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# HOUSE COMMITTEE REPORT Original

(11)

Date Referred: May 9, 1989

FURTHER REFERRALS:

Date of Committee Action: 2/5/90

The FINANCE Committee considered:

CSSB 15 (Fin) am

CS FOR SENATE BILL NO. 15 (Finance) am

[NEGOTIATIONS BY PUBLIC SCHOOL EMPLOYEES]

"An Act including public school employees in the Public Employment Relations Act as class (a)(3) employees entitled to a right to strike; and providing for an effective date."

**RECOMMENDATIONS:**

- be replaced with HCS CSSB 15 (FIN)  the same title
- have attached amendment(s)  a ne. title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of intent

ATTACHES NEW FISCAL NOTE(S):  
(Dept)

APPROVES PREVIOUS:  
(Date/Dept)

- fiscal impact Labor
- zero fiscal note Education
- zero with analysis \_\_\_\_\_

- fiscal note(s) \_\_\_\_\_
- zero fiscal note(s) \_\_\_\_\_
- zero fn/analysis \_\_\_\_\_

**SIGNING DO PASS:**

**SIGNING:**  
(Check approp. column)

Do Not Pass  
No Rec  
Amend

[Signature] Ulmer  
[Signature] Larson  
[Signature] Koponen  
[Signature] Swackhamer  
[Signature] Brown

<u>[Signature]</u> wallis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>[Signature]</u> Phillips	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>[Signature]</u> Hoffman	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>[Signature]</u> Shultz	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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[Signature]  
Chairman's Signature

**FISCAL NOTE**

**REQUEST:**

Revision Date: \_\_\_\_\_  
Title: Public school employees in the  
Public Employment Relations Act  
Sponsor: House Finance  
Requestor: House Finance

Agency Affected: Education  
BRU: K-12 Support  
Components: Foundation

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
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**FUNDING: (Thousands of Dollars)**

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL						

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** (Attach a separate page if necessary)

Prepared by: Mary Hakala Phone: 465-2800  
Division: Commissioner's Office Date: 2/5/90

Approved by Commissioner: William G. Demmert Date: 2/5/90  
Agency: Education

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

STATE OF ALASKA  
1990 LEGISLATIVE SESSION

BILL VERSION : CSSB 15 (FIN) am

PUBLISH DATE : \_\_\_\_\_

FISCAL NOTE

REQUEST:

Revision Date: \_\_\_\_\_ Agency Affected: Labor  
 Title: "An Act including public school employees in the Public Employment Relations Act..." BRU: Labor Standards & Safety  
 Sponsor: Duncan, Zharoff, et al. Components: Wage & Hour  
 Requestor: House Finance

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	64.4	64.4	64.4	64.4	64.4	64.4
TRAVEL	12.5	12.5	12.5	12.5	12.5	12.5
CONTRACTUAL	25.0	25.0	25.0	25.0	25.0	25.0
SUPPLIES	0.7	0.7	0.7	0.7	0.7	0.7
EQUIPMENT	2.4	0.0	0.0	0.0	0.0	0.0
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	105.0	102.6	102.6	102.6	102.6	102.6

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND	105.0	102.6	102.6	102.6	102.6	102.6
FEDERAL FUNDS						
OTHER						
TOTAL	105.0	102.6	102.6	102.6	102.6	102.6

POSITIONS:

FULL-TIME	1.0	1.0	1.0	1.0	1.0	1.0
PART-TIME	1.0	1.0	1.0	1.0	1.0	1.0
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Note: There is no fiscal impact in FY 90.

Prepared by: Tom Stuart, Director

Phone: 264-2452

Division: Labor Standards & Safety

Date: 2/5/90

Approved by Commissioner: Jim Sampson

Date: 2/5/90

Agency: Department of Labor

Distribution (by preparer) :

Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)

**Fiscal Note Analysis  
for  
"An Act including public school employees..."**

Under this bill, the Department of Labor will act as the Labor Relations Agency for all school districts in the state and be responsible for investigation of representation petitions, determination of appropriate units for collective bargaining purposes, monitoring elections and holding representation hearings.

Additionally, upon expiration of the contracts of the certificated employees who currently are covered for collective bargaining under Title 14 "Compiled School Law," a number of challenges to the representation by current employee unions can be expected. Such challenge activity, which includes investigation of petitions and all the other functions of organization, would also have to be handled by the agency. This activity is currently administered by the school boards affected.

One wage & hour investigator, located in Anchorage, will be required to conduct the investigations, monitor the elections, and hold informal hearings. In addition, one part-time clerical position will be required to provide technical support for the investigator.

In addition to the costs associated with the wage & hour investigator and clerical support position, there would be additional costs for legal support (\$10.0) and printing (\$1.5).

Assuming a July 1, 1990 effective date, line item costs for FY 91 would be as follows:

Personal Services	\$64.4
Travel	12.5
Contractual Svcs.	25.0
Commodities	.7
Equipment	<u>2.4</u>
	105.0

Of these costs, only the equipment cost of \$2.4 would be a one-time item.

Position Title <b>Wage &amp; Hour Investigator II</b>		No. of Positions <b>1</b>	Range/Step <b>18A</b>	Barg. Unit <b>GGU</b>
Time Status <b>PFT</b>	Staff Months <b>12</b>	Location <b>Anchorage</b>		Election District
Justification				
Type of Expenditure		Amount		
1	2	3		
Salary	<b>\$37,356</b>			
Benefits	<b>13,735</b>			
Premium Pay				
Other				
<b>Total Personal Services</b>		<b>\$51,091</b>		
Travel		<b>12,500</b>		
Contractual		<b>9,282</b>		
Commodities		<b>350</b>		
Equipment		<b>1,200</b>		
Other				
<b>Total Cost</b>		<b>\$74,423</b>		
Funding Source for Total Cost				
Federal Receipts	1002			
G. F. Match	1003			
General Fund	1004	<b>\$74,423</b>		
GF Program Receipts	1005			
Other				

This position will conduct investigations and informal hearings of unfair labor practice complaints filed with this agency. The position will be responsible for monitoring school district representation elections and assisting school districts in complying with state and federal labor relations laws. The investigator will travel extensively throughout the state performing these investigations, hearings, and monitoring functions.

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	<u>Labor</u>
BRU	<u>Labor Standards &amp; Safety</u>
Component	<u>Wage &amp; Hour</u>

Page 3 of 4
Revised Date

**FY 90**

Position Title <b>Clerk Typist III</b>		No. of Positions <b>1</b>	Range/Step <b>8A</b>	Barg. Unit <b>GGU</b>	
Time Status <b>PPT</b>	Staff Months <b>6</b>	Location <b>Anchorage</b>		Election District	
Type of Expenditure		Justification			
Amount		<p>This position will provide clerical support (typing, answering telephone, mail handling, etc.) for the wage &amp; hour investigator.</p> <p>Contractual and commodity costs are average per-employee costs. Equipment would be a one-time expense for desk, chair cabinets, etc.</p>			
1	2				3
Salary	\$9,786				
Benefits	3,534				
Premium Pay					
Other					
<b>Total Personal Services</b>					<b>\$13,320</b>
Travel					<b>0</b>
Contractual					<b>4,253</b>
Commodities					<b>350</b>
Equipment					<b>1,200</b>
Other					
<b>Total Cost</b>					<b>\$19,123</b>
Funding Source for Total Cost					
Federal Receipts	1002				
G. F. Match	1003				
General Fund	1004		<b>\$19,123</b>		
GF Program Receipts	1005				
Other					

**Request For  
New Position**

Agency Labor  
 BRU Labor Standards & Safety  
 Component Wage & Hour

Page 4 of 4  
 Revised Date

**FY 90**

Original sponsor(s):— SEN. DUNCAN, Zharoff, Kerttula, Fahrenkamp, Kelly, Sturgulewski, Pourchot, Rodey, Szymanski

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR CS FOR SENATE BILL NO. 15 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act including public school employees in the  
7 Public Employment Relations Act as class (a)(3) em-  
8 ployees entitled to a right to strike; and providing  
9 for an effective date."

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

11 \* Section 1. AS 14.16.050(a) is amended to read:

12 (a) The following provisions apply with respect to the operation  
13 and management of the state boarding school as if it were a school  
14 district:

15 (1) requirements relating to school district operations:

16 (A) AS 14.03.030 - 14.03.050 (defining the school  
17 term, day in session, and school holidays);

18 (B) AS 14.03.083 - 14.03.140 (miscellaneous provisions  
19 applicable to school district operations);

20 (C) regulations adopted by the board under authority  
21 of AS 14.07.020(a) that are applicable to school districts and  
22 their schools, unless the board specifically exempts the state  
23 boarding school from compliance with a regulation;

24 (D) AS 14.12.150 (authorizing school districts to  
25 establish and participate in the services of a regional resource  
26 center);

27 (E) AS 14.14.050 (imposing the requirement of an  
28 annual audit);

29 (F) AS 14.14.110 (authorizing cooperation with other

1 school districts);

2 (G) AS 14.14.130 (directing the employment of a chief  
3 school administrator);

4 (H) AS 14.14.140(b) (establishing a prohibition on  
5 employment of a relative of the chief school administrator);

6 (I) AS 14.18 (prohibiting discrimination based on sex  
7 in public education);

8 (2) requirements relating to state financial assistance for  
9 education and the receipt and expenditure of that assistance:

10 (A) AS 14.17.080 (relating to student count esti-  
11 mates);

12 (B) AS 14.17.082 (relating to school operating fund  
13 balances);

14 (C) AS 14.17.160 - 14.17.220 (setting out the proce-  
15 dure for payment of financial assistance, and imposing general  
16 requirements and limits on money paid);

17 (3) requirements relating to teacher employment and retire-  
18 ment:

19 (A) AS 14.14.105 and 14.14.107 (relating to sick  
20 leave);

21 (B) AS 14.20.095 - 14.20.215 (relating to the employ-  
22 ment and tenure of teachers);

23 (C) AS 14.20.220 (relating to the salaries of teachers  
24 employed);

25 (D) AS 14.20.280 - 14.20.350 (relating to sabbatical  
26 leave provisions for teachers);

27 (E) AS 23.40.070 - 23.40.260 [AS 14.20.550 - 14.20.-  
28 610] (authorizing collective bargaining, negotiation, and the  
29 right to strike [MEDIATION] by certificated employees), except

1 with regard to teachers who are administrators and except that  
2 the board may delegate some or all of its responsibilities under  
3 those statutes;

4 (F) AS 14.25 (provisions regarding the teachers' re-  
5 tirement system);

6 (4) requirements relating to students and educational pro-  
7 grams:

8 (A) AS 14.30.180 - 14.30.350 (relating to educational  
9 services for exceptional children);

10 (B) AS 14.30.360 - 14.30.370 (establishing health  
11 education program standards);

12 (C) AS 14.30.400 - 14.30.410 (relating to bilingual  
13 and bicultural education).

14 \* Sec. 2. AS 14.16.070 is amended to read:

15 Sec. 14.16.070. APPLICABILITY OF OTHER LAW. AS 23.40.070 -  
16 23.40.260 (Public Employment Relations Act) apply to the employees of  
17 the state boarding school [WHO ARE NOT SUBJECT TO AS 14.20].

18 \* Sec. 3. AS 23.40.200(c) is amended to read:

19 (c) The class in (a)(2) of this section is composed of public  
20 utility, snow removal, sanitation, and [PUBLIC SCHOOL AND OTHER]  
21 educational institution employees other than employees of a school  
22 district, a regional educational attendance area, or the state board-  
23 ing school. Employees in this class may engage in a strike after  
24 mediation, subject to the voting requirement of (d) of this section,  
25 for a limited time. The limit is determined by the interests of the  
26 health, safety or welfare of the public. The public employer or the  
27 labor relations agency may apply to the superior court in the judicial  
28 district in which the strike is occurring for an order enjoining the  
29 strike. A strike may not be enjoined unless it can be shown that it

1 has begun to threaten the health, safety or welfare of the public. A  
2 court, in deciding whether or not to enjoin the strike, shall consider  
3 the total equities in the particular class. "Total equities" includes  
4 not only the impact of a strike on the public but also the extent to  
5 which employee organizations and public employers have met their  
6 statutory obligations. If an impasse or deadlock still exists after  
7 the issuance of an injunction, the parties shall submit to arbitration  
8 to be carried out under AS 09.43.030.

9 \* Sec. 4. AS 23.40.215 is amended by adding a new subsection to read:

10 (c) Notwithstanding (b) of this section, the monetary terms of  
11 an agreement entered into between a school district or regional educa-  
12 tional attendance area and its employees are not subject to approval  
13 by the legislature.

14 \* Sec. 5. AS 23.40.250(6) is amended to read:

15 (6) "public employee" means any employee of a public em-  
16 ployer, whether or not in the classified service of the public em-  
17 ployer, except elected or appointed officials [OR TEACHERS OR NONCER-  
18 TIFICATED EMPLOYEES OF SCHOOL DISTRICTS];

19 \* Sec. 6. AS 23.40.250(7) is amended to read:

20 (7) "public employer" means the state or a political subdi-  
21 vision of the state, including without limitation, a municipality  
22 [TOWN, CITY, BOROUGH], district, school district, regional educational  
23 attendance area, board of regents, public and quasi-public corpo-  
24 ration, housing authority or other authority established by law, and a  
25 person designated by the public employer to act in its interest in  
26 dealing with public employees;

27 \* Sec. 7. AS 23.40.250 is amended by adding a new paragraph to read:

28 (9) "regional educational attendance area" means an educa-  
29 tional service area in the unorganized borough that may or may not

1 include a military reservation, and that contains one or more public  
2 schools of grade levels K - 12 or any portion of those grade levels  
3 that are to be operated under the management and control of a single  
4 regional school board.

