relations Act or work for an employer who would most likely opt for a local ordinance. This leaves approximately 9,100 employees in the state for the department's Labor Relations Agency to oversee. These employees are predominantly in the rural areas of the State.

2) An effective date of July 1, 1986.

3) Inflation of 4% per year in FY's 88-91 in non-personal service items.

Position Title	No. of Positions	Range/Step	Barg. Unit	Gov.	Approv.	Disapp.
Wage and Hour Investigator	1	16A	CSU			

Time Status	Staff Months	RP Number	Location	Election District	Leg.		
PFT	12		Anchorage				

Type of Expenditure	2	Amount 3
Salary	33,660	
Benefits	10,775	
Premium Pay		
Other		
Total Personal Services		44,435
Travel		7,500
Contractual		2,000
Commodities		1,000
Equipment		1,400
Other		
Total Cost		56,335

Receipt Code	Funding Source		
	Federal Receipts	1002	
	G. F. Match	1003	
	General Funds	1004	56,335
	I-A Receipts	1005	
	Program Receipts	1028	
	CIP Receipts	1061	
	Other		

For B&M Use Only
Key Number __ __ - __ __ - __ __ - __ __ - __ __

Justification

This position will perform a variety of labor relations duties. The person will investigate petitions for collective bargaining; investigate complaints of unfair labor practice, provide informal resolution to unfair labor practice complaints, and investigate challenges to elections. The position will also conduct elections, certify elections, and provide education and information on the Public Employee Retirement Act to employees and employers..

Travel costs are for travel to the various locations around the State where public employee labor relations activity would be required.

Contractual and commodity costs are average per-employee costs. Equipment would be a one-time expense for desk, chair, cabinets, etc.

Request For New Position

Agency Labor

BRU Labor Standards and Safety

Component Wage and Hour

Page of

Revised Date

FY 87

Position Title	No. of Positions	Range/Step	Barg. Unit	Gov.	Approv.	Disappr.
Clerk Typist III	1	8A	GGU			

Time Status	Staff Months	RP Number	Location	Election District	Leg.		
PFT	12		Anchorage	1			

Type of Expenditure		Amount
1	2	3
Salary	20,316	
Benefits	7,702	
Premium Pay	-	
Other	-	
Total Personal Services		28,018
Travel		0
Contractual		2,000
Commodities		2,000
Equipment		1,400
Other		
Total Cost		33,418

Receipt Code	Funding Source		
	Federal Receipts	1002	
	G. F. Match	1003	
	General Funds	1004	33,418
	I-A Receipts	1005	
	Program Receipts	1028	
	CIP Receipts	1061	
	Other		

For B&M Use Only
Key Number ___ - ___ - ___ - ___ - ___

Justification

This position will function as the clerical member of the Department of Labor's Labor Relations Agency. The position will be responsible for preparing and typing correspondence, and maintaining collective bargaining records as they apply to petitions, certification/decertification of bargaining units, and complaints of unfair labor practices. Also, the position will act as recorder for the Labor Relations Agency Board during board proceedings.

Costs associated with this position are average per-position costs, plus one-time equipment expense of $1,400 for a desk, chair, etc.

Request For New Position

Agency Labor
BRU Labor Standards and Safety
Component Wage and Hour

Page of
Revised Date

FY 87

NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

ANCHORAGE REGIONAL OFFICE
1411 W. 33RD
ANCHORAGE, ALASKA 99503
(907) 274-0536

JUNEAU OFFICE
147 S. FRANKLIN #207
JUNEAU, ALASKA 99801
(907) 586-3090

FAIRBANKS REGIONAL OFFICE
2118 CUSHMAN STREET
FAIRBANKS, ALASKA 99701
(907) 456-4435

March 25, 1986

TO: Representative Katie Hurley, Chair
Members; House State Affairs Committee

RE: HB 537; "An Act relating to participation of municipalities and political subdivisions in the Public Employment Relations Act."

NEA-Alaska supports and encourages favorable action by the House State Affairs Committee on HB 537.

It is important that all public employees have the right, by statute or local ordinance, to participate in a meaningful way in the decision making process as it pertains to their wages and terms and conditions of employment.

As the Legislature has stated in its policy regarding the Public Employment Relations Act government is more effective and employees are more responsive when they are afforded the opportunity to share decision making and exchange ideas and information on operations.

We urge your favorable consideration of HB 537.

Respectfully submitted:

Robert Manners
Executive Secretary

B6:39

Alaska MUNICIPAL League

TELEPHONE
(907) 586-1325

105 MUNICIPAL WAY, SUITE 301
JUNEAU, ALASKA 99801

TO: Representative Katie Hurley, Chair
Members of the House State Affairs Committee

FROM: Scott A. Burgess, Executive Director

DATE: March 26, 1986

SUBJECT: HB 537 - Mandatory PERA for Municipalities

The Alaska Municipal League opposes HB 537 based on the language cited below from the AML 1986 Policy Statement (page 19), adopted by the membership at the 1985 annual meeting in Fairbanks in November:

> "Alaska Public Employees Labor Relations Act: The League strongly opposes any legislation which would force municipalities to be subject to the provisions of the Alaska Public Employees Labor Relations Act. The League opposes, just as strongly, any legislative efforts to dictate the provisions of local public employees labor relations ordinances. The League supports legislation to allow each municipality at any time to reject or withdraw from the terms of the Alaska Public Employees Relations Act."

I have attached copies of several letters, resolutions etc. I have received on HB 537. Other correspondence in opposition to similar legislation proposed in the past is also available to the Committee, if requested. Clearly, the position of the League, which represents, directly, 117 municipalities around the State, is in opposition to HB 537. The attached information addresses specific reasons and opposition to HB 537; however, I have summarized below some of the major reasons for our opposition to the legislation for the Committee:

1. Municipalities are generally opposed to State mandates on local governments which remove local control and increase cost.

2. Mandating PERA, or the adoption of ordinances with the same effect, removes the power of the elected representatives at the local level to set policy and budgets by balancing the resources and needs of the whole community rather than one segment - public employees.

3. Public employees have recourse through their elected officials to address specific concerns.

4. Public employees may seek to put collective bargaining before the local voters and the assembly or council through the initiative and referendum process.

5. The public sector is different from the private sector in terms of the services provided, civil service protections, and their access to, and the responsibility of, the elected officials.

The League strongly opposes HB 537. Thank you.

City and Borough of Sitka

304 LAKE STREET · SITKA, ALASKA · 99835

February 11, 1986

Scott Burgess, Executive Director
Alaska Municipal League
105 Municipal Way
Juneau, Alaska 99801

Dear Scott:

Concerning your request for comments on H.B.537, I am quite certain that you realize existing laws do not prevent municipalities from being covered under PERA if they so choose.

My point is that the state should leave the question addressed in H.B.537 up to the local citizens. I have enclosed past correspondence on this subject. You can see that we have been consistent in our thinking for very good reasons.