5 \* Sec. 8. Nothing in this Act terminates or modifies a collective  
6 bargaining unit, recognition of exclusive bargaining representative, or  
7 collective bargaining agreement if the unit, recognition, or agreement is  
8 in effect on the effective date of this Act.

9 \* Sec. 9. AS 14.20.550, 14.20.555, 14.20.560, 14.20.570, 14.20.580,  
10 14.20.590, 14.20.600, and 14.20.610 are repealed.

11 \* Sec. 10. This Act takes effect immediately under AS 01.10.070(c).  
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# Alaska State Legislature



SENATOR JIM DUNCAN

P. O. BOX V JUNEAU, ALASKA 99811-3100  
(907) 465-4766

COMMITTEES:  
FINANCE  
VICE CHAIR —  
HEALTH EDUCATION  
& SOCIAL SERVICES  
BUDGET & AUDIT  
BANKING &  
ECONOMIC  
DEVELOPMENT

May 9, 1989

AASB, NEA-AK, and ACSA agree that they will support the version of Senate Bill 15 which passed the Senate on Sunday, May 7, 1989.

They agree to advocate for the bill in its present form and will not seek to amend, modify, or change it except as changes may be necessary to insure technical accuracy, or reflect mutual agreement.

Handwritten signature of Carl F. N. Rose.

Carl F. N. Rose  
Executive Director  
AASB

Handwritten signature of Steve McPhetres.

Steve McPhetres  
Executive Director  
ACSA

Handwritten signature of Bob Manners.

Bob Manners  
Executive Secretary  
NEA-AK

JAN 23 1990

STATE OF ALASKA  
THE LEGISLATURE

POUCH Y - STATE CAPITOL  
JUNEAU, ALASKA 99811  
907-465-3800

LEGISLATIVE AFFAIRS AGENCY

M E M O R A N D U M

January 23, 1990

SUBJECT: Sectional Analysis of CSSB 15 (Fin) am  
(Public school employee collective bargaining)

TO: Representative Lyman Hoffman  
Co-chairman, House Finance Committee

FROM: Teresa B. Cramer *BC*  
Legislative Counsel

You have requested a sectional analysis of the above described bill.

As a preliminary matter, note that a sectional analysis or summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents.

Sections 1 and 2 conform the state boarding school statutes to the change made by the rest of the bill, giving public school employees, including employees of the state boarding school, collective bargaining rights under the Public Employment Relations Act (PERA).

Sec. 3 removes "public school and other educational institutional" employees from the list of employees in class (a)(2) in PERA. Class (a)(2) employees have a limited right to strike. The Committee Substitute contains an error. By repealing the words "and other educational institution" employees, the bill affects the bargaining rights of employees of the University of Alaska. It is my understanding that SB 15 has never been intended to address University labor relations. It would be consistent with my understanding of the intent to change the first sentence in section 3 to read:

The class in (a)(2) of this section is composed of public utility, snow removal, sanitation, [AND PUBLIC SCHOOL] and [OTHER] educational institution employees other than employees of public schools.

Representative Lyman Hoffman  
Page 2  
January 23, 1990

Note that school district employees are now specifically excluded from the definition of "employee" in AS 23.40.250, and therefore, public school employees do not now bargain under PERA. Section 5 of the bill amends this definition.

Sec. 4 clarifies that the monetary terms of collective bargaining agreements between school districts or regional educational attendance areas and their employees are not subject to approval by the state legislature.

Sec. 5 amends the definition of "public employee" in PERA to remove the exclusion of teachers or noncertificated employees of school districts.

Sec. 6 amends the definition of "public employer" in PERA to specifically include school districts and regional educational attendance areas. The section also makes a technical change, substituting "municipality" for "town, city, borough" to conform to current drafting usage.

Sec. 7 adds a definition of "regional educational attendance area" to PERA.

Sec. 8 notifies readers that the bill does not affect bargaining agreements and recognitions of bargaining units that are in existence on the effective date of the Act.

Sec. 9 repeals the statutes that currently create teacher negotiations with school districts under AS 14.

Sec. 10 is an immediate effective date clause.

If I may be of further assistance, please advise.

TBC:pl  
WKP1/032

# ASSOCIATION OF ALASKA SCHOOL BOARDS

16 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

## OPPOSITION TO BINDING ARBITRATION

Printed Material Received by Association of Alaska School Boards

### LETTERS & RESOLUTIONS FROM SCHOOL DISTRICTS

Alaska Association of School Boards (55 Districts)  
Alaska Council of School Administrators  
Ketchikan Gateway Borough School District  
Kashunamiut School District  
Nenana City Public Schools  
North Slope Borough School District, Shirley Holloway, Superintendent  
North Slope Borough School Board  
Railbelt School District, James W. Paul, Superintendent  
Railbelt School Board  
Sitka School District, Art Woodhouse, Superintendent  
Sitka School Board  
Southeast Island School District  
Matanuska-Susitna Borough School District  
St. Mary's School District  
Valdez City School District  
Annette Islands School District  
Bering Strait School District  
B. A. Weinberg, consultant to St. Mary's & Iditarod school districts  
Juneau School District Board of Education Resolution  
Fairbanks North Star Borough Board of Education Resolution  
Sitka School Board Resolution  
Sitka School District Resolution  
*ANCHORAGE SCHOOL BOARD*

### LETTERS & RESOLUTIONS FROM MUNICIPALITIES, CHAMBERS OF COMMERCE,

#### NEWSPAPER EDITORIALS, NEWSLETTERS

Fairbanks Daily News Miner Editorials  
Juneau Empire Editorial  
Alaska Municipal League Letter  
Joint Railbelt Resolution: Municipality of Anchorage  
Fairbanks North Star Borough  
Kenai Peninsula Borough  
Matanuska-Susitna Borough  
Greater Ketchikan Chamber of Commerce Resolution  
North & Northwest Mayor's Conference Resolution  
Bristol Bay Borough Resolution  
Fairbanks Daily News Miner Guest Opinion  
Juneau Empire, My Turn by David Crosby, President, Juneau School Board  
Binding Arb Watch, AASB, Legislative Newsletter

### LETTERS FROM DISTRICTS SUPPORTING LEGISLATION—2.5 YEAR TENURE, CONTRACT EXPIRATION, NONRETENTION DURING REVENUE DECLINE (LAYOFF)

Copper River School Board Chairman, Billy J. Williams, Jr.  
Matanuska-Susitna School Board President, Kenneth P. Fallon, Jr.  
Railbelt School Board President, Gerald Moberg  
Railbelt School District Superintendent, James W. Paul  
Alaska Gateway School Board President, William Miller  
Kodiak Island Borough School Board President, Dave Herrnsteen & Member, Suzanne Hancock  
Valdez City School Board Member, Janis Johnson  
Chugach School District President, Janet Tesch  
Annette Islands School District President, Rachael S. Askren  
Skagway City School Board President, Ralph Tronrud  
Southeast Island School Board Member Mim Robinson  
St. Mary's City School Board Member, Sister Angie Pratt  
Sitka School District Superintendent, Art Woodhouse

**ASSOCIATION OF ALASKA SCHOOL BOARDS  
1989 POSITIONS**

**GENERAL SUBJECT: GOVERNANCE**

**ISSUE: BINDING ARBITRATION**

**RESOLUTION INTENT:**

AASB opposes any legislation that would include binding arbitration as a final step in collective bargaining.

**STATEMENT OF REASONS:**

Alaska teachers enjoy the highest salaries in the U.S. as a result of collective bargaining and local decision-making.

Binding arbitration allows a third party to determine salaries of district employees (the largest component of district budgets) and essentially removes the basic element of local control from this critical management prerogative.

Because an arbitrator's focus is only on salaries and conditions of employment, an arbitration decision will not take into consideration the financial impact on the total educational program. Consequently a decision made with a narrow scope of focus may have far reaching negative effects for students.

The current process used in collective bargaining has resulted in substantially improved employment conditions and salaries for Alaska teachers without harmful disruptions caused by strikes or unrealistic financial constraints on the educational program imposed by arbitrary third party decisions. Collective bargaining history in Alaskan education has been successful and supports maintaining the status quo.



• ALASKA COUNCIL OF SCHOOL ADMINISTRATORS •  
326 Fourth St., Suite 408 Juneau, Alaska 99801 586-9702

## POSITION STATEMENT

### CS SB 15

THE ALASKA COUNCIL OF SCHOOL ADMINISTRATORS continues to oppose any manner of the collective bargaining process which imposes binding arbitration as a final step.

We commend the original sponsor for their willingness to explore other options than the original SB 15 language. It is a clear sign of their willingness to offer alternatives and compromises for our consideration.

The committee substitute for SB 15 places certified and non-certified school employees under title 23, PERA and includes them in category 2 for classes of public employees.

While this is perhaps the proper Alaska statute to address the age old issue of collective bargaining for school employees, there are concerns expressed by many of our membership which I bring to your attention for your consideration;

1. The bill places school employees in class 2. It has been pointed out that class three would be a more appropriate class for school employees for several reasons. One of which is the flexibility of the school year and how days missed out of the 180 required can be made-up. Therefore, we recommend class 3 for school employees.

2. Under last best package arbitration, if we indeed believe the collective bargaining process is an honorable process and pursued in good faith, then we recommend each party should be required to have presented it's last best offer to the other party during negotiations, and each party should be prohibited from amending the last best offer for submission to an arbitrator. By indicating final offers to each other prior to arbitration, the need for arbitration will be reduced.

Finally, when the original SB 15 was introduced, several issues were placed on the table for consideration. A few of these issues remain strong issues in our eyes and need to be addressed. These are;

1. Extension of non-tenure from 2 years to 5 years
2. Lay off provisions for tenured as well as non-tenured staff due to financial short falls.
3. Issues of continuing contracts involved in the collective bargaining process.

I truly believe this issue has far reaching implications and we should be concerned about our future because we will have to spend the rest of our lives there.

This issue is a part of our past, present and future. It must be carefully dealt with to insure the orderly democratic process of our public school systems and the continued ability of our elected boards to carry out the responsibilities they have been given by their communities to provide effective and efficient schools.



KETCHIKAN GATEWAY BOROUGH  
SCHOOL DISTRICT

April 19, 1989

TO: Senator Paul Fischer  
Lloyd Jones  
Al Adams  
Tim Kelley  
Jim Duncan

FROM: Richard Clevenger, Superintendent  
Ketchikan Gateway Borough School District

RE: Senate Bill 15

Please take one more look at what NEA is promoting with Binding Arbitration (S.B. 15) and what it means to your school district. Binding arbitration along with current laws dealing with tenure, non-retention and contract expiration turns the management of your district over to an arbitrator with a process driven by the union!

No matter how it is presented, it is simply fronting for union boiler plate objectives. When the union talks about tenure, escrow accounts, financial exigency, program needs and school board policy they make it sound so simple and innocent - tear away the union rhetoric and it boils down to one simple theme - take away local management rights, make them negotiable and let an outside arbitrator make local decisions. This union goal has been around for years.

I sat in your Senate HESS committee room and heard Manners say - "We propose negotiating school board policy as such deals with program needs and how lay-offs should take place", THINK ABOUT THAT - program needs deal with school district budgets and educational programs for kids- In this process where has anything ever been mentioned about your kids? You elect local people to run your school district - don't turn it over to an Arbitrator and a Union!!

RECEIVED

Kashunamiut School District

985 KSD Way  
Chevak, Alaska 99563  
(907) 858-7713

Alex P. Tatum  
Superintendent

James L. Reynolds  
Principal

March 02, 1989

Al Adams, Representative  
Pouch V  
State Capitol  
Juneau, Alaska 99811

re: SB 15

Dear Al:

I have had the opportunity to review your letter of February 15 in regards to SB 15. In my opinion you are on the right track. From all indication, It seem that a number of well meaning members of the legislature have been supporting binding arbitration without an understanding of the full impact that it's passage would have on education in Alaska.

I have talked with a number of legislatures and aides myself and few had a good understanding of just what binding arbitration means. NEA Alaska has done a good job (snow job, in my opinion) of presenting binding arbitration as the best way to provide school districts and their employees with finality in the negotiations process. In reality what the union wants is not so much a "finality" but in reality an advantage in the negotiations process. In these times of declining revenues this state definitely doesn't need to thin out the authority of local control any more. A bad decision by an arbitrator could have catastrophic consequences for a school district.

I recently noticed a letter posted on a school bulletin board. Evidently Senator Jim Duncan had sent this letter to all NEA groups around the state. In his letter he states: "There have been too many cases where school employees have worked for several years without contracts." What he failed to mention is that in many of these cases the employee association failed to have realistic expectations. In addition, local school boards have a right to determine what their philosophy and goals are going to be. Having binding arbitration forced on boards will make big changes in the things that a board establishes as its goals and its philosophy.

Art Woodhouse, Superintendent of Sitka School District, sent out some interesting material concerning binding arbitration in a letter of February 20, 1989. I have enclosed copies of his letter and the materials he sent. Please take the time to read over this.

In looking at several pieces of legislation that you have drafted I feel that these points are GREAT. I have always felt there should be more policing of the education profession. A written test is needed! The way it is now, once a person obtains tenure the administration and school board has to nearly move "heaven and earth" to remove an incompetent teacher.

Item number 6 of your list is extremely important. Tenure should be only granted after 10 years (as it use to be in the academic world). However, I would be willing to see tenure granted after five years, in conjunction with the other items you mentioned being enacted into law.

The idea of a sunset provision for the entire statute is indeed a stroke of genius. If each of these points could be included with this binding arbitration, THEN, there would be a fair employer, employee, union, management statute. However....if this binding arbitration bill should be passed as it is presently worded, school boards and school administrators might as well hand all the school keys over to the union and eliminate school boards. The unions would run everything and the concept of local control would be history in this state.

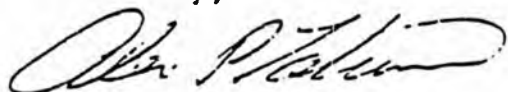
Some of our well meaning legislatures, who support binding arbitration need to understand: THOSE ON THE UNION SIDE WHO SUPPORT BINDING ARBITRATION HAVE A PERSONAL STAKE IN THIS....MONEY. HOWEVER, THOSE WHO OPPOSE BINDING ARBITRATION HAVE NOTHING TO GAIN ON A PERSONAL LEVEL. THEY ONLY WANT WHAT IS REALLY BEST FOR THE CHILDREN OF THIS STATE.

In my opinion what's best for education in Alaska is that local school boards have the authority to determine what's best for them and this means there will be no third party intervention (binding arbitration) in local matters. After all, school boards are elected by the people of the community they serve. Arbitrators can come from any where in the country and have no personal stake in the outcome of the decision they make. Arbitrators have the ability to come into a community and make a BINDING decision that could bankrupt a school district and then leave town....LEAVING the bankrupt school board to deal with the problem.

One of my personal philosophies of life is: "If you PLAY you have got to PAY." I don't feel that an arbitrator should have the power to come into a community and PLAY the arbitration game and leave the school board with having to PAY.

If there is any help that I can give you, please feel free to call on me.

Sincerely,



Alex P. Tatum  
Superintendent

APT/lap

cc: AASA  
AASB  
Superintendents  
Legislators

enclosures

STEPHEN V. YATES  
Superintendent  
907-832-5625

DAN GILLEN  
Principal  
907-832-5464

## NENANA CITY PUBLIC SCHOOLS

P.O. BOX 00010  
NENANA, ALASKA 99760  
907-832-5464

BILL SPEAR  
Business Manager  
907-832-5464

March 6, 1989

Senator Al Adams, Chairman  
Senate Committee on Community  
and Regional Affairs  
Alaska State Legislature  
P.O. Box V  
Juneau, Ak. 99811

Dear Senator Adams,

The Nenana City School District Board of Directors strongly opposes the passage of SB15 relating to binding arbitration and other management issues.

If passed SB15 will effectively remove the decision making process from locally elected officials and place it in the hands of a disinterested third party. Alaska has a long history of local control. The present system of collective bargaining has worked well and to the benefit of all parties. We believe in the old adage "If it ain't broke, don't fix it". The collective bargaining process now in place is working well in the public interest and doesn't need fixing.

We urge you to either hold SB15 in your committee or pass it out with a "don't pass" recommendation.

Sincerely,

*Don Kratzer*

Don Kratzer, President  
Nenana City Public School Board

cc: Senator Frank  
Senator Pearce  
Senator Purchot  
Senator Szymanski  
Carl Rose





April 21, 1989

Senator Al Adams  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

**RE: Legal Review Request on Binding Arbitration**


Dear Senator Adams:


The North Slope Borough School District continues to strongly oppose the passage of CSSB 15, related to binding arbitration.

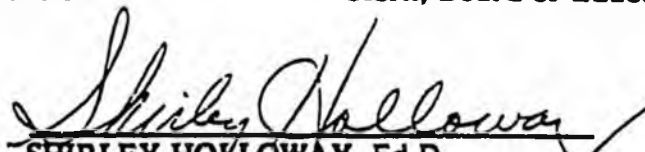
Before any further action is taken on this proposed legislation, we respectfully request that the Legislature legally review the constitutionality of binding arbitration. Specifically, we want clarification on the potential "unconstitutionality" of this bill as it relates to the school board's authority to govern and manage public schools at a local level, and the Legislature's proposed delegation of this authority to an outside third party. The Supreme Courts in five other states have already held compulsory binding arbitration laws as unconstitutional. We would appreciate a legal review of this bill and request that all school boards throughout Alaska be given a copy of your study.

In light of declining revenues, we further caution members of the Legislature against the passage of CSSB 15, as past history of states with binding arbitration have experienced an increase in salaries and benefits which Alaskan school districts can no longer afford. We urge your defeat of CSSB 15.

Sincerely,

  
**LEONA OKAKOK**  
President, Board of Education

  
**CORA SAKÉAGAK**  
Clerk, Board of Education

  
**SHIRLEY HOLLOWAY, Ed.D.**  
Superintendent

cc: Carl Rose, Executive Director, AASB  
Bering Strait School District  
Northwest Arctic Borough School District  
Ashley Reed, Lobbyist, NSBSD  
Dennis Roper, Coordinator of Government Affairs, NSB

-----  
This same letter was sent  
to the following:  
-----

Senator Al Adams  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

Representative Eileen MacLean  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

Senator Jim Duncan  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

Representative Sam Cotten  
Speaker of the House  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

Senator Tim Kelly  
President of the Senate  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

Representative Johnny Ellis  
Chairman, House HESS Committee  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

Senator Jan Faika  
Chairman, Senate Judiciary Committee  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

Senator John Binkley  
Co-chairman, Senate Finance Committee  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

Senator Rick Uehling  
Co-chairman, Senate Finance Committee  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

Senator Paul Fischer  
Chairman, Senate HESS Committee  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

# North Slope Borough School District



January 30, 1989

Senator Al Adams  
Alaska State Legislature  
Pouch V  
Juneau, Alaska 99811

RE: Senate Bill 15, Binding Arbitration

Dear Senator Adams:

The North Slope Borough School District strongly opposes the passage of Senate Bill 15, related to collective bargaining agreements. If passed, the powers of School Boards in exercising local control would be diminished and good faith collective bargaining would no longer have its place in the negotiating process.

As elected officials, School Board members are accountable to the public and to the electorate for proper and fair appropriations of school finances. SB 15 would place an unbalanced amount of power into the hands of certified teachers, who are only one segment of the voting population. This is not fair to the majority of voters in this democratic society. The majority of our teachers on the North Slope are fairly new residents because there are not enough local and Inupiat residents who are certified teachers. Thus, it is also unfair to long-time residents and the public that a group of generally temporary workers be given a high amount of potential power over locally-elected School Board members.

The School Board every year appropriates funds for certified teachers on the North Slope at high salary scale as compared to the rest of the Nation. We are confident that the Board will continue to express its support of teachers in the future.

In response to your request, the North Slope Borough School District offers for your further consideration the following prioritized issues related to SB 15, based on AASB's January 23 position paper submitted to you:

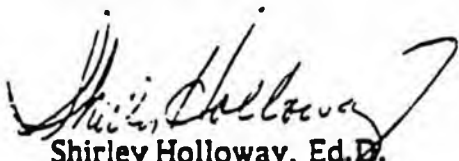
1. We agree that teacher tenure of five years would allow the School District enough time to adequately evaluate teachers before granting tenure. This would also give us an ample timeline for professional staff development to assist new teachers in becoming more successful in the classroom and to enable them to become more contributing residents in our villages. This point is especially important in Alaska's diversified cultures, especially on the North Slope where the majority of residents are Inupiat and teachers are predominately Caucasian.

Senator Al Adams  
January 30, 1989  
Page Two—

2. We ask that arbitrability be confined only to salaries if SB 15 passes. In other words, delete any references to benefits of teachers. This way, the local School Districts will at least be able to have the right to transfer funds from teacher benefits, especially in light of declining revenues.
3. The District would like to be able to reduce tenured staff during revenue shortfalls. As you know, most of our budget items are expended in salaries and benefits for tenured staff. If it looks like SB 15 is likely to pass, we propose that the current statute be amended to not retain tenured staff during revenue shortfalls.
4. We request that serious consideration be given to provide a one year sunset clause, if the bill passes. Utmost consideration should be given to the School Board's delegated authority to annually appropriate budget funds. The proposed three-year sunset clause is too long of a period. It is only fair that a more restrictive clause be considered to allow local School District's to assess local, State and Federal finances and the potentially adverse impact this bill would have to public education and funds.

Thank you so much for taking the time to solicit our input. I hope this information is helpful to you.

Sincerely,



Shirley Holloway, Ed.D.  
Superintendent

BL/ma

cc: Representative Eileen MacLean  
Leona Okakok, President, School Board, NSBSD  
Brenda Itta, Special Assistant to the Superintendent  
Ashley Reed, Lobbyist, NSBSD  
Carl Rose, AASB  
Sophie Ferguson, President, School Board,  
Northwest Arctic School District  
Clifford Weyiouanna, President, School Board,  
Bering Straits School District

# ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

TO: Members of the Alaska State Senate

FROM: Gerald Mcberg, Past President, AASB  
President, Railbelt School District Board

RE: CSSB 15 - Subject of Binding Arbitration

DATE: April 25, 1989

The damage to the education of Alaska's youth that will be caused by CSSB 15 will be very serious and long term. This NEA (teachers' union) bill championed by Senator Duncan will take away the rights of local school boards to determine the future of their budgets. Instead, an outsider will have control over the 80 to 85% of the educational funding. The NEA obviously knows this will be to their advantage or they wouldn't be working so hard to pass it.

The result of CSSB 15's passing could mean trading programs for higher teacher salaries. The school budgets have already been severely cut and so a trade of music or art or drama or athletic or other programs for wages could be in the future. I don't think that is a fair trade.

The future of Alaska's young people shouldn't be a pawn in this game.

RECEIVED APR 25 1989



# RAILBELT SCHOOL DISTRICT

Drawer 280, Healy Alaska 99743 • (907) 683-2278  
James W. Paul, Superintendent

The Honorable Jack Coghill  
Alaska State Senate  
P.O. Box V  
Juneau, AK 99811

April 21, 1989

Dear Senator Coghill:

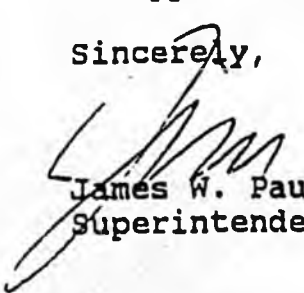
*Jack*

This letter is to reflect our serious opposition to the passage of HB 119, i.e. implementation of the findings of the McDowell Study on cost differentials for Alaska School Districts. The reasons are:

1. The primary fiscal data used for this study was budget data - not expenditure data.
2. The use of the earlier 1985 McDowell Study for cost of living is very questionable because:
  - a.) the data was not gathered on a school district basis and had to be "adjusted" accordingly
  - b.) it is doubtful that 1985 reaggregated cost of living data is a valid index for 1989 district personnel costs.
3. The questionnaire was worded such that there was inadequate comparability between districts. Specifically, different people interpreted the questions differently. In Fairbanks for example, rather than filling in the requested last actual purchase price for a specific item, they included what they thought was a typical purchase price.
4. When the personnel index was established using the inappropriate study mentioned in # 2 above, it was applied to some costs that are uniform across the state. An example would be if a district had a 1.5 personnel index - TRS, PERS, and benefit insurance costs were multiplied by the index - even though those costs do not change from district to district.
5. Last, actual cost calculations of non instructional expenditures per student tends to penalize currently efficient districts and give them a lower differential.

We appreciate your consideration on this matter.

Sincerely,

  
James W. Paul  
Superintendent

*Note - Jack & Shelly - a copy of  
this letter went to all  
legislators.*



RECEIVED APR 10 1989

# RAILBELT SCHOOL DISTRICT

Drawer 280, Healy Alaska 99743 • (907) 683-2278  
James W. Paul, Superintendent

April 4, 1989

The Honorable Paul Fischer  
Alaska State Senate  
P.O. Box V  
Juneau, AK 99811

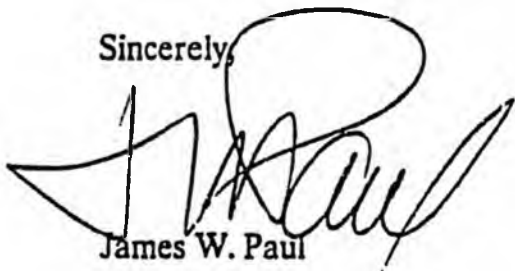
Dear Senator Fischer:

This is to express in the strongest possible terms our opposition to binding arbitration.

It is our belief that this would be fundamentally bad public policy - not only in the matter of predicted inflated costs both in terms of human and fiscal resources, but primarily in the loss of public control over education.

The current system is working!! The last strike was ten years ago. Our teachers in this state are paid well by any standard. Please think these points through carefully before changing our present system.

Sincerely,



James W. Paul  
Superintendent

cc: Representative Dick Shultz  
Senator Jack Coghill  
Carl Rose, AASB

RECEIVED APR 10 1989



# RAILBELT SCHOOL DISTRICT

Drawer 280, Healy Alaska 99743 • (907) 683-2278  
James W. Paul, Superintendent

April 4, 1989

The Honorable Jim Duncan  
Alaska State Senate  
P.O. Box V  
Juneau, AK 99811

Dear Senator Duncan:

This is to express in the strongest possible terms our opposition to binding arbitration.

It is our belief that this would be fundamentally bad public policy - not only in the matter of predicted inflated costs both in terms of human and fiscal resources, but primarily in the loss of public control over education.

The current system is working!! The last strike was ten years ago. Our teachers in this state are paid well by any standard. Please think these points through carefully before changing our present system.