Sincerely yours,

Richard Anderson
Administrator

cc: Ben Grussendorf
Dick Eliason

331.1

City and Borough of Sitka

P.O. BOX 79 · SITKA, ALASKA · 99835

January 30, 1984

Representative Ben Grussendorf
Alaska State Legislature
Pouch V
Juneau, Alaska 99811 M/S 3100

Dear Ben,

In a letter dated March 8, 1983, Rocky expressed to you the opposition of the City and Borough of Sitka to S.B. 154 which would bring all public employees under the provision of the Public Employment Relations Act. I now see that there is also H.B. 441 which would accomplish the same thing.

Sitka opposes these bills as we elected not to be covered by PERA some years back. As Rocky expressed last March, "As a bottom line, the question of whetner or not the provisions of PERA should apply to all public employees could be better addressed by putting the question to the electorate of each municipality."

Sincerely,

Richard Anderson
Acting Administrator

331.2

City and Borough of Sitka

P.O. BOX 79 · SITKA, ALASKA · 99835

February 17, 1984

Senator Richard Eliason
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Dick:

SUBJECT: SB 154

I have seen a copy of your letter of February 8, 1984 to Rick Anderson concerning the proposal to bring Sitka under the provisions of the Public Employment Relations Act.

I am sure you are concerned with public employees being treated fairly and paid adequately.

The potential problem as I see it is that "collective bargaining" is a legal term of art and if mandatorily applied to governments, it gives local governmental employees advantages far beyond those existing in the private sector. This is because public employees also have the power to exercise political influence over those whom they bargain with.

This unique aspect of bargaining in the public sector has been fully recognized by the Alaska Supreme Court in a continuing line of cases. The latest case is City and Borough of Sitka v. I.B.E.W. (653 P2d 332).

I am enclosing a complete copy of that decision and of particular interest are the comments on pages 336 and 337.

Sitka spent over five years in litigation before winning that case. We litigated not out of any desire to mistreat employees, but rather to keep a reasonable balance as the administration attempts to represent the voting public.

A time surely existed when public employees were paid less than the private sector, but that is very different today.

I would use as a specific example the Public Employees Retirement Act which covers both legislators like yourself and Sitka employees like me. Not only do the benefits far outstrip anything available to the private sector (ask any ALP employee) but they mandate huge hidden governmental expense. The average employee contributes 4½% of their salary and Sitka currently contributes an additional 16.68%.

The way the retirement statute is written, Sitka may not bargain with the employee to have the employee pay a more equitable portion. Sitka's only option is to absorb the cost or drop out of the plan. In the past ten years the employee contribution percentage has been frozen legislatively, but Sitka's contribution has risen from 7% to the present 16.68%.

This also illustrates the proble e have when trying to adapt a statewide scheme to Sitka's loc situation. Essentially, local government employment is a local concern of the local taxpayers. It is a problem the Alaska Legislature could well leave with the local assemblies. There are many political pressures which employees can apply on a local level if they wish. If employees believe that the Sitka administration does not represent the wishes of the man on the street, there is always the possibility of a local referendum petition on the question of collective bargaining.

I don't wish you to get the impression that Sitka does not listen to its employees. Our wage discussions for this year with municipal employees begin next week.

Finally, both you and your committee are invited to hold hearings in Sitka on this bill and to find out first-hand how Sitka municipal wages compare with the private sector here.

Sincerely,

Peter S. Hallgren
Municipal Attorney

enclosure

cc: R. Anderson

CITY AND BOROUGH OF SITKA, Appellant,

v.

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL UNION 1547, Appellee.

No. 6116.

Supreme Court of Alaska.

Oct. 22, 1982.

City appealed from an order of the Superior Court, First Judicial District, Sitka, Thomas B. Stewart, J., requiring it to recognize and negotiate with its electrical department employees' elected representative. The Supreme Court, Compton, J., held that: (1) city ordinance exempting city from requirements of Public Employment Relations Act was valid, and (2) city violated its city charter requirement to recognize employee organizations by establishing employees' negotiating committee and declining to recognize employees' representative.

Affirmed in part, reversed in part, and remanded.

Rabinowitz, J., dissented and filed opinion.

1. Labor Relations ⇐48

City's exemption from requirements of Public Employment Relations Act was effective where, although its electrical department employees had signed union authorization cards before exemption ordinance was passed, there was no evidence of any organizational activities occurring between effective date of Act and passage of exemption ordinance and where city's intent in enacting exemption ordinance was to control its own public labor relations and not to frustrate employee rights. Laws 1972, c. 113, § 4.

2. Municipal Corporations ⇐58

In construction of municipal charters, Supreme Court is guided by rules of statutory construction.

3. Statutes ⇐217.4

Although starting point in construing statute is language of statute itself, reference to legislative history may provide insight that is helpful in determining statute's meaning.

4. Labor Relations ⇐179

Collective bargaining is term of art in labor law that harbors concomitant duty to bargain in good faith. AS 23.40.250(1).

5. Labor Relations ⇐52

It is only when legislative enactment expressly and unambiguously announces decision requiring public employers to undertake collective bargaining that court should find that government entity has bound itself to such course of dealing.

6. Labor Relations ⇐177

City charter provision requiring city assembly to adopt ordinances with provisions recognizing employee organizations did not require city to engage in collective bargaining with employee organizations but only imposed less stringent obligation to meet and confer with recognized employee organizations.

7. Labor Relations ⇐177

City's establishment of employees' negotiating committee did not satisfy its charter obligation to recognize employee organizations as bargaining representative of its employees.

Helpers of America, Independent Local 959 v. City of Fairbanks, 582 P.2d 150 (Alaska 1978). What is unclear from the plan summary is whether there is *any* "administrative remedy" by which Deveney could obtain something equivalent to a declaratory judgment as to the meaning of the plan from the Trust. The only way in which the plan summary provides for final decisions by the Trustees is in the context of an application for benefits; until the divorce is final the question to which Deveney wanted an answer cannot be formally raised. We leave this issue for further consideration by the superior court in light of the wording of the plan itself.

8. Labor Relations ⇐177

City could not be directed to recognize and negotiate with whatever agency was elected by majority of its electrical department employees as their representative despite its violation of its charter obligation to recognize employee organizations since charter only required recognition of employee organizations and did not require recognition of agents.

Peter Hallgren, Sitka, for appellant.

Paul S. Wilcox and M. Gregory Oczkus, Law Office of Paul S. Wilcox, Anchorage, for appellee.

OPINION

Before RABINOWITZ, CONNOR, MATTHEWS and COMPTON, JJ., and DIMOND, Senior Justice.*

COMPTON, Justice.

This appeal raises the issue of whether the refusal of the City and Borough of Sitka (Sitka) to recognize the union selected as a bargaining agent by its electrical department employees violates Alaska's Public Employment Relations Act (PERA) and Sitka's Municipal Charter. The superior court ruled that Sitka failed to effectively opt out of PERA and that Sitka's personnel policy ordinance violated its Charter. The court ordered Sitka to recognize and negotiate with the electrical department's elected representative. We hold that Sitka validly opted out of PERA, but violated its Charter.