Sincerely,

James W. Paul  
Superintendent

cc: Representative Dick Shultz  
Senator Jack Coghill  
Carl Rose, AASH

# SITKA SCHOOL DISTRICT

ACCREDITED BY THE NORTHWEST ASSOCIATION OF SECONDARY SCHOOLS & COLLEGES



P. O. BOX 179 SITKA, ALASKA 99833

February 10, 1989

Senator Richard Eliason  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

Representative Ben Grussendorf  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

Dear Dick and Ben:

At the direction of the Sitka School Board, I am passing on the enclosed letter and resolution. Collectively, we feel that there is a serious inequity in the foundation formula. School districts with only half as many students as Sitka have school and district office staffs as much as eight to ten times larger than Sitka. Please look at your 1988 Alaska Education Directory and make your own computations.

The other area that the Board has asked me to bring to your attention has to do with the excessive pro National Education Association (NEA) legislation that is moving through the legislative system. Due to the potential shortfall of educational dollars projected for next year's budget, it is extremely alarming to us when we see binding arbitration and class size regulations rearing their ugly heads. These issues are extremely expensive in a time of plentiful dollars but, in a time of shortfalls, they are even more disastrous.

NEA goes to the table and negotiates the best contract possible and that's fine. It's the American way. However, it doesn't stop there. They then go to the Legislature with their big bucks, big vote clout and they promote all the issues they didn't get at the negotiating table. Additionally, they then join many local and State committees and continue their push for added benefits. The average taxpayer in our community cannot compete with this pressure and organization.

# SITKA SCHOOL DISTRICT

ACCREDITED BY THE NORTHWEST ASSOCIATION OF SECONDARY SCHOOLS & COLLEGES



P. O. BOX 178 SITKA, ALASKA 99833

February 14, 1989

Senator Richard Eliason  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

Representative Ben Grussendorf  
Alaska State Legislature  
P.O. Box V  
Juneau, Alaska 99811

Dear Dick and Ben:

Collectively, the Sitka School Board feels that there is a serious inequity in the foundation formula. School districts with only half as many students as Sitka have school and district office staffs as much as eight to ten times larger than Sitka. Please look at your 1988 Alaska Education Directory and make your computations.

There are several legislative issues that are coming up in the present legislative session that could have a far reaching impact on the Sitka School District.

The bill that would provide binding arbitration for public school employees, SB-15, would have a disastrous effect on the financial well being of our District. Binding arbitration decisions in other school districts across the country have shown that salaries and benefits have risen significantly. Arbitrators do not consider the "ability to pay" argument as significant in their decisions. With the potential shortfall of educational dollars projected for next year's budget, any increased costs would have a severe, deleterious effect on existing educational programs. Binding arbitration allows a third party to determine salaries of school district employees and, essentially, removes the basic element of local control from school boards.

We oppose the bill, HB-21, which would add class size and work load to the matters subject to negotiation between school boards and their certificated employees. The issue of class size carries implications for additional staffing which may or may

SITKA SCHOOL DISTRICT

Senator Richard Eliason  
Representative Ben Grussendorf  
February 14, 1989  
PAGE TWO



not be affordable. Since school boards must make the ultimate decision regarding how school funds will be spent to provide effective education, school boards must have the discretion of weighing costs of reduced class sizes with other financial obligations and educational needs of the school district.

We also continue to support the issue of full and early funding for education. This would allow our District adequate time for planning and budget preparation for its programs.

We hope that you will study these issues carefully and make wise decisions since your vote will have serious implications to our District for many years to come.

Thank you for your past and continuing support in education related issues. Please help us to control our costs to educate our children.

Sincerely,

SITKA SCHOOL BOARD

Michael Meier  
President

Shirley McCoy  
Vice-President

Dennis Vettese  
Clerk

Sandi Hicks  
Member

Harold Stocker  
Member

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

TO: Members of the Alaska State Senate

FROM: Gerald Moberg, Past President, AASB  
President, Railbelt School District Board

RE: CSSB 15 - Subject of Binding Arbitration

DATE: April 25, 1989

The damage to the education of Alaska's youth that will be caused by CSSB 15 will be very serious and long term. This NEA (teachers' union) bill championed by Senator Duncan will take away the rights of local school boards to determine the future of their budgets. Instead, an outsider will have control over the 80 to 85% of the educational funding. The NEA obviously knows this will be to their advantage or they wouldn't be working so hard to pass it.

The result of CSSB 15's passing could mean trading programs for higher employees' salaries. The school budgets have already been severely cut and so a trade of music or art or drama or athletic or other programs for wages could be in the future. I don't think that is a fair trade.

The future of Alaska's young people shouldn't be a pawn in this game.





**SOUTHEAST  
ISLAND  
SCHOOL  
DISTRICT**

521 THOMPSON AVENUE SUITE 101  
POST OFFICE BOX 4340  
NITC, JUNEAU ALASKA 99901  
907 225-9659 OR 225-9659

Robert Weinstein  
SUPERINTENDENT

February 22, 1989

Senator Dick Eliason  
Alaska State Senate  
P. O. Box V  
Juneau, Alaska 99811

Dear Senator Eliason:

This is to comment upon SB 15, the proposed binding arbitration legislation.

There is a venerable legal maxim that particularly applies to current discussions about binding arbitration for public school employees: "If it ain't broke, don't fix it." I am firmly convinced that, if there is a problem with collective bargaining in the public schools in Alaska, it is not with the law, but with the attitude of a few school and union officials towards the law.

In my experience, most school district negotiators throughout the State, elected and appointed, are mindful that they are doing the public's business, and conduct themselves in good faith. There are rarely problems when the approach of public officials is to willingly accept their obligations under the law, and to show leadership in implementing both the letter and spirit of the law. Citizens and the press usually respond to occasional lapses in the process.

Those who want to invent problems because they are not comfortable in assuring that the public, through their elected officials, has the final say on public business can readily do so. In part, I believe that this is why such legislation is being promoted by the teachers' union. It is no accident that accurate statistical information regarding the success/failure rate of the current statutory scheme in achieving collective bargaining agreements is not being offered in support of binding arbitration legislation. If one carefully examines the historical record of collective bargaining in Alaska for the past ten or more years, I believe that available data will show that:

- A. In over 95% of collective bargaining processes, a final settlement has been achieved in Alaska school districts through good faith negotiations under the current statutory scheme. If true, the system "ain't broke."

- B. There is a decrease in settlements whenever the union is making a major push for binding arbitration. It has been my understanding that, in past years as well as at the present time, NEA-Alaska carefully orchestrates the non-settlement of contracts in order to "show the Legislature" that a different version of "finality" is needed.

In an era of declining revenues, negotiations are obviously not as smooth as when budgets are increasing significantly on an annual basis. This is particularly exasperated when a state-wide union does not review fiscal reality with, nor recommend fiscal restraint to, its local chapters. It should come as no surprise to legislators that school boards are not jumping at the chance to accept proposals for 10% salary increases, for perpetuation of increasingly expensive "free" medical insurance programs, for boards to delegate their policy making functions to the unions, and so on.

A little common sense, mutual respect, and cooperation seems more helpful now, not a major change to our collective bargaining statutes that would bring one party to the table blindfolded and with hands tied behind its back.

Even when considering it in the context of binding arbitration, the proposal contains numerous sections which, when taken as a whole, would result in a grossly imbalanced relationship between the parties involved in school district labor relations. Virtually every feature of previous binding arbitration bills introduced in recent years which would afford a measure of fairness to school boards and, more importantly, a measure of protection to the public is absent from the current proposal. The proposal would lead us to believe that binding arbitration is a form of wizardry, and that an arbitrator is a combination of Merlin and Solomon. Unfortunately, the truth is that arbitrators are mortal human beings, and that even good arbitrators make mistakes and bad decisions. School districts need to be protected from human error and/or poor judgment of such persons. I would therefore like to suggest that certain changes occur in the event that the bill moves forward.

Specific comments to the proposed legislation are as follows.

1. Section 2: The proposed amendment to AS 14.20.550 does not include appropriate guidance on what constitutes "good faith negotiations" in a manner similar to parallel Alaska statutes which exclude public school employees (AS 23.40.250).

Recommendation: Add, as Section 14.20.550(b), the following:

In this section, "negotiate in good faith" means the performance of mutual obligations of the parties to meet at reasonable times and to participate actively, indicating a present intention to reach agreement, or to negotiate an agreement or a question arising under

the agreement, and at the request of either party to execute a written contract incorporating any agreement reached. However, the requirement to negotiate in good faith may not be interpreted to compel either party to agree to a proposal or to make a concession.

2. Section 4: To the best of my knowledge, the existing language in AS 14.20.560, with respect to the recognition of bargaining agents for employees, has worked well in most, if not all, instances. If there is a need to change the language to involve a labor relations agency in this process, I would suggest that such involvement only occur if there is a failure under existing statutes by a school board to recognize a properly designated bargaining agent for school district employees.

Recommendation: Delete Section 4, retaining current statute.

3. Most of my concerns with the proposed legislation relate to the sections on the arbitration process itself, particularly as it relates to the scope of bargaining.

As you are aware, in 1977 the Alaska Supreme Court made a ruling in combined cases involving the Anchorage, Kenai, and Matanuska-Susitna School Districts and their respective teacher organizations. The Court was confronted with conflicting views as to the scope of good-faith collective bargaining under existing Alaska statutes and the Alaska Constitution. By applying a balancing test which weighed an item proposed for negotiations on its relative impact on education policy versus working conditions or economic interests of teachers, the Court determined, as have courts and employee relations boards in other states, that the more an item tended to be related to educational policy, the more a school board could legitimately refuse to negotiate. Likewise, the more an item was related to economic interests or working conditions of teachers, the more bargainable that item became. Recognizing a large gray area, the Court did specify, with respect to the case before it, which items were negotiable and which items were not negotiable under existing statutes (see enclosed appendix to ruling).

In addition, the Court stated that, under existing statutes, "the legislature has not spoken with clarity" and, furthermore, that "It would be helpful if the legislature, through future enactments, provided more specific guidance on a number of the items which the unions seek to negotiate".

In general, an item proposed for negotiation falls into one of three categories:

- A. It is a mandatory subject for bargaining, i.e. the item must be discussed in good faith by the school board and bargaining unit.

- B. It is a permissive subject for bargaining, i.e. a school board may or may not discuss the items with the bargaining unit.
- C. It is a prohibited item, i.e. it is not allowed under the Constitution or existing statutes and could not be enforced even if written into the contract.

In line with the above, I would suggest a further amendment with respect to the scope of arbitration itself. Rather than have arbitration apply to every item in dispute, the decisions of an arbitrator should be limited to economic interests and working conditions of employees. This would prevent an arbitrator from establishing educational policy. It would also prevent the unrestrained introduction of items at the bargaining table in the hopes of getting those to, and through, arbitration.

Recommendation: If the Legislature declines to be as specific as the Court suggested, minimally the following should be added as AS 14.20.550(c):

"Terms and conditions of employment and the fulfillment of professional duties" means the hours of employment, the compensation and fringe benefits, and the school board's personnel policies affecting the working conditions of the employees; but does not mean the general policies of the school board not predominately related to economic interests and working conditions of the employees.

- 4. Section 7: question the rationale for eliminating the existing requirement in AS 14.20.580 for the mediator to issue a report. It appears that, as written, the proposal is designed to reduce the potential effectiveness of the mediation process.

Also, as proposed, AS 14.20.580(b) requires arbitration to occur if no agreement is reached by August 1. This proposal does not address a situation wherein one party has not been willing or available to engage in good faith bargaining, nor does it allow an extension by mutual consent. Put differently, an employee organization could engage in delay tactics solely for the purpose of avoiding good faith negotiations and thereby reaching arbitration.

Recommendation: Amend AS 14.20.580 as proposed to:

- 1. Require that the parties have bargaining sessions in each of the two immediate 30-day periods prior to August 1. If this did not happen, neither would arbitration. This would prevent arbitration by default.
  - 2. Permit the August 1 deadline to be extended by mutual consent.
- 5. Section 8:

No guidance is given for the arbitrator to use when making the decision or for appropriate judicial review of the arbitrator's decision.

Recommendation:

- A. Amend paragraph (c) of proposed AS 14.20.585 so that it mandates the following factors to be taken into consideration by the arbitrator:
1. The lawful authority of school district.
  2. The public interest and financial abilities of the school district. An award which exceeds the financial ability of the school district, or which would require an additional legislative and/or municipal appropriation, is prohibited.
  3. The interest and welfare of the employee group.
  4. Changes in the cost of living.
  5. Comparison of the wages, hours, and conditions of employment with other employees performing similar services and with other employees generally.
  6. The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays, and other excused time, insurance and pensions, medical benefits, the continuity and stability of employment, and all other benefits received.
- B. In paragraph (c), the arbitrator should be allowed to select the recommendation of the mediator (from the process in Section 6 - 14.20.570) as a third choice, i.e. in addition to the last best offer of each party.
- C. Add a new paragraph (e) as follows:
- Within 30 days after receipt of a final decision in an arbitration, a party to the arbitration may file a motion in the superior court for the judicial district in which the school district is located to vacate or modify the decision. The court, after a hearing, may vacate or modify the decision if the substantial rights of a party of been prejudiced because:
1. The decision violates constitutional or statutory law;
  2. The decision exceeds the statutory authority of the arbitrator;

3. The procedure in the arbitration is unlawful;
  4. The proceeding is affected by other error of law;
  5. The decision is clearly erroneous in view of the reliable, probative, and substantial evidence on the whole record; or
  6. The decision is arbitrary, capricious, or characterized by abuse of discretion or clearly unwarranted exercise of discretion.
6. Sections 9 and 10: Paragraph 3 of the proposed AS 14.20.590 and the entire proposed AS 14.20.590(b) provide for resolution of unfair labor practices through the grievance procedure (including binding arbitration), and would also require a contract to be extended indefinitely until a new agreement is reached.

One prevailing standard in labor relations is that both parties, i.e. employer and employee organizations, should not engage in certain practices which are considered unfair labor practices.

The proposed legislation, by providing for resolution of unfair labor practices by the grievance procedures, makes it appear that employer-committed acts shall be dealt with through an expedited process, but that nothing shall result when an employee organization engages in similarly prohibited actions. Is the employer now to begin to file grievances against the employee group, in contravention of most current definitions of grievance and grievance procedures?

The indefinite extension of an agreement until replaced by a new agreement runs counter to principles clearly established at the federal level by the National Labor Relations Board, and upheld by various federal courts. In essence, the Legislature is attempting to mandate contracts of "indeterminate duration," which is defined as a contract which may not be altered except by mutual consent. At the federal level, contracts of indeterminate duration are allowed to terminate by unilateral action of either party after reasonable notice and a reasonable lapse of time.

In effect, under a contract of indeterminate duration, each party could stand entrenched knowing that the contract would continue as it was. The side desiring to alter the terms of the contract would never have a prayer of success. Furthermore, the Alaska Supreme Court has noted that it looks to such federal decisions, including those of the National Labor Relations Board, for guidance. In other words, the proposal clearly is not in compliance with principles established at the federal level, and apparently would also require other changes in Alaska contract law.

Finally, the terms of duration of a negotiated agreement, including terms for extension, are subject to collective bargaining. This is exactly where it should remain.

Recommendation: Eliminate paragraphs (2) and (3) from the proposed 14.20.590, and the entire section 10 (AS 14.20.590(b)) until such time as unfair labor practices are defined for the public school collective bargaining, and balanced treatment of infractions is provided.

7. Section 12: The proposed legislation is clearly designed to erode the legal responsibilities and duties of the school board, especially including the right to make final educational policy decisions, by assigning such responsibilities to a third party.

The Alaska Supreme Court noted that, "if teachers' unions are permitted to bargain on matters of educational policy, it is conceivable that through successive contracts the autonomy of the school boards could be severely eroded, and the effective control of educational policy shifted from the school boards to the teachers' unions (my emphasis). Such a result could threaten the ability of elective government officials, and appointive officers subject to their authority, in this case the school boards and administrators, to perform their functions in the broad public interest."

Recommendation: Delete Section 12, retaining current statute.

8. The proposed legislation should also contain a mandatory sunset provision whereby the legislation expires in three years unless the Legislature takes affirmative action to continue its provisions.

This would prevent abuse of the arbitration process, which likely would happen in the absence of such a provision.

In summary, the proposed legislation would not only alter the relationship between school boards and employees by greatly reducing a board's ability to make educational policy decisions, but would do so in a manner which can best be described as imbalanced and unfair to one of the parties - school boards. I sincerely believe that the public interest will best be served if parties to collective bargaining in our public schools adopt a new attitude, not if the Legislature adopts a new law.

Sincerely,

Robert Weinstein  
Superintendent

RW:CM

c: Carl Rose, AASB  
Steve McPhetres, AASA  
Bob Manners, NEA-Alaska



## Matanuska-Susitna Borough School District

125 WEST EVERGREEN — P.O. BOX 1688 — PALMER, ALASKA 99645-1688 — (907) 745-4822

Bruce P. DeMond, Superintendent

March 23, 1989

Senator Paul Fischer  
SENATE  
P.O. Box 17  
Juneau, AK. 99811

Dear Senator Fischer:

Re: Senate Bill 15

It is my understanding that Senate Bill 15 has been past out of the Community and Regional Affairs Committee and is now in your committee. As President of the Matanuska-Susitna School Board, I must tell you that I am very much concerned about this bill.

I fear that passage of this bill will not only result in the loss of our present ability to resolve our negotiation with employees of our school districts locally but will ultimately result in losses of programs needed by our children. It seems like a great paradox to me that the legislature would consider passing such a bill at a time when we are looking at deficits and losses of revenue.

This bill will cost the state money. It is a fundamental constitutional obligation of the state to provide for education of all its children and there is no way that ultimately a bill that provides for binding arbitration will not cost the state money and needed programs for our children at the local level.

I am also concerned that a passing such a bill we will make school boards impotent in their dealings with employees. If employees are assured of binding arbitration as a way of resolving their labor disputes what incentive is there for them to enter into good faith bargaining with their school board?

DEDICATED TO EXCELLENCE IN EDUCATION



## Matanuska-Susitna Borough School District

125 WEST EVERGREEN — P.O. BOX 1688 — PALMER, ALASKA 99645-1688 — (907) 745-4822

Bruce P. DeMond, Superintendent

I believe we have within our present policies, opportunities to resolve at the local level our negotiations to the satisfaction of all parties. What we do in our negotiations reflect not only our understanding of the contributions our employees make and fair compensation for their work but also reflects the communities in which we live. The state should not involve itself in these prerogatives. In short, at the very least Senate Bill 15 is not legislation that this state needs, particularly at this time, given our deficit situation. Even more troublesome is the intrusion SB15 makes upon our sovereignty and our local right to govern.

Thank you for your consideration of my comments.

Kenneth P. Fallon, Jr., President  
Matanuska-Susitna School Board

cf

# ST. MARY'S SCHOOL DISTRICT

ST. MARY'S, ALASKA 99658

(907) 438-2311

March 31, 1989

Honorable Arliss Sturgulewski  
Alaska State Senate  
P.O. Box V  
Juneau, Alaska 99811

Dear Senator Sturgulewski:

On behalf of the St. Mary's City School District I would like to thank you for taking the time to visit with Al Weinberg and me during the recent Legislative Fly-In to Juneau. I am grateful that you were able to provide two appointments for us in order to really discuss in some length the matter of binding arbitration.

The matter of binding arbitration is a deep concern to the St. Mary's City School District. As you know, the history of education in St. Mary's has been extensive since its beginnings in the early 1950's. The people of St. Mary's formed their community for the sole purpose of educating their children at the Mission School in the early days. The village of St. Mary's grew up around the Mission School until its closure in 1987. With the beginning of the public school system in St. Mary's came a care and concern for public education. Flora Paukan, our school Board President, has been on the Board for over twenty years, and the St. Mary's School Board is one of the most stable in all of Alaska.

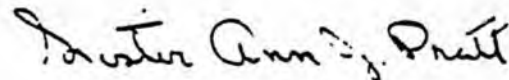
That is why to see binding arbitration pass would be a step backwards for the community of St. Mary's, whose entire history has been centered around the empowerment of the Native people through a history of excellent education. For the people of St. Mary's to have to endure binding arbitration would not only give the message that people cannot be responsible for their own schools and governments, but would also alienate the Native people who have made years of progress in becoming responsible for their own children's education. Binding arbitration is the antithesis of empowerment of a people who have struggled for self determination through education. Binding arbitration would truly be an insulting and degrading step for the people of rural Alaska.

In addition, St. Mary's City School District is a single site district, much concerned with a financial basis strong enough to provide a quality education for our youth. The monies which would have to be spent on binding arbitration would much better be directed toward education, and we do not have the luxury of providing a great deal of outside and unneeded resources for our district. Consolidation of schools is another option which would not enhance our education or process of empowerment of local people. Local control is working well here in St. Mary's and we want to continue the great progress we have made both as a city and a school district.

In light of these reasons, Senator Sturgulewski, I ask you to consider carefully your sponsorship of the Binding Arbitration Bill. Your reputation as a Senator is one who really works in the best interest of all the people of Alaska, and the matter of binding arbitration would be very harmful to many, many people both in rural and urban Alaska.

Thank you very much for your consideration of these matters. I enjoyed meeting with you in Juneau and thank you for all you have done for the people of Alaska.

Sincerely,



Sister Ann J. Pratt  
Board Member  
St. Mary's City School District

7 ASB copy

Honorable Senator Al Dixon

Dear Senator Dixon,

I'd like to thank you for your  
concern about education issues  
in our state and all that  
you give careful review to  
the issues of binding arbitration.  
As an elected official yourself  
I'm sure you understand the  
need to be responsive to the  
local needs of your constituents.  
Binding arbitration will remove  
this authority from local school  
boards and create financial crises  
in our education agencies. Collective  
bargaining provides a fair and  
equitable medium for addressing  
employee-management concerns.  
Let electeds make the decisions  
that will shape our educational  
system. Sincerely,  
D. G. 2/16  
1/14/11

Representative Foster  
Juneau, Alaska

I would like to thank you on behalf of the Metlakatla Indian Community for introducing HB 198. I am a Council woman for our community and I represent a total of 1672.

As President of the board of education we strongly oppose SB 151. This will take the board of education's right to govern as elected representatives and throw it out the window! Who wins? The teachers? No! The BOE? No! The outcome is who loses ALL our children whose education we are to provide. We need a strong opposition to continue the fight against this bill.

Thank you  
Rachel S. Ash  
Rachel Askren, Council MIC  
President AISD  
Metlakatla, Alaska

Sering Strait

21 Mar 1989

Senator Adams -

We would like for you to  
support the AASB position on  
S.B. 15 (Binding Arbitration)

We, on the BOSSD Board, feel  
that this is an issue that  
will affect the education of our  
children for a long time - Please

Vote against S.B. 15 -

Ken Howard

~~Mel Ott~~

Steve A. Washit

Aaron Swarrigan

# SITKA SCHOOL DISTRICT

ACCREDITED BY THE NORTHWEST ASSOCIATION OF SECONDARY SCHOOLS & COLLEGES



P O BOX 178 SITKA, ALASKA 99835

February 17, 1989

Dear Legislator:

Please take the time to look over the enclosed article that outlines the plight of the State regarding its union health insurance provisions.

As you contemplate the merits of binding arbitration and class size, please do not forget the comments of Governor Steve Cowper, House Speaker Sam Cotten, and Senate President Tim Kelly regarding the State's financial crisis.

As union memberships in the private sector shrink all across the Nation, why should the Legislature continue to grant the additional benefits to the National Education Association (NEA) that they did not get at the local school district's bargaining table? I seriously doubt that it's the Legislature's intent, in the words of Senator Kelly, to create an elite class of people.

Presently, it is legislative intent that school districts should not lay-off tenured teachers due to a lack of money (AS 14.20.175(b)). Please do not further tie the school districts' hands and throw back upon communities the additional burden of having to deal with the issues of binding arbitration and class size. These are, potentially, the two most expensive issues facing the Legislature and the citizens of Alaska this session. When studying these two areas, would you require a fiscal note as you would any bill having a direct financial impact upon the State?

Thank you for the opportunity to present this viewpoint.

Sincerely,

SITKA SCHOOL DISTRICT

Art Woodhouse  
Superintendent

Enclosures

# State health insurance: \$104 million

## Cowper seeks more money for state workers' coverage

By DAVID POSTMAN  
Daily News reporter

JUNEAU — State employees' top-of-the-line health insurance policy will cost \$104 million this year, \$20 million more than the state has budgeted to pay for it.

The plan costs the state an average of \$431 a month per employee, 520 percent more than it did a dozen years ago. It covers 90 percent of the costs of everything from plastic surgery to year-long stays in mental hospitals.

"We have the best plan. Everything is covered," said Chuck Taylor, deputy commissioner of the Department of Administration.

Because the policy costs more money than the state has appropriated for it, Gov. Steve Cowper is asking for a special appropriation of about \$20 million to pay for this year's increases. But Cowper, Taylor and legislative leaders say the health coverage may be too expensive for these days of limited money.

The state is locked into the plan through contracts with its labor unions. Those contracts call for the state to provide the same level of coverage even if the costs go up or there is less money to pay for the policy.

"There's not any consideration for what happens in a down economy," Cowper said at last week's budget summit with legislative leaders. "I think it's fair to say that this is just a situation nobody ever anticipated. If everything had kept going up it would have worked just fine."

But as costs skyrocketed, state income dropped and the state is now stuck with a boom-time health plan.

All full-time employees, including legislators, are

1332 Matternorn Way  
Anchorage, AK 99508  
February 24, 1989

Governor Steve Cowper  
State Office Bldg.  
P.O. Box V  
Juneau, AK 99811

Dear Governor Cowper:

I am writing to voice my strong opposition to the concept of binding interest arbitration in school district collective bargaining being proposed in Senate Bill 15.

By way of background, I have been a teacher, principal, and superintendent and am presently a management consultant providing, among other things, labor relations services to school districts. As such I have had extensive experience in school district collective bargaining. If I were to adopt a narrow-focused, self-interest posture on this issue, I would eagerly support binding arbitration legislation because its implementation would be likely to increase the demand for my services substantially. However, I believe that there are broader societal issues of much greater importance than my individual financial welfare.

The public schools are the backbone of our state and nation. As such the schools belong to the people and have long been governed by locally elected officials who are directly accountable to those they serve. Once critical economic and policy decisions are removed from the hands of these local officials, the schools will no longer belong to the people. As a citizen, this concerns me greatly. As a parent with children in the Alaska public schools beginning in 1971 and continuing probably until 2005, I am even more concerned.