* Dimond, Senior Justice, sitting by assignment made pursuant to article IV, section 11, of the Constitution of Alaska, and Alaska R.Admin.P. 23(a).

I. FACTUAL AND PROCEDURAL BACKGROUND

The facts in this case are essentially undisputed. In June 1972, the State of Alaska enacted the Public Employment Relations Act (PERA). AS 23.40.070.–260. PERA confers upon public employees the right to organize and to bargain collectively with their employers. Section 4 of PERA permits the legislative body of any political subdivision of the state to reject the Act, thereby preventing its application to the public employees of that subdivision.[1] PERA became effective on September 5, 1972.

In December 1971, appellant Sitka was unified as a single home rule municipality. At that time, a charter was adopted that included a section requiring the Sitka Assembly to "adopt by ordinance an administrative code which shall include provisions for ... recognizing employee organizations."[2]

Pursuant to the Charter, Sitka enacted a personnel policy ordinance in May of 1972.[3] The ordinance established an employees' negotiating committee. Essentially, each municipal department elects one representative to the committee. The employees' negotiating committee meets with a management committee to discuss various subjects including work conditions, benefits and salaries. On July 10, 1973, the Sitka Assembly passed Ordinance 73–93, which purports to exempt the municipality from PERA pursuant to section 4 of the Act.

Appellee is a labor organization affiliated with the International Brotherhood of Electrical Workers, AFL–CIO (IBEW). Organizational efforts by the IBEW on behalf of

1. Section 4 reads: "This Act is applicable to organized boroughs and political subdivisions of the state, home rule or otherwise, unless the legislative body of the political subdivision, by ordinance or resolution, rejects having its provisions apply." Ch. 113, § 4, SLA 1972.

2. Sitka, Alaska, Charter § 3.05 provides in full:

> The Assembly shall adopt by ordinance an administrative code which shall include provisions for establishing qualifications for employment and a merit system; establishing a pay plan for all municipal positions; permitting appeal; recognizing employee organizations; protecting municipal employees from arbitrary discharge and safeguarding against nepotism.

3. Sitka, Alaska, Ordinance No. 72–13 (May 9, 1972).

the Sitka electrical department employees extend back to the early 1960's. Thereafter, the employees were periodically in contact with the union, which in turn approached city leaders on several occasions for the purpose of obtaining union recognition. Sometime in 1972, all the electrical department employees signed union authorization cards.[4] Sitka officials were aware of the electrical employees' desire and intent to have the IBEW represent them for purposes of collective bargaining prior to July 10, 1973. Sitka has consistently refused, however, to recognize the IBEW as a bargaining agent for the Sitka electrical department employees.

On August 24, 1977, the IBEW filed a suit alleging that Sitka Ordinance 73–93 is invalid and that Sitka Charter section 3.05 requires recognition of the union as the bargaining representative of Sitka's electrical department employees. Sitka's answer denied the allegations and raised four affirmative defenses. After the IBEW's motion for summary judgment was denied, the case proceeded to trial on August 28, 1979. The superior court ruled in favor of the IBEW, granting them the right to engage in organizational activities with the employees of the electrical department and requiring the City to recognize and negotiate with the representative elected by a majority of the electrical department employees.

Sitka appeals from this decision.

II. PERA REJECTION

[1] We first address whether Sitka Ordinance 73–93 effectively rejected PERA. The superior court, citing *State v. City of Petersburg*, 538 P.2d 263 (Alaska 1975), held that Sitka's PERA exemption was ineffective because it was enacted too late and thus interfered with substantial organizational activities by the electrical department employees.

In *Petersburg*, we held that the City could not exempt itself from PERA after becoming aware of the fact that all municipal power plant employees had authorized a particular union to represent them.[5] "[T]he substantiality of the organizational activities undertaken by the employees and the extent of the City's awareness of those activities" identify "[t]he critical point beyond which the right and power of the City to reject the Act become subordinated to the rights of the employees." 538 P.2d at 267.

We have warned, however, that the *Petersburg* rule is limited to its factual setting. *Anchorage Municipal Employees Association v. Municipality of Anchorage*, 618 P.2d 575, 579 (Alaska 1980). To ascertain whether a PERA exemption is motivated by proper considerations, we examine the purpose and intent of actions taken by the employees and by the municipality. *See City of Fairbanks v. Fairbanks Firefighters Union*, 623 P.2d 339 (Alaska 1981); *City of Fairbanks v. Fairbanks AFL–CIO Crafts Council*, 623 P.2d 321 (Alaska 1981); *Anchorage Municipal Employees Association v. Municipality of Anchorage*, 618 P.2d 575 (Alaska 1980).

It is uncontroverted that Sitka was aware of the IBEW's organizational attempts prior to passage of the exemption ordinance. Contrary to the position advocated by the IBEW, such knowledge is not in itself sufficient to invoke the *Petersburg* rule. In *City of Fairbanks v. Fairbanks AFL–CIO Crafts Council*, we interpreted *Petersburg* as holding that "a public employer may not

4. The record is uncertain as to exactly when the union authorization cards were signed. At the trial the most precise time estimate came from the electrical department superintendent. He testified that the union cards were signed in the spring of 1972. This evidence indicates that the cards were probably signed prior to PERA's enactment in July of 1972.

5. The facts in *Petersburg* are as follows: Employees of the City's light and power plant signed cards authorizing the IBEW to act as their collective bargaining agent in March of 1973. All preliminary discussions concerning the possibility of unionization had taken place earlier in the same year, thus occurring after the effective date of PERA. Five days later, the Petersburg City Council held a special meeting at which it passed a resolution purporting to exempt the City from the provisions of PERA. The council was aware of the power plant employees' union activities prior to passing the resolution. 538 P.2d at 264–65.

opt out of PERA in order to avoid negotiating with certain unions once its employees have commenced organizational activities in reliance on the rights granted to them by the Act." 622 P.2d at 323. The timing of the organizational activities of the Petersburg power plant employees indicated a reliance on PERA rights. The situation here, however, is different. The Sitka electrical department employees had pursued unionization since the early 1960's, long before the enactment of PERA. Although the superior court found that all the electrical department employees signed union authorization cards sometime in 1972, there is no evidence in the record of any organizational activities occurring between PERA's effective date, September 5, 1972, and the passage of the exemption ordinance, July 10, 1973. Thus, in contrast to *Petersburg*, the employees in Sitka were not acting in reliance on rights granted them by PERA.