The chief proponents of binding arbitration, an employee union whose primary interest is the personal welfare of its members, would have us believe that such legislation is necessary to address a "problem" that adversely affects public schools. But they have fabricated the problem and have even invented a name for it; they call it "lack of finality." Hogwash! There certainly is finality in school district collective bargaining. First of all, finality in the overwhelming majority of cases is mutual agreement of the parties. In the few instances wherein the parties do not agree in a timely manner, the school board generally continues to honor the prior agreement or rarely imposes its last-best offer until such time as there is mutual agreement -- and agreement always occurs sooner or later.

Thus there is finality, but the proponents of binding arbitration want to exchange it for finality from another source. Instead of having the final economic and policy decisions being made by the school board, who is directly accountable to the electorate, this decision-making authority would be turned over to an arbitrator who is not elected by the people to make decisions on their behalf and who is not in any way accountable to the electorate for the results of those decisions.

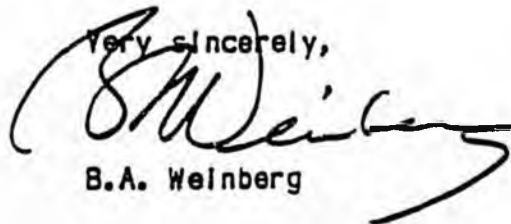
Let someone think that such a delegation of power is not of paramount importance since the subject is limited to employment matters, let me hasten to point out that such a conclusion would be naive. As one who has sat across the table from Alaska school employee unions for more than a dozen years, I can attest that the tentacles of their demands directly or indirectly affect virtually every aspect of the program and operation of a school district.

Of course there are problems with the school district bargaining statutes in Alaska, yet the system works in spite of them. These problems certainly should be addressed, but not in a piecemeal fashion. A comprehensive study is warranted which may result in a complete overhaul of our bargaining laws. The end result should be a statutory framework that better serves public education and the state as a whole. There is absolutely no justification for the legislature to rush in at this time and apply a band-aid where only a special interest group claims a wound exists.

I am aware that school employees are voters and that their union contributes substantially to political campaigns. I also realize that our elected officials are weary of having this issue put before them time and time again and may be tempted to acquiesce as an expediency. However, the principles upon which this proposed legislation is based are directly contradictory to those paramount principles upon which our country was founded. The abdication of the determination of critical policy matters and the expenditure of vast sums of public funds to a third party who is not responsible to the people through the elected representative process flies directly in the face of those underlying democratic premises held so sacred by our founding fathers. Such a system is certainly not government of and by the people; instead, it is taxation without representation.

As a parent and citizen and as a practitioner in the field of public education for twenty-six years, I urge you to steadfastly oppose binding interest arbitration in school district collective bargaining. The good of public education and the state supersedes the private welfare of a special interest group. As you consider this proposed legislation, I urge you to keep uppermost in your mind the fact that the public schools are our most important socio-governmental institution and that their efficacy is embodied in the concept that the public schools belong to the people. With that in mind, I trust you will agree that it would be unconscionable for the state's highest elected officials to take away critical decision-making authority from other elected officials and place it in the hands of private individuals who are not accountable to the public for the results of their decisions.

Very sincerely,



B.A. Weinberg

cc: Commissioner of Education  
State Board of Education

April 14, 1989

Honorable John Binkley  
Alaska Senate  
P.O. Box V  
Juneau, Alaska 99811

Dear Senator Binkley:

CSSB15 is now in Senate HESS and may soon move to your Finance Committee. If and when that should occur, I urge you to oppose any form of that bill which might include compulsory binding interest arbitration.

I began my work as an educator in rural Alaska in 1965. For a long time I noticed that government was something that was done to rural residents, especially Natives. Self-determination and participatory government are now beginning to come into their own, and rural people are gaining more control over, and accepting more responsibility for, their own destiny.

Nowhere has this been more evident than in our rural public school systems that are now governed by popularly elected public officials. Having previously been associated with education administered directly by the state and federal governments, and later with local and regional rural school districts, I can attest to the fact that the latter is better by far. Now that local people have control over the programs and operation of their public schools, they are accepting responsibility for their successes and failures and they are becoming more and more committed to solving for themselves the educational problems that affect them. This attitude is spilling over into other governmental and social issues including but not limited to alcohol related problems, housing, health care, and public safety. To use a term currently in vogue, rural people, especially Natives, have become "empowered," and empowerment is showing substantial positive results. No longer are rural residents totally at the mercy of state and federal bureaucracies and non-Native transients who reside temporarily in their villages as vestiges of some former colonial system.

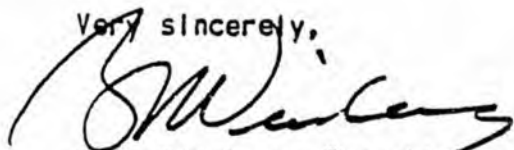
Binding interest arbitration is the antithesis of empowerment, self-determination, and participatory government. The delegation of critical school district economic and fiscal powers to arbitrators who are insulated from the electorate will produce a major step backwards which will likely have adverse corollary impacts well beyond the bounds of the school system proper. Local people will lose much of their role as players in government and revert to their former role as spectators as they watch the professional elite, largely transient and non-Native, maneuver for the favors of arbitrators, who are even more professionally elite, to increase their economic and social power.

As a representative of formerly disenfranchised rural people, surely you cannot support, or stand idly by and allow, such a terrible regression. For such would run counter to what I, and they, believe to be your basic principles.

Thus I urge you to vigorously oppose binding interest arbitration, which is a blatant special interest proposal clearly detrimental to the interests of the people as a whole. The public schools of America are our most precious and important socio-governmental institution and have contributed more than any other to the greatness of our nation. This is because the public schools belong to all of the people to serve all of the people. Their governance should not be tampered with as a political expediency or to satisfy the demands of any special interest group regardless of its influence.

If there is any way that I can be of assistance to you in opposing compulsory binding interest arbitration, I should be glad to do so.

Very sincerely,



B.A. Weinberg, Consultant  
ST. MARY'S SCHOOL DISTRICT  
IDITAROD AREA SCHOOL DISTRICT  
(Educational Management Associates, Inc.)

BAW/gt

1332 Matternorn Way  
Anchorage, Alaska 99508  
April 14, 1989

Honorable Jim Duncan  
Alaska Senate  
P.O. Box V  
Juneau, Alaska 99811

Separate Letter  
to each co-sponsor  
of SB15

Dear Senator Duncan:

I am writing with regard to Senate Bill 15, with particular reference to the aspect of that bill which provides for compulsory binding interest arbitration. I do not presume to know your motivation for sponsoring such legislation, but I do assume that you are a person of integrity who, as an elected public official, strives to serve the interests of all of the people rather than the limited agenda of a special interest group. Therefore, I can only conclude that you have been misled as to the need for such legislation and as to its ramifications. I have reached this conclusion after hearing testimony and other statements by the proponents of this proposal, NEA-Alaska, which are definitely misleading.

I believe that any meritorious proposal should be able to stand on its own merits. It should not be necessary to distort the facts. Yet NEA-Alaska has grossly distorted the facts in support of a proposition that is designed primarily to serve the private interests of its members.

First of all, the union asserts there is no finality in the bargaining process. This is not true. In the rare instances that finality is not achieved by way of a mutual agreement, it rests with the elected representatives of the people, the school board. However, the union desires special status that students, parents, and the general public do not have. They desire finality imposed not by a public body accountable to the electorate but by an arbitrator insulated from the public and to whom the electorate has no recourse. The bottom line is, however, that bargaining finality does exist, and the claim that there is no finality is a myth.

The union also cites numerous surveys that assert that the public supports binding interest arbitration. For the most part such surveys have required a forced choice between the right to strike and binding arbitration. Everyone knows what a strike is and most people would prefer not to have schools closed by teacher strikes. I will wager, however, that many people do not know what binding arbitration and its ramifications are, so they choose what they understand to be an alternative to strikes. However, these surveys did not provide for a third alternative, which is the status quo, wherein the elected school board has the final word. To say that surveys show that the people of Alaska support binding interest arbitration is simply not a factual statement.

The union goes on to assert that under the current bargaining laws school district employees are often forced to work for months or even years without a contract, and they imply that protracted bargaining is always the fault of the districts. The fact is, however, that there is a state law that requires school districts to honor the terms of a collective bargaining agreement beyond its nominal expiration date while the parties are bargaining for a successor agreement. Two state superior courts have held that this law also requires the districts to grant experience and educational salary increments that are inherent in the "expired" agreement. There have been a very few cases wherein, after impasse, districts have imposed terms and conditions of employment; however, for the most part employees continue to work under the prior agreements. The union cannot have it both ways. They cannot cling to the law which continues an agreement beyond its nominal expiration date and provides for incremental salary increases while at the same time they complain about working without a contract.

As to where the fault lies relative to bargaining beyond the term of an agreement, it certainly does not belong solely at the feet of school districts. In fact, the continuing contract law promotes stalling by the union, especially when economic conditions force districts to seek concessions. The union can drag out bargaining with impunity knowing that districts must continue to honor the terms of the prior agreement including provisions for salary increases.

In an effort to feign altruism, the union claims it only wants fairness and equity, an opportunity to be an equal party at the bargaining table. But why in the name of heaven should they be an equal party with the public in the determination of public policy and the expenditure of public funds? If binding arbitration produces fairness and equity for employees, then it ought to do the same for other special interest groups. After all, the principle of fairness and equity demands that every special interest group have the same advantage. The band boosters should have binding arbitration if the school board will not agree to their demands as to the scope and expenditure level of the band program. The same should be applicable for the athletic association, the vocational education advisory council, the parents of handicapped students, and so on. Since such a situation would produce only chaos and anarchy, the only fair and equitable arrangement is for all of the special interest groups to have a mechanism for their concerns and demands to be put before the school board for their consideration in determining what policies, programs, and expenditures would best serve the interests of the people as a whole. That kind of fairness and equity exists now, and binding interest arbitration for a given group would destroy fairness and equity for the rest.

Furthermore, if NEA-Alaska sincerely believes that binding interest arbitration produces fairness and equity, they should be the first to grant such a procedure to their own employees. Yet it is my understanding that although NEA-Alaska employees have demanded binding interest arbitration at the bargaining table, the executive board of that organization has steadfastly refused to allow it. If this be the case, why should such blatant hypocrisy be rewarded by the Legislature in

providing a so-called fair and equitable system for NEA-Alaska members that NEA-Alaska will not provide for their own employees?

Finally, the union asserts that binding arbitration will not necessarily result in an inflationary spiral of increases in compensation and benefits. You can be sure that they would not have worked so long and hard for this legislation, however, if they even remotely thought that the opposite would occur. While no one can predict the future, the history in the few other states with compulsory binding interest arbitration tells us that such an inflationary spiral will almost certainly result.

The union points to a few recent advisory awards in Alaska wherein arbitrators have recommended wage concessions. But because these were advisory awards, the arbitrators knew that they would be used primarily to create a new forum for the reaching of a mutually acceptable settlement. If an arbitrator knows that an award will be binding, there will be more pressure to go for the deeper pocket.

Additionally, arbitrators would not exist without labor, for it is labor, not management, that demands their services. Since arbitrators rely on mutual selection for their work, the arbitrator who too often awards in favor of management will soon be unemployed.

Thus, although one cannot say that arbitrators will never make an award favorable to school districts, there is much circumstantial evidence that would lead one to conclude that the great majority of awards will favor labor. Thus the inflationary spiral will inevitably occur, and greater and greater pressure will accrue for higher and higher expenditures of public funds for education.

In conclusion, what is at stake here transcends so-called issues of finality, working without contracts, equality at the bargaining table, and inflationary pressures. Instead, this legislation tampers with the very principles that undergird our representative form of government and public control of education. It is bad public policy, plain and simple, to delegate legislative powers to third parties who are not accountable to the electorate.

As an elected public official yourself, I implore you to reconsider your position on this matter. Do not take away critical economic and policy decision-making authority from other elected public officials and give it to individuals who are totally insulated from the people affected by their decisions. Virtually every other elected public official in the state, either individually or through their associations (the Association of Alaska School Boards and the Alaska Municipal League) have opposed this bill. Please do not turn your back on your fellow public representatives and the people you all serve in favor of the demands of a special interest group.

If you wish to discuss this matter further, I should be happy to oblige.

Very sincerely,

B.A. Weinberg

BAW/gt

1332 Matterhorn Way  
Anchorage, Alaska 99508  
April 13, 1989

Honorable Ron Larson  
Alaska House of Representatives  
P.O. Box V  
Juneau, AK 99801

Dear Representative Larson:

As a former Alaska superintendent who now works as a management consultant for school districts, I attended the recent Fly-In of the Alaska Association of School Administrators and was in attendance when you made your presentation to the group. I, like most professionals in school management, appreciate your concern for quality education as expressed through your legislative efforts. It concerned me, therefore, to hear you say that you favor compulsory binding interest arbitration in collective bargaining with school district employees.

In your talk to the administrator's organization you made two comparisons with state level issues that were apparently intended to be somewhat analogous to binding interest arbitration at a school district level as a means of settling disputes. First you mentioned the recent McDowell study of area cost differentials funded by the Legislature for the purpose of acquiring objective, third party recommendations outside the political arena. However, the distinction between this process and binding interest arbitration is significant. The Legislature did not, and could not, bind itself in advance to the implementation of the McDowell recommendations. Such would have been an improper delegation of the powers of our state level elected public officials to make laws and to commit state funds. Instead, their recommendations were intended to produce consideration by the Legislature in the context of the many other factors which you and your fellow legislators must wrestle in determining what, in your judgment, is in the best interests of the state.