Nor is the *Petersburg* rule invoked when a municipality rejects PERA "solely for the purpose of retaining local control over their labor relations, and with the clear intent of continuing collective bargaining rather than to interfere with established employee rights." *Anchorage Municipal Employees Association* v. *Municipality of Anchorage*, 618 P.2d at 579. This provides an additional ground for distinguishing the present case from *Petersburg*. In contrast to the *Petersburg* factual setting,[6] there are no factual findings in the present case that the Sitka PERA exemption ordinance was passed with an intent to frustrate employee rights. Sitka has consistently refused to recognize the IBEW, both before and after PERA. Passage of the personnel policy in May of 1972 reveals Sitka's intent to control its own public labor relations. Sitka's purpose in opting out of PERA was to retain local control through its personnel policy rather than to interfere with employee rights.[7]

We hold that Sitka Ordinance No. 73-93 validly exempted Sitka from the requirements of PERA.[8]

III. SITKA CHARTER

The second issue is whether the creation of an employees' negotiating committee satisfies the mandate set forth in Sitka Charter section 3.05 of "recognizing employee organizations." The personnel policy ordinance defines the structure of the negotiating committee, but also affords municipal employees the opportunity to elect a department representative. Sitka argues that by enacting the personnel policy ordinance, it fulfilled its Charter obligation. In contrast, the IBEW argues that the Charter requires Sitka to recognize the IBEW as bargaining agent for the municipality's electrical department. In our view, the dispositive question centers on the intentions of the framers of the Sitka Charter in using the word "recognizing."

[2, 3] In the construction of municipal charters, we are guided by the rules of

6. In *Petersburg*, there was no indication that the City Council passed the PERA exemption ordinance in order to retain local control over labor relations. Nor was there any evidence that collective bargaining had ever transpired between the City and the power plant workers. The fact that the City Council's exemption ordinance was passed within five days after union authorization cards were signed evidenced an intent to interfere with the rights of employees. 638 P.2d at 264-67.

7. Sitka, Alaska, Ordinance No. 73-93 (July 10, 1973) provides in part:

3. *Purpose*

(a) This municipality already carries out collective bargaining procedures with its public employees.

(b) The collective bargaining procedures have proved to be workable and satisfactory.

(c) This municipality has, by ordinance, provided personnel rules and regulations under which merit system principles are maintained among its public employees.

8. The fact that Sitka's PERA exemption ordinance was passed three months after Petersburg's unsuccessful attempt does not affect our holding. *Petersburg* does not set a limited time period within which rejection of PERA must take place. Instead, the circumstances of each case must be examined individually. *Anchorage Municipal Employees Ass'n v. Municipality of Anchorage*, 618 P.2d at 581.

statutory construction.[9] Although the starting point in construing a statute is the language of the statute itself, reference to legislative history may provide insight that is helpful in determining the statute's meaning. *North Slope Borough v. Sohio Petroleum Corp.*, 585 P.2d 534, 540 (Alaska 1978).[10] We, therefore, consider the relevant history of Sitka Charter section 3.05.[11]

The legislative history surrounding the adoption of Sitka Charter section 3.05 is quite sparse. Section 3.05 was apparently modeled after a similar provision in a 1970 proposed version of the Anchorage Municipal Charter. Among other changes, the Sitka Charter Commission substituted the phrase "recognizing employee organizations" for the phrase "recognizing collective bargaining." There is no reference in the tapes of the meetings of the Charter Commission to explain what was intended by this particular revision. When drafting another charter provision, relating to the status of employees during the transition to a home rule municipality, the Charter Commission considered a section in the proposed Anchorage Municipal Code that referred to collective bargaining and, again, the Commission deleted the reference to collective bargaining in the Charter. The tapes of the July 15, 1977, meeting of the Charter Commission indicate that the deletion was not because of any hostility toward the prospect of collective bargaining in the future. Rather, the Charter Commission determined that it was unnecessary to include the reference to maintain any collective bargaining agreements during the transitional period because at that time there were no collective bargaining agreements in effect. When discussing the matter, the Charter Commission addressed the relationship between "benefit bargaining" and a provision in the administrative code that apparently required the City to recognize an employee organization:

> Shuler: You don't have a bargain agreement, unless you have a signed agreement with someone.
>
> Wright: Not necessarily.
>
> (Voice): Are you thinking of bargaining rights?
>
> Wright: Yes.
>
> Fager: Our administrative code doesn't say, except just to say recognize an organization, it doesn't say anything about benefit bargaining.
>
> Grussendorf: *That's all you have to do, just recognize the existence of the organization.*

Transcript of Sitka Charter Commission (July 15, 1977) (emphasis added).

[4] Although the colloquy quoted above was not directly in reference to the meaning of Charter section 3.05, it offers a valuable insight into the probable intent of the Charter Commission. We therefore reject the IBEW's contention that the phrase "recognizing employee organizations" should be interpreted to require Sitka to engage in collective bargaining with respect to the terms and conditions of employment of municipal employees. "Collective bargaining" is a term of art in labor law that harbors the concommitant duty to bargain

9. 2 E. McQuillan, The Law of Municipal Corporations § 9.22 at 685 (3d ed. 1979).

10. As Judge Learned Hand noted in *Cabell v. Markham*, 148 F.2d 737, 739 (2d Cir.), *aff'd*, 326 U.S. 404, 66 S.Ct. 193, 90 L.Ed. 165 (1945):

> Of course it is true that the words used, even in their literal sense, are the primary, and ordinarily the most reliable, source of interpreting the meaning of any writing: be it a statute, a contract, or anything else. But it is one of the surest indexes of a mature and developed jurisprudence not to make a fortress out of the dictionary; but to remember that statutes always have some purpose or object to accomplish, whose sympathetic and imaginative discovery is the surest guide to their meaning.

11. At oral argument, Sitka argued that the enactment of the personnel policy ordinance by the assembly, which included members of the Charter Commission, was a contemporaneous practical construction of the Charter that should be considered controlling. Although a contemporaneous construction may provide some evidence of the meaning of the Charter, it is not conclusive, especially if it conflicts with a literal reading of the language used and the history of the enactment of the Charter.

in good faith.[12] We recognized in *Kenai Peninsula Borough School District v. Kenai Peninsula Education Association*, 572 P.2d 416 (Alaska 1977), that the good faith standard of collective bargaining may affect the substantive position of the bargaining parties. We stated:

> While the good faith standard of collective bargaining does not compel either party to make concessions, intransigent positions, adopted in an effort to avoid any agreement, are disfavored. Thus a legal determination that a matter is subject to good faith collective bargaining may narrow the policy-making powers of an employer by curtailing any absolute directives on his part.

572 P.2d at 418–19 (footnote omitted). This consequence raises particularly sensitive concerns when collective bargaining in the public sector is at issue because the public employer who is obligated to engage in good faith bargaining relinquishes some of the essential attributes of sovereignty. Moreover, we also recognized in *Kenai Peninsula Education Association* that collective bargaining in the public sector is fundamentally a political process:

> "Finally, decisionmaking by a public employer is above all a political process. The officials who represent the public employer are ultimately responsible to the electorate, which for this purpose can be viewed as comprising three overlapping classes of voters—taxpayers, users of particular government services, and government employees. Through exercise of their political influence as part of the electorate, the employees have the opportunity to affect the decisions of government representatives who sit on the other side of the bargaining table."

572 P.2d at 419, *quoting Abood v. Detroit Board of Education*, 431 U.S. 209, 228, 97 S.Ct. 1782, 1796, 52 L.Ed.2d 261, 280 (1977).