An analogous situation already exists relative to school district collective bargaining on two levels. If the parties cannot agree, a neutral third party mediator tries to assist them in reaching a mutually acceptable settlement. If that fails, an advisory arbitrator reviews the issues and makes recommendations for an agreement. The school board, as locally elected public officials, then reviews those recommendations in the context of the other variables affecting the operation of the district and makes a decision as to what, in their judgment, is in the best interests of the district.

Compulsory binding interest arbitration is vastly different, however, because the arbitrator does not recommend. Instead, he or she establishes public policy and determines the expenditure of public funds.

The other comparison you drew dealt with how the Legislature might handle the request for a supplemental appropriation to cover increases in bargained insurance benefits for state employees. You indicated that the

Legislature may not fund the increases, thus necessitating massive lay offs. This in turn may force the parties to the bargaining table to negotiate some form of insurance cost containment.

Such a situation is not analogous, however, to similar circumstances in a school district. A school board could not refuse to appropriate funds to pay for a negotiated item, as this would be a contract violation subject to mandatory binding grievance arbitration which the district would inevitably lose. The district does not have the same latitude as the state to lay off employees because the Legislature has already tied the hands of districts relative to the lay off of certificated employees.

Binding interest arbitration for school districts would delegate broad policy making and fiscal authority to individuals who are not accountable to the electorate for the results of their decisions. As such, it grossly violates the most basic principles of our representative form of government and it virtually removes the public from control of public education. Based upon the experiences of other states with similar legislation, such a law would almost certainly be inflationary relative to employee compensation and benefits at a time when school districts are doing well if they can hold their revenues static.

I urge you to continue your efforts in support of public education. And, in so doing, I urge you to vigorously oppose compulsory binding interest arbitration. The proposed law is blatant special interest legislation which runs counter to the broader interests of the public for cost/effective public education controlled by the people through their elected officials. As an elected public official yourself who would surely not even consider delegating state legislative powers to third parties, I am certain that you can see the impropriety of requiring the delegation of school district legislative authority to arbitrators.

As a citizen and parent and as a professional practitioner in public education for twenty seven years, I am deeply committed to the precept that the public schools belong to the people. Your consistent support of public education leads me to believe that your heart is there also. Therefore, I urge you to reject the political expediency of binding interest arbitration in favor of public control of public education.

I should be happy to discuss this matter with you in more detail at your convenience.

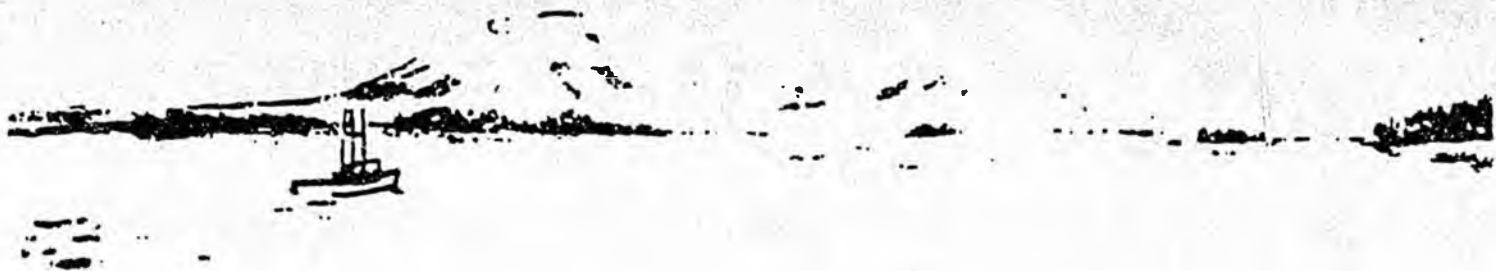
Very sincerely,

B.A. Weinberg

BAW/gt

# SITKA SCHOOL DISTRICT

ACCREDITED BY THE NORTHWEST ASSOCIATION OF SECONDARY SCHOOLS & COLLEGES



P. O. BOX 179 SITKA, ALASKA 99835

April 7, 1989

Kenai School Board  
148 North Binkley Street  
Soldotna, Alaska 99669

Dear Ladies and Gentlemen:

The Sitka School Board passed the enclosed Resolution Supporting And Congratulating Senator Paul Fischer at its April 4, 1989 meeting.

We wholeheartedly appreciate the support that the entire State has received from Senator Paul Fischer in his capacity as Chairman of the Senate HESS Committee.

We urge each of you to support and rally around Senator Fischer so that he can maintain his position on binding arbitration.

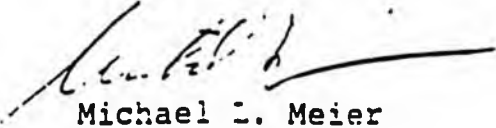
In these days of funding shortfalls, it is our opinion that binding arbitration and class size are the two most expensive items facing Alaskan education.

Also enclosed is a copy of a Resolution Opposing Binding Arbitration which was also passed at the April 4, 1989 Sitka School Board meeting and which is being sent to Senator Dick Eliason, Representative Ben Grussendorf, and the Association Of Alaska School Boards.

Your help will be greatly appreciated.

Sincerely,

SITKA SCHOOL BOARD

  
Michael L. Meier  
President

Enclosures

AGENDA

Moved by Ms. Buchanan  
seconded by Mrs. Stolpe

to amend the position statement put forth here by the Administration to begin this way, "The Anchorage School Board wishes to go on record as being against binding arbitration; however, if the Legislature feels it must move to change the bargaining law for teachers we support the Community and Regional Affairs Committee substitute for Senate Bill 15, except we believe that school district employees should be placed into Class 3 of the Public Employee Relations Act rather than into Class 2 as the bill now provides.

Further, we believe that CSSB 15 should be modified as follows: AS 23.40.200 (f) which would enable school district to negotiate into collective bargaining agreements provision for any form of binding interest arbitration should be modified to limit the type of binding interest arbitration which might be negotiated to last best offer, package arbitration wherein the arbitrator has no authority whatsoever to alter the terms of offers presented.

ANCHORAGE SCHOOL BOARD, MARCH 27, 1989

By: The Railbelt Coalition  
Introduced: April 8, 1989  
Approved: April 9, 1989

A JOINT RESOLUTION OF THE FOUR BOROUGHs OF THE RAILBELT AREA  
RELATING TO BINDING ARBITRATION

WHEREAS, "Negotiations By Public School Employees" (Binding Arbitration) has been introduced in the Alaska State Legislature; and

WHEREAS, by mandating binding arbitration, the Alaska State Legislature is taking local control of education out of the hands of local officials and local voters and into the hands of an outside entity; and

WHEREAS, in any case of binding arbitration, the arbitrator will usually rule in favor of the workers since his or her job is to resolve wage disputes; and

WHEREAS, in most cases, where binding arbitration exists for public workers, including teachers, the result has been the expenditure of more funds for salaries; and

WHEREAS, the people of the State of Alaska contribute millions of dollars in taxes toward education; and

WHEREAS, there is great concern that the Alaska State Legislature will reduce education funds, revenue sharing and municipal assistance; and

WHEREAS, binding arbitration absolves a local governing body from responsibility to fund and administer a negotiated contract.

NOW, THEREFORE, BE IT RESOLVED that the Railbelt coalition strongly opposes compulsory binding arbitration as a final step in collective bargaining in general.

BE IT FURTHER RESOLVED that copies of this resolution shall be sent to Steve Cowper, Governor, State of Alaska, David G. Hoffman, Commissioner of the Department of Community and Regional Affairs and all legislators representing the Railbelt Coalition.

PASSED AND APPROVED THIS 8TH DAY OF APRIL, 1989

MUNICIPALITY OF ANCHORAGE

By *Harold Agner*

FAIRBANKS NORTH STAR BOROUGH

By *Janette Helms*

KENAI PENINSULA BOROUGH

By *Tom U. Skjold*

MATANUSKA-SUSITNA BOROUGH

By *Barbara A. Jones*

JIM D. CLARK  
BOROUGH MANAGER



TELEPHONE  
(907) 246-4224

# Bristol Bay Borough

Box 189 • NAKNEK, ALASKA 99833

## RESOLUTION 89-6

A RESOLUTION OPPOSING BINDING ARBITRATION IN SCHOOL DISTRICT NEGOTIATIONS.

WHEREAS, a Bill has been introduced in the Alaska Legislature proposing binding arbitration for resolving impasse in school district negotiations, and

WHEREAS, binding arbitration would remove from a locally elected school board its responsibility and right to establish educational costs; and place this right in the hands of an outside arbitrator, and

WHEREAS, binding arbitration is counter to the principles of a representative form of government to maintain the common interest and good, and

WHEREAS, the fair and impartial treatment of the Binding Arbitration Bill is in jeopardy due to political pressures brought to bear by the teacher unions of the State,

THEREFORE BE IT RESOLVED, that the Bristol Bay Borough Assembly opposes both binding arbitration and those who would compromise the common good for the sake of this special interest legislation.

Passed and approved by the Bristol Bay Borough Assembly this  
24<sup>TH</sup> day of APRIL 1989.

A handwritten signature in cursive script, appearing to read "Jim D. Clark", is written over a horizontal line.

Mayor

ATTEST:

A handwritten signature in cursive script, appearing to read "Betty L. Thompson", is written over a horizontal line.  
Borough Clerk

**JUNEAU SCHOOL DISTRICT BOARD OF EDUCATION**

**RESOLUTION #6-89**

**A RESOLUTION OF THE BOARD OF EDUCATION OF THE CITY AND BOROUGH OF JUNEAU OPPOSING THE PASSAGE OF SENATE BILL 15, BINDING ARBITRATION LEGISLATION.**

**Whereas**, collective bargaining represents a process for mutual resolution of labor relations; and

**Whereas**, the public as represented by the Board of Education is the policy making group in the educational system; and

**Whereas**, Collective Bargaining is a local issue between the public and its teachers; and

**Whereas**, the State of Alaska is continuing to realize the effects of a declining economy; and

**Whereas**, binding arbitration could commit the District and the community to expenses it could not afford; and

**Whereas**, the public's power and authority are denied by the use of an outside decision maker; and

**Whereas**, binding arbitration would negate the process by providing the union with an unfair advantage; and

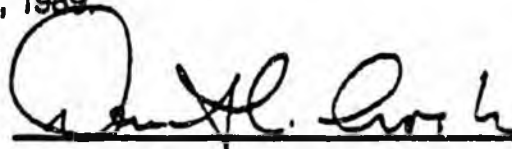
**Whereas**, funding decisions imposed by an outside arbitrator may place impossible demands on local school boards;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:**

1. That the Board of Education of the City and Borough of Juneau opposes the passage of Senate Bill 15 requiring Binding Arbitration as the final step in negotiations.

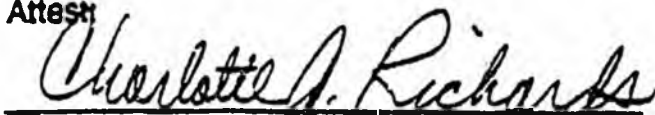
2. Effective Date. This resolution shall be effective immediately upon adoption.

Adopted this 7th day of February, 1989.



David Crosby, President

Attest



Charlotte Richards, Clerk

FAIRBANKS NORTH STAR BOROUGH BOARD OF EDUCATION

Resolution 201

Binding Arbitration

WHEREAS, binding arbitration removes decision making from the locally elected school boards and puts it in the hands of an outside entity; and,

WHEREAS, binding arbitration allows a third party to determine the salaries of school district employees who bargain collectively; and,

WHEREAS, it is the elected school board's responsibility to determine the expenditure of public funds,

NOW, THEREFORE, BE IT RESOLVED, that the Fairbanks North Star Borough Board of Education opposes any dilution of local control through compulsory or binding arbitration in the negotiation procedure; and,

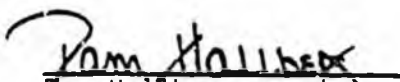
BE IT FURTHER RESOLVED, that the Fairbanks North Star Borough Board of Education opposes any legislative remedy which includes binding arbitration as a final step in collective bargaining.

PASSED AND APPROVED OCTOBER 4, 1988.



\_\_\_\_\_  
Bonnie Brody, President  
Board of Education

Attest:



\_\_\_\_\_  
Pam Hallberg  
Secretary to the Board

# SITKA SCHOOL DISTRICT

ACCREDITED BY THE NORTHWEST ASSOCIATION OF SECONDARY SCHOOLS & COLLEGES



P. O. BOX 179 SITKA, ALASKA 99835

## RESOLUTION OPPOSING BINDING ARBITRATION

WHEREAS, State Of Alaska statute has provided for locally elected school boards as the authorities for providing public oversight of public school district operations; and

WHEREAS, these local school boards, through the process of free and open elections, represent the attitudes; will; and expectations of the communities which they serve; and

WHEREAS, the additional requirement is placed upon communities designated as cities and boroughs to provide for local support of education; and,

WHEREAS, the State has not provided for fiscally independent school districts, thereby requiring that school districts be reliant upon other agencies to determine their allowable levels of funding and expenditures; and

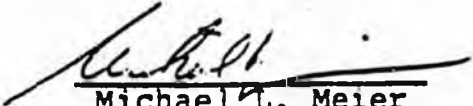
WHEREAS, the State has not established a prevailing interest in the area of binding arbitration as a need which should be applied to school districts; and,

WHEREAS, the State Legislature has failed to meet its financial responsibility to fully fund established educational needs.

THEREFORE, BE IT RESOLVED that the Sitka School Board hereby opposes binding arbitration as an affront to principles which support a community's right to control educational costs; an unethical infringement upon and illegal delegation of local authority; and inappropriate to Alaska's system of school finance.