[5, 6] Mindful of the nature of collective bargaining in the public sector and of the serious implications of the duty to bargain in good faith, the decision to engage in collective bargaining should not be implied from language that is unclear. It is only when a legislative enactment expressly and unambiguously announces a decision to undertake collective bargaining that a court should find that a government entity has bound itself to such a course of dealing. The language employed by the Charter Commission is not so clear and explicit that this court will interpret the phrase to mandate collective bargaining. Instead, the less stringent obligation to "meet and confer" is applicable to discussions between Sitka and recognized employee organizations.[13]

[7] Although we conclude that Charter section 3.05 does not require Sitka to engage in collective bargaining, it does not follow that the establishment of an employees' negotiating committee as defined by the personnel policy ordinance satisfied the Charter obligation to "recognize employee organizations." In the context of enactments concerning public employment, "employee organization" is typically defined broadly to include any organization that assists its members in improving the terms and conditions of their employment.[14] The focal point, here, is what was intended by use of the word "recognize." In other clauses of Charter section 3.05, the verb "establish" is used with regard to provisions for employment qualifications, a merit system, and a pay plan. If the Charter Com-

12. *See* AS 23.40.250(1).

13. A "meet and confer," or "meet and discuss," obligation imposes only the duty to meet at reasonable times and to discuss recommendations or proposals submitted by the employee organization. We have previously recognized the value of an obligation to meet and confer with recognized employee organizations. *See Kenai Peninsula Borough School Dist. v. Kenai Peninsula Educ. Ass'n*, 572 P.2d at 423.

14. For example, AS 23.40.250(4) defines "organization" to mean "a labor or employee organization of any kind in which employees participate and which exists for the primary purpose of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment and conditions of employment." *See also United Faculty of Florida v. Branson*, 350 So.2d 489, 494 (Fla.App.1977); *New York State Teachers Ass'n v. Helsby*, 57 Misc.2d 1066, 294 N.Y.S.2d 38, 41 (1968).

mission intended that the administrative code provide for employee organizations defined by the municipality, the verb "establish" would have been used here, too. Instead, the Charter Commission used the verb "recognize," which implies that Sitka will acknowledge an employee organization set up by employees. Moreover, the use of the plural suggests that the Charter Commission contemplated that several different employee organizations would be formed. Sitka's argument that it may unilaterally determine that all municipal employees must be included within a single employee organization is misplaced. Although undue fragmentation of the municipal workforce is a legitimate concern,[15] the Charter Commission plainly anticipated that employees would have at least the option of forming more than one employee organization.[16]

Our conclusion that Sitka has not satisfied its obligation to "recognize employee organizations" by establishing a bargaining committee is also supported by the principles articulated in *Kenai Peninsula Borough School District v. Kenai Peninsula Borough School District Classified Association*, 590 P.2d 437 (Alaska 1979). At issue in that case was whether the Kenai Peninsula School Board could establish a system of collective bargaining for non-certified school employees and yet limit the employees' rights to freely choose a bargaining representative and to affiliate with a national union. We found "that the right of the District's non-certificated employees to 'select representatives of their own choosing for collective bargaining,' be they from local or national organizations, 'without restraint or coercion by their employer,' is grounded firmly in the first amendment." 590 P.2d at 440, *quoting NLRB v. Jones & Laughlin Steel Corp.*, 301 U.S. 1, 33, 57 S.Ct. 615, 622, 81 L.Ed. 893, 909 (1937). We therefore held that the "restrictions on affiliation and choice of bargaining representative are violative of first amendment freedoms guaranteed to the non-certificated school employees." 590 P.2d at 441. The Sitka Charter plainly contemplates the existence of employee organizations. We will not interpret the intent of the framers of the Charter in a manner that would interfere with the employees right to select a representative of their own choice.

We therefore hold that Sitka's personnel policy does not provide for "recognizing employee organizations" as required under Sitka Charter section 3.05.[17]

IV. REMEDY

[8] The superior court's order directs Sitka to recognize and negotiate with whatever agency a majority of the electrical department employees elect as their representative. Sitka argues that this remedy is inappropriate. We agree.

The Sitka Charter provides the only basis for relief in this case. Section 3.05 does not require the municipality to recognize an agent selected by the electrical department, but only requires recognition of employee organizations. The judgment should only require compliance with the mandate of the Sitka Charter. On remand, we direct the superior court to modify its final judgment in a manner that orders the Sitka Assembly to adopt within a reasonable time an ordinance that provides for recognizing employee organizations pursuant to Charter section 3.05.

15. *See* AS 23.40.090. We note, though, in view of our holding that Sitka need not engage in collective bargaining to comply with Charter § 3.05, the problems typically associated with the excessive fragmentation of the workforce into separate bargaining units are not as substantial in the present case as they might otherwise be.

16. We need not address whether Sitka may define by ordinance appropriate bargaining units.

17. Sitka advances two other grounds for reversal of the superior court's decision. We are unpersuaded by either. First, Sitka argues that the IBEW's unreasonable delay in bringing this action constitutes laches. Second, Sitka argues that the IBEW waived its claim. The superior court found neither laches nor waiver. These findings are not clearly erroneous and will not be set aside here. Alaska R.Civ.P. 52(a).

The judgment of the superior court is AFFIRMED in part, REVERSED in part, and REMANDED for modification in accordance with this opinion.

BURKE, C.J., not participating.

RABINOWITZ, Justice, dissenting.

I disagree with the court's holding that Sitka Ordinance 73-93 validly exempted Sitka from the requirements of PERA. Therefore, I would affirm the superior court's ruling that Sitka's attempted exemption from PERA was ineffective.

In my view, *State v. Petersburg*, 538 P.2d 263 (Alaska 1975), is controlling. The focus of my disagreement with the court's treatment of this issue is its conclusion that the organizational activity must occur between the effective date of PERA, September 5, 1972, and the July 10, 1973 passage of the exemption ordinance. The distinction between *Petersburg* and the instant case is that in the former the union activity took place between the effective date of PERA and the city's exemption. Here the union activity occurred prior to the effective date of PERA. In my view, this factual distinction is of no legal significance.

The principal concern of *Petersburg* was that a city might employ its opt-out option as a de facto veto of a particular labor organization. Although a claim that the political subdivision has resorted to its exemption to thwart particular employee organizations is compelling when the city or borough exempts itself immediately after the commencement of organizational activities, as was the case in *Petersburg*, the timing of those organizational activities should not be dispositive.

It is uncontroverted that Sitka was aware of the long history of past IBEW organizational attempts. More important than the lack of Union activity within the "window period" is the city's continuing fear of, and disdain for, the IBEW. Sometime after all the electrical employees signed union authorization cards (which was probably in the spring of 1972 and before the city passed its exemption ordinance in July 1973), several city leaders met with the electrical department employees. At this meeting, IBEW representation was discussed. One employee testified: "I remember Mr. Conway (an assembly man) saying that if you do get a union, we will pull back everything, start from there, you won't have anything. Those aren't verbatim, but that's the gist of what he said." The city's only objection to IBEW seems to have been that it was a powerful outside organization. The city administrator testified: "I believe it's the feeling of the assembly and the prior council there that it should be a local problem there, and wages and fringes should be tied to a local economy as to the prevailing wage and what have you. This—this is what I read into it." Thus, review of the record persuades me that there is ample evidence showing that Sitka opted out of PERA primarily because it objected to the IBEW.

Terry WILLIFORD, Appellant,

v.

STATE of Alaska, Appellee.

No. 5985.

Court of Appeals of Alaska.

Oct. 22, 1982.

Defendant was convicted before the District Court, Third Judicial District, Kenai, Jess Nicholas, Magistrate, of operating motor vehicle while intoxicated, and she appealed. The Court of Appeals, Coats, J., held that: (1) statute, which provides that person commits crime of driving while intoxicated if he drives motor vehicle while he is under combined influence of intoxicating liquor and another substance, provides sufficient notice of the prohibited conduct; (2) statute pertaining to refusal to submit

CITY of WRANGELL, ALASKA

INCORPORATED JUNE 15, 1903

BOX 531, 99929 (907) 874-2381

ADOPTED AUGUST 1972

February 14, 1986

Representative Al Adams, Chairman
House Finance Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

RE: House Bill No. 537 regarding Right to Strike or Binding Arbitration

Dear Sir:

The City of Wrangell is strongly opposed to House Bill No. 537. As written, the Bill would bring municipalities under the State Public Employment Relations Act (PERA) unless a local ordinance was enacted to permit collective bargaining with the right to strike or binding arbitration as the final step in the negotiation process.

In 1972, the Legislature recognized the financial impact PERA could have on municipalities, as well as the need for local control, and provided that we could opt out of the Act by adoption of a Resolution or Ordinance. Recognizing the economic and social impact the Act could have on services provided to the public, the Wrangell City Council did indeed opt out of the Act in the best interests of the taxpayers.

The Wrangell city employees are currently receiving wages and benefits that exceed those received by the private major industry employees in our community. We need not remind you that the non-governmental employees in our community are the very taxpayer that must bear the burden of government wages and benefits. While it is recognized that public employees received greater benefits than private employees for many years due to their lower wages, this is no longer true. In many cases (if not most) the public employees far exceed the private employees in both benefits and wages. The State, in fact, has several employees that receive a higher annual salary than the Governor, some of which were achieved through PERA.

The threat of strike or binding arbitration would place an unfair burden on local government. Unlike private industry, a government employee strike can affect the health and welfare of an entire community by reducing or completely stopping public services. Binding arbitration can take away the City

Council's ability to set the mill levy and utility rates in a reasonable, equitable manner for all of the residents.

We urge defeat of House Bill No. 537 which would only serve to increase local budgets at a time when our revenues, like the State's, are decreasing.

Sincerely,

Joyce Rasler
City Manager

cc: Senator Robert H. Ziegler, Sr.
Representative John Sund
Representative Robin Taylor
Representative Ronald Larson
Alaska Municipal League

also Ithur Lay De Vries Kaufman

CITY OF PALMER

231 W. EVERGREEN AVE.
PALMER, ALASKA 99645

Phone (907) 745-3271

A HOME RULE CITY

March 4, 1986

The Honorable Ronald Larson
Alaska State Legislature
Parcel V (MS 3100)
Juneau, Alaska 99811

RE: HB 537 - Mandatory PERA

Dear Representative Larson:

I have given HB 537 Mandatory PERA a lot of thought and it seems as though every legislative session, since my coming to Palmer this issue continues to come up.

Before the State legislature gets carried away with PERA, I think we should really see what we are trying to accomplish by enacting this bill.

Most cities within the State, whether union or non-union, have personnel policies which provide for a grievance procedure and causes which justify the termination of an employee.

However, pursuing the issue of employee rights further, the court decisions of late, are clearly on the side of the employee which makes dismissal a very exact, time and money consuming procedure to follow through.

With times going to get tougher in the future, lay-off of employees are inevitable.

PERA is only going to further coddle employees who are not pulling their fair share.

A merit raise is the only way to reward an employee for their work. Under PERA, all employees are equal and takes away the initiative to excell or want to advance.

With a forty-eight and one half percent (48.5%) employee fringe benefit package presently in the City of Palmer, I truly am concerned about any attempt by the State to impose further restrictions on local government to make the act of providing services uneconomical. This will result in lay-offs when dealing with the private sector to provide the same services. It may not be totally cost effective but the time savings in dealing with grievance arbitration, and strikes makes this choice easier not to avoid the hassle. We somehow forget that time is money too.

I urge you not to support HB 537. As a property owner, PERA legislation will impact your property tax rate directly in the level of services you recieve.

The present PERA legislation is satisfactory and needs no tinkering.

Should you have any questions please contact me.

Yours truly,

David L. Soulak
City Manager
City of Palmer

DLS/tls

cc: Scott Burgess

CITY OF SEWARD

P.O. BOX 167
SEWARD, ALASKA 99664

- Main Office (907) 224-3331
- Police (907) 224-3338
- Harbor (907) 224-3138
- Fire (907) 224-3445
- Telecopier (907) 224-3248

March 5, 1985

MR. SCOTT A. BURGESS, EXECUTIVE DIRECTOR
ALASKA MUNICIPAL LEAGUE
105 Municipal Way, Suite 301
Juneau, AK 99801

RE: HB 537 - MANDATORY PERA

Dear Scott:

We are strongly opposed to HB 537 which would force cities and boroughs into the Public Employees Retirement Act if they do not allow employees to strike or provide binding arbitration of collective bargaining disputes.

On September 8, 1975, the City of Seward enacted Ordinance No. 412 rejecting the application of PERA to the City of Seward. In that Ordinance the City noted that it had considered the Alaska Supreme Court Opinion in State of Alaska v. City of Petersburg. 538P 2nd 263 (1975). Last year, the City again rejected a request to become subject to the terms of that Act, and intends to retain local control of labor relations, while granting limited rights to those employees who choose to be covered by a collective bargaining agreement to affiliate together in a labor organization in bargaining with the City.

The Seward City Council enacted Ordinance No. 540 on May 25, 1985, which sets forth certain parameters for collective bargaining with employees. Specifically, Ordinance No. 540 provides that: (1) no City employee shall have the right to strike; (2) each City employee included within the bargaining unit shall indicate whether or not they wish to be governed by the terms and conditions contained in the Agreement; (3) all collective bargaining agreements are subject to approval by the City Council; (4) all collective bargaining agreements shall expire on June 30 of the last contract year; (5) the City Council shall determine, in each instance, the unit appropriate for purposes of collective bargaining.

The Legislative Determination Preamble to the aforestated enactments is explanatory of our opposition to HB 537. To paraphrase from these Legislative Determinations, Seward is remote geographically and provides essential public services, including fire, police, sewer, water, snow removal, street repair, electrical, hospital care, and other services critical to the public health, safety and convenience.

critical to the public health, safety and convenience. City employees are agents of the City and, serving only public purposes, are entirely different from employees in the private sector; strike by them would contravene the public welfare, paralyze the City and endanger the public health, safety and convenience.

Since the terms of employment of City employees include economic obligations and commitments which, under the City of Seward Charter, can only be determined by the City Council, granting a right to strike or binding arbitration would, in effect, permit employees and arbitrators to place undue pressure and influence on the City Council. The City Council would be prone to accede to the demands of striking employees or arbitrators in order to protect the public, while the concessions granted or forced by arbitrator decision may well be against the public interest in that they could affect the financial well being of the city. Employees or arbitrators ought not to be granted the powers to put the city in such a dilemma.

In the face of declining revenues, Alaskan cities and boroughs must retain control of their finances. If city or borough employees are permitted to strike, or if collective bargaining agreements can be mandated by binding arbitration, the City Councils and Borough Assemblies will no longer be able to provide for the public health, safety and convenience, and would not retain control of their finances. To permit employees to strike and binding arbitration would result in a surrender of the power of taxation since the commitment of public monies in the form of wages and working conditions can result in tax adjustments. It is essential that the City Council or Borough Assembly approve any collective bargaining agreement before it can become effective.

Please let me know if we can assist further with additional comment, information and/or testimony.

Sincerely,

CITY OF SEWARD, ALASKA

RONALD A. GARZINI
CITY MANAGER

RAG:DS:alm

Enclosure: Ordinance No. 540

cc: J. Kerttula
E. DeVries
B. Cato

CITY OF SEWARD, ALASKA
ORDINANCE NO. 540

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, CONCERNING COLLECTIVE BARGAINING WITH CITY EMPLOYEES

WHEREAS, the City of Seward opted out of the State of Alaska Public Employee Relations Act in 1975 by Ordinance No. 412, and has again in 1985 rejected a request to become subject to the terms of that Act, and intends to retain local control over labor relations while granting limited rights to those employees who choose to be covered by a collectively bargained agreement to affiliate together in a labor organization and bargain with the City; and

WHEREAS, pursuant to Resolution No. 85-34 the City has permitted an election among City employees for the purposes set forth in that Resolution; and

WHEREAS, the results of that election were certified by the City Council and the City had determined in Resolution No. 85-34 that if a majority of the City employees voted in favor of being represented by the IBEW then the City Council would begin to make the required changes in its ordinances and personnel regulations to permit collective bargaining on behalf of those employees who choose to be covered by a collective bargaining agreement, while protecting the rights of those who do not choose to be covered by a collective bargaining agreement; and

WHEREAS, the City Council finds it in the public interest to make the minimum changes necessary to its existing Personnel Ordinance in order to preserve the stable atmosphere that has prevailed in the City during the past years; and

WHEREAS, given the size of the City of Seward, its remote geographical location and the dependence of the public on City services, the City Council views all City employees as essential for the public peace, health, safety and convenience; and

WHEREAS, the City Council is aware of the common law with regard to the issue of whether public employees have the right to engage in strikes or other concerted economic action and the City Council wishes to codify those provisions and to also cover those areas which might be in dispute among the various courts; and

WHEREAS, the City Council, as previously referenced in Resolution No. 85-34, does not intend to infringe on any individual's right to join or not join a union or be subject to the terms of a collectively bargained agreement, even though Federal or State statutes may provide otherwise; and

CITY OF SEWARD, ALASKA
ORDINANCE NO. 540

WHEREAS, the City Council wishes to make known some of the more important reasons for enacting changes to the Seward Code while not being bound by only the reasons set forth below;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, HEREBY ORDAINS that:

Section 1. The City Council of the City of Seward, Alaska, makes the following legislative determinations:

a. The City of Seward is remote geographically, and the City provides essential public services including fire, police, sewer, water, snow removal, street repair, electrical, and other services critical to the public health, safety and convenience.

b. Granting public employees the right to strike may be construed as granting employees the right to deny the authority of the City of Seward, and, as a home rule municipality, the City of Seward desires its authority to be broadly construed.

c. A strike or work stoppage by public employees is the equivalent to a rebellion against the very existence of the government and is not to be condoned or permitted.

d. Employees of the City of Seward, being agents of the City and serving only public purposes, are entirely different from employees in the private sector and a strike by them would contravene the public welfare and paralyze the City and endanger the public health, safety and convenience.

e. Since the terms of employment of City employees include economic obligations and commitments which under the City of Seward Charter can only be determined by the City Council, granting a right to strike would, in effect, permit employees to place undue pressure and influence on the City Council in that the City Council would be prone to accede to the demands of striking employees in order to protect the public, while the concessions granted in so doing may well also be against the public interest insofar as they could affect the financial well being of the City. Employees ought not be permitted to put the City in such a dilemma.

f. Unlike private enterprise, the City of Seward does not perform its public functions and

activities for profit and thus purely economic considerations may not appropriately be the most important considerations and should not be allowed to become the most important through strike activity.

g. The efficient operation of the City and harmonious labor relations between the City and its employees will best be served when each individual employee has the maximum freedom possible to choose individually whether to affiliate with other employees or a labor organization for the purpose of collective bargaining.

h. The interests of the majority of the City employees should not infringe on the interests of the minority provided the interests of the minority can be accommodated.

i. Because the City of Seward has a long-standing set of personnel procedures and ordinances which, for the most part, have resulted in stable and harmonious labor relations, the public interest would be best served by permitting each individual employee the right to choose to continue to be subject to the existing personnel policies and procedures (as they may be amended), thus permitting each employee the widest possible freedom to choose while at the same time permitting those who wish to collectively bargain the right to do so. The City realizes that this approach could be construed as a possible violation under Section 8(a)(1) of the National Labor Relations Act, but also realizes, for reasons set forth above, that the City has the right to determine its own labor relations policies, and has determined, as a legislative matter, that the greatest freedom of choice for individual employees serves the public interest best.

j. The City Council realizes its obligation never to surrender the power of taxation as set forth in the City Charter. The City Council determines that the accountability of the City Council to the public can only be maintained if this power to tax remains exclusively with the City Council. Since the commitment of public monies in the form of wages and working conditions can result in a tax adjustment, the City Council determines that it is essential that the City Council approve any collective bargaining agreement before it can become effective. Because of the budget requirements set

forth in the City Charter, and in order to preserve the public's opportunity to be heard on the budget, any collective bargaining agreement which would result in a change in the amounts budgeted for City employees must be concluded in time for the changes to be included in the annual budget prior to the end of the fiscal year.

k. The City Council also realizes that it would be unrealistic to require collective bargaining to conclude in the first year prior to the required budget deadlines and therefore finds that it would be permissible, for the budget year 1986 only, to review a collectively bargained agreement which could result in changes in wages or working conditions provided that such an agreement were to be submitted prior to August 1, 1985, and further, that any changes in wages or working conditions would not be retroactive.

l. The City Council finds that due to the annual budget process it would disrupt the orderly operation of the City if collectively bargained agreements were to expire at any time other than the close of the fiscal year.

Section 2. Section 17-13.6 of the City of Seward Code is added to read as follows:

Sec. 17-13.6 No right to strike. No City employee shall have the right to strike. A strike is defined as a concerted failure to report for duty, a willful absence from work, a stoppage of work, or an abstinence from the full and proper performance of duties for the purpose of inducing or coercing a change in working conditions or compensation. The term strike includes any refusal to perform regular duties while other City employees, or any other persons, are engaged in picketing or any other work stoppage, slowdown or refusal.

Section 3. A new Section 17-14 is hereby created and added to the Seward City Code as follows:

SECTION 17-14 -- COLLECTIVE BARGAINING

Sec. 17-14.1 Freedom of Choice. Upon the conclusion of the collective bargaining process and the approval of any such contract by the City Council as provided in Section 17-14.2 below, each City employee included within the bargaining unit

shall indicate whether that person wishes to be governed by the terms and conditions contained in that agreement. If not, then the employee shall continue to be subject to this personnel code and regulations and pay plan as they exist and may be amended or changed. Neither the City nor any City employee shall discriminate against any employee solely by reasons of that employee's exercise of this right to choose, although differences between terms and conditions of employment set forth in the City Personnel Code and those terms and conditions set forth in a collectively bargained agreement that result in differential treatment will not be a violation of this section. Each new employee likewise shall have the right to choose between the Personnel Code and any collectively bargained agreement after being offered a position but before beginning work.

Sec. 17-14.2 Submission of collective bargaining agreements to the City Council: Any collectively bargained agreement is subject to approval by the City Council.

Sec. 17-14.3 Effective dates for agreements. All collectively bargained agreements shall expire on June 30 of the last contract year. No agreement may require changes in wages or working conditions that are retroactive to any date prior to the date of approval by the City Council.

Sec. 17-14.4 Appropriate Bargaining Unit. The City Council shall determine, in each instance, the unit appropriate for purposes of collective bargaining. In making its determination, the City Council shall consider the avoidance of fragmented bargaining units and any expressed desires of members of the unit.

Section 4. This ordinance shall take effect 10 days following enactment.

ENACTED BY THE CITY COUNCIL OF THE CITY OF SEWARD, ALASKA, this 29th day of May, 1985.

CITY OF SEWARD, ALASKA
ORDINANCE NO. 540

THE CITY OF SEWARD, ALASKA

DONALD W. CRIPPS, MAYOR

AYES: CRIPPS, GILLESPIE, HILTON, MEEHAN, SCHOLL, SIMUTIS & WILLIAMS
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

ATTEST:

Linda S. Murphy, City Clerk

(City Seal)

APPROVED AS TO FORM:

HUGHES, THORSNESS, GANTZ, POWELL AND BRUNDIN, Attorneys for the City of Seward, Alaska

Fred B. Arvidson, City Attorney

Introduction Date; 05/13/85

Introduced By: City Attorney

Public Hearing & Enactment Date: 05/29/85

HOUSE

COMMITTEE REPORT

(7)
Date referred: 4/3/86

FURTHER REFERRALS:

DATE: ____________

The COMMUNITY AND REGIONAL AFFAIRS Committee has considered HB 537

"An Act relating to participation of municipalities and political subdivisions in the Public Employment Relations Act."

and recommends:

[ ] do pass

[ ] do not pass

[ ] do pass with attached amendment(s)

[ ] no recommendation

[ ] replace with CSHB 537 (CRA) [ ] same title

[ ] new title

and recommends ____________

[ ] further referral to the ____________ Committee

and attaches:
[ ] letter of intent
[ ] first fiscal note
[ ] new fiscal note
[ ] zero fiscal note

SIGNING DO PASS:

Niilo Koponen

Max Gruenberg

Peter Goll

SIGNING OTHER RECOMMENDATIONS:

Kay Wallis do not pass

Peter Goll

Chairman

City of Galena
Antoski Hall • P.O. Box 149 • Galena, Alaska 99741 • Telephone (907) 656-1301

RESOLUTION 86-6

A RESOLUTION OPPOSING HB 537

WHEREAS, the City Council of Galena is the duly authorized governing body of the City of Galena; and

WHEREAS, the provisions of HB 537 pertaining to Public Employees Collective Bargaining procedures can be quite costly; and

WHEREAS, the City of Galena is a small rural community with limited financial and staff resources; and

WHEREAS, the City of Galena probably would not have the financial ability to meet the provisions of a bill such as HB 537; and

NOW, THEREFORE, BE IT RESOLVED THAT the City of Galena strongly opposes HB 537.

PASSED AND APPROVED this 11th day of February, 1986.

Vernon A. White
Mayor

ATTEST:

Pat Myers
City Manager

Alaska MUNICIPAL League

TELEPHONE
(907) 586-1325

105 MUNICIPAL WAY, SUITE 301
JUNEAU, ALASKA 99801

TO: Representative Peter Goll, Chair
Members of the House Community and Regional Affairs Committee

FROM: Scott A. Burgess, Executive Director

DATE: April 14, 1986

SUBJECT: HB 537 - Mandatory PERA for Municipalities

The Alaska Municipal League opposes HB 537 based on the language cited below from the AML 1986 Policy Statement (page 19), adopted by the membership at the 1985 annual meeting in Fairbanks in November:

> "Alaska Public Employees Labor Relations Act: The League strongly opposes any legislation which would force municipalities to be subject to the provisions of the Alaska Public Employees Labor Relations Act. The League opposes, just as strongly, any legislative efforts to dictate the provisions of local public employees labor relations ordinances. The League supports legislation to allow each municipality at any time to reject or withdraw from the terms of the Alaska Public Employees Relations Act."

I have attached copies of several letters, resolutions etc. I have received on HB 537. Other correspondence in opposition to similar legislation, proposed in the past, is also available to the Committee, if requested. Clearly, the position of the League, which represents, directly, 117 municipalities around the State, is in opposition to HB 537. The attached information addresses specific reasons and opposition to HB 537; however, I have summarized below some of the major reasons for our opposition to the legislation for the Committee:

1. Municipalities are opposed, generally, to State mandates on local governments which remove local control and increase cost without remuneration by the State.

2. Mandating PERA, or the adoption of ordinances with the same effect, removes the power of the elected representatives at the local level to set policy and budgets by balancing the resources and needs of the whole community rather than one segment - public employees.

3. Public employees have recourse through their elected on the city council or borough assembly to address specific concerns.

4. Public employees can put collective bargaining before the local voters and the assembly or council through the initiative and referendum process.

5. The public sector is different from the private sector in terms of the services provided, civil service protections, and their access to, and the responsibility of, the elected officials.

The League strongly opposes HB 537. Thank you.

RECORDS
CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James A. O. Smith
Signature of Camera Operator

7/25/89
Date

02-519 (REV 8/78)