DATED this fourth day of April, 1989.

SITKA SCHOOL BOARD

  
Michael L. Meier  
President



Greater Ketchikan Chamber of Commerce  
P.O. Box 5957, Ketchikan, Alaska 99901  
(907) 225-3184

March 29, 1989

Senator Paul Fischer, Chairman  
Health, Education & Social Services Committee  
State of Alaska  
P.O. Box V  
Juneau, AK 99811

Dear Chairman Fischer and Committee Members:

The Greater Ketchikan Chamber of Commerce has examined the provisions in CS for Senate Bill #15 regarding binding arbitration and concurs with the Ketchikan Gateway Borough School Board in opposition to this bill.

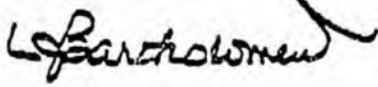
Binding arbitration is not an acceptable concept in our representative form of government. The State Legislature, through titles 14 and 29, has determined that the local school board is an autonomous organization, locally elected and self-determining, subject to federal and state statutes and regulations. Binding arbitration would dilute that local control.

According to CS for Senate Bill #15, an arbitrator is empowered to set terms of a contract and is in effect, demanding that taxes be set without representation.

Binding arbitration is incompatible with our democratic system and is an unconstitutional delegation of school boards authority to a third party who is not responsible or accountable to the public.

Thank you.

Respectfully,

  
Ms. L. J. Bartholomew  
President  
Greater Ketchikan Chamber of Commerce

cc: Senator Lloyd Jones  
Representative Robin Taylor  
Representative Cheryl Davis

Sent To: Senator Tim Kelly  
Lloyd Jones  
Al Adams  
Jim Duncan  
Representative Walter Furnace  
George Jacko  
Max Gruenberg  
Peter Goll  
Max Boyer  
Johnny Ellis



# North & Northwest Mayor's Conference

P O Box 68  
Unalakleet, Alaska 99684



President: A Bert Washington (907) 923-3771  
Secretary: Robert Fools (907) 624-3655

## RESOLUTION NO. 89 - 21

Second Session of the Ninth Annual  
NORTH AND NORTHWEST ALASKA MAYORS' CONFERENCE  
Unalakleet, Alaska  
February 9 & 10, 1989

A RESOLUTION OF THE NORTH AND NORTHWEST ALASKA MAYORS' CONFERENCE  
OPPOSING BINDING ARBITRATION LEGISLATION.

WHEREAS, there is currently pending before the Alaska State Legislature Senate Bill 15 and House Bill 15 which require, as a last step in collective bargaining negotiations between school boards and unions representing school district employees, that a single arbitrator "...issue a final and binding decision..."; and

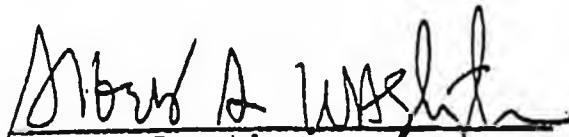
WHEREAS, it is the elected school boards' responsibility to determine the expenditure and allocation of public funds received for education and to establish educational policy; and

WHEREAS, giving such authority and power to an arbitrator erodes representative government, takes final decision-making on essential budget and management decisions away from elected public officials, places such decisions in the hands of a person who is not accountable to local voters, and therefore removes political responsibility from such decision-making; and

WHEREAS, giving an arbitrator that power and authority is an improper, and perhaps illegal, delegation of governmental authority.

NOW THEREFORE BE IT RESOLVED BY THE NORTH AND NORTHWEST ALASKA MAYORS' CONFERENCE THAT: the conference opposes SB 15 and HB 15 and any other legislation which requires that collective bargaining negotiations between a school board and its employees be subject to binding arbitration.

Passed and approved by the SECOND SESSION OF THE NINTH ANNUAL NORTH AND NORTHWEST ALASKA MAYORS' CONFERENCE THE 10th DAY OF FEBRUARY, 1989.

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Secretary

INTRODUCED BY: Deering

VOTE: YES Unanimous

SECONDED BY: Saint Michael

NO \_\_\_\_\_

DIRECTED TO: Alaska State Legislature

Department of Education



# FAIRBANKS NORTH STAR BOROUGH SCHOOL DISTRICT

P.O. Box 1250

Fairbanks, Alaska 99707-1250

(907) 452-2000

FAX (907) 451-6161

April 4, 1989

Mailed to all members of Interior Delegation

The Honorable Bettye Fahrenkamp  
Alaska State Senate  
P.O. Box V  
Juneau, AK 99811

Dear Senator Fahrenkamp:

Enclosed for your information is a copy of an article which appeared April 2, 1989, in the Fairbanks Daily News Miner entitled, "Look Out--Binding Arbitration Bill Coming." The author is Andy Warwick, a member of the Fairbanks North Star Borough Board of Education.

I think this article does an excellent job explaining why many of us think binding arbitration will dramatically increase the costs of education. As Mr. Warwick states, "If the Legislature gives us binding arbitration the mechanics will be in place for substantial wage increases." In a time of shrinking revenues and financial uncertainty, it would be irresponsible to remove from local school boards the ability to control personnel costs, which amount to approximately 80 percent of a school district's budget. That is why the Fairbanks School Board has gone on record with Resolution 201 opposing binding arbitration and why I have testified on numerous occasions to legislative committees and other groups about this subject.

Those of us who oppose binding arbitration believe public education is best served by allowing local school boards the authority to negotiate collective bargaining agreements without outside interference. I hope you and other members of the Interior Delegation will carefully consider Mr. Warwick's arguments as you deal with this issue.

Sincerely yours,

Richard S. Cross  
Superintendent of Schools

RSC/pkr  
Enclosures

cc: Fairbanks Board of Education  
Carl Rose, Director, AASB

**Editorial Opinion and Comment of**



# **Daily News - Miner**

*"Independent in All Things Neutral in None"*

Other opinions expressed on this page do not necessarily reflect those of the Daily News-Miner.

## **Powerful weapon**

Teachers have a good chance this year of getting something they've been trying to get for years: binding arbitration in contract talks and the right to strike.

For citizens who are not teachers, the bill in the Legislature remains as bad an idea as it ever was. The difference is that this year there doesn't appear to be a committee chairman who is prepared to take the heat from teachers' lobbyists and kill it. If it gets to the floor, most legislative observers expect it to pass.

Binding arbitration, as the issue is called, would greatly improve the teachers' hand in contract talks. The threat of a strike would be an effective weapon in extracting concessions at the bargaining table.

As the situation stands, teachers cannot strike. Theoretically, at least, school districts can impose a contract on teachers and force them to work under it.

This might seem unfair to teachers, but even the strongest supporter of binding arbitration must admit that, at least in the Fairbanks North Star Borough, contracts negotiated under the present system have been very good to teachers. The school administration, the school board and the borough assembly are not going to force teachers to work under a contract they find unacceptable.

Binding arbitration takes the decision out of local hands. If teachers struck, municipal leaders would be bombarded with demands to open the schools. It is likely they would turn to the courts for help. The bill provides that when a community seeks an injunction, the contract will be submitted to a state-appointed arbiter, whose decision in the matter will be binding to both parties.

Communities, which pay a major part of school expenses, should not be forced to accept decisions made by an outside arbiter. Negotiations with local teachers should remain in local hands.

We hope that a legislator will come forward with the strength to prevent the bill from passing. But if this is the year that the Legislature passes a binding arbitration bill for teachers, we urge that it include a provision to allow communities to vote on whether it should apply.

# Look out—binding arbitration bill coming

After over 15 years of intensive lobbying by Alaska's teachers, legislation to provide them binding arbitration on wage disputes is finally moving through the Legislature.

The current law does not allow teachers to strike. The teachers believe this favors management. The bill before the Legislature provides binding arbitration only after teachers strike and the school district seeks a judicial order placing the striking teachers back in classrooms.

In the last decade, in my varied years of public service, I have been generally regarded as being tight with the purse strings. However, I can say without equivocation that the amount of time your present school board (including me) would stand up to a strike could be measured in minutes, not hours, days,

## Guest Opinion

By ANDY WARWICK



weeks or months. There is no way any school board in the state can withstand the pressure from parents and kids to keep the schools open. The overwhelming pressure will be to give the wage impasse to an arbiter.

So you say an arbiter will be reasonable? Arbiters give out money. Their job isn't to hold the line or take away. Their job is to resolve wage disputes. If the Legislature gives us binding arbitration the mechanics will be in place for substantial wage increases. And once we have binding arbitration, we will never go back.

Generally for employees a strike is a double-edged sword. The employer is without the services and the employees are without the paycheck (and sometimes the job).

A teachers strike will be different. There will be an incredible amount of pressure on the employer from parents to settle. However, there will be very little economic pressure on the teachers. The teachers know it is next to impossible to replace even a small percentage of them (most other teachers will already have contracts many months in advance). They know they will eventually have a nine-month job (the state statutes mandate a 180 day school year). The only question will be whether the school year will start in September, October, November, etc.

I believe the present system more than adequately takes care of the teachers' financial needs. Alaska's compensation of teachers is very fair when compared with

other employees in the state. If the Legislature gives us binding arbitration, in my opinion the cost of education will increase dramatically.

Unfortunately, if the public does not tell the Legislature no, binding arbitration is, as they say, "a done deal." I hope those of you who are concerned about the effect this will have on the cost of education contact your legislators. I know from personal experience that if enough people respond, the Legislature will listen. Right now the message the legislators are getting is from the teachers.

*Andy Warwick, a CPA, served four years in the Legislature, was commissioner of administration under Gov Jay Hammond and is currently a member of the Fairbanks school board.*



## Future of Labor Unions in Public Sector Includes More Growth and Competition

by Peter Russell, Esq.

This article is based upon the author's speech presented at the AFSCME Conference at the Flamingo Hotel, Las Vegas, Nevada, on August 12, 1966. The author is a labor lawyer, New York, N.Y.

The statistics clearly demonstrate that the future for labor unions in the public sector is extremely bright. The "good news" resulting from this is that those of us who are employed in the public employment labor relations field should enjoy some substantial measure of job security in both the short and long term.

In fact, due to the decline of unions in the private sector, many industrial relations experts are seeking employment in the public sector. Unfortunately, many of them are finding difficulty matching their private sector salaries and understanding of the many critical differences between public and private employment.

We have already seen many traditionally private sector unions seek out public sector employees. The Communication Workers of America (CWA) now represents over 12,000 employees, with its large units in New Jersey and one in California. The Teamsters represent over 9,000 public workers in 11 bargaining units. The Service Employees International Union (SEIU) now represents 14,000 public sector employees.

With few exceptions, these private sector unions are not equipped to deal with the significant differences between the public and private sector labor scene, including (1) the impact of legislation affecting public employees, (2) the effect of politics, (3) the impact of non-strike legislation, and (4) the increasing demand made by public employees for "services" from a labor organization.

The "bad news" resulting from this increase in public sector union activity is that the pub-

lic general director in public employment will become a lot more difficult for a number of reasons - some traditional, some new.

First, every public employee who is in a union really has two labor agreements: one negotiated for him by his union, and a second passed in the form of legislation by the State. Second, with more organizing activity in the public sector, there will be more bargaining units. There tends to be more fortification of units in the public sector than in the private. Third, an increase in the number of organized employees will result in more powerful unions and in more competition between unions. Fourth, we have all seen an increase in the intervention of politics into the collective bargaining arena, and this complicates matters tremendously.

### Regular Increases

With the exception of 1961 and 1962, the number of government workers has increased every year since World War II. Fifty-two percent of these government employees work in education. Along with the rise in the number of employees comes a rise in wages. For the period from 1961 to 1965, when the number of employees rose to 16.6 million in the public sector (an increase of 25%), pay roll costs for governments increased by 97% - showing a real gain for public sector workers.

We all know that unions are losing ground

(continued on page 4)

(continued from page 3)

in the private sector, but the actual numbers are staggering. In 1945, 54% of the private sector work force was organized. The number was cut almost in half, to 18% by 1965 and is even lower today. By way of contrast, whereas in 1965 one of 28 union members was a public employee, today one of every three union members is a public employee.

### Salary Differences

A New York Times article of March 7, 1967 recorded the salary differences for 1966 between public and private sectors. Increases in the private sector averaged 3.2%, while they averaged 3.7% in the public sector. This is due to a number of factors. Only 18 states will have no collective bargaining laws for their public employees.

Also, the demand for concession bargaining that is now facing private sector took its toll on the public sector ten years ago. Further, there is a certain amount of "political leverage" extant in the public sector since the public services cannot be shut down or eliminated. Finally, public sector unions can "lean at the bank" because of freedom of information laws, thus resulting in much more income - and often more expensive - bargaining.

From 1970 to 1966, the number of private sector unorganized employees dropped from 16.5 million to 12 million, while in the public sector it rose from 16.6 million to 21.7 million. Out of this number, 2.3 million were employed in bargaining units of more than 1,000 employees.

On September 22, 1966, Hudson Work magazine noted a marked difference in the increases given to the public and private sectors between the years 1962 and 1966. During that time frame,

increases in the private sector went down from 7.1% (1962) to 3.5% (1966) in the public sector, the increases went down from 6.7% to 3.1%, although teachers fared better with increases going from 9.1% to 6.7%. All in all, while wages declined during the four year period, public employees, and particularly teachers, fared better off. Another comparison shows that for the three-year period between 1963 and 1966 teachers averaged 21% in increases, while private sector employees averaged only 13%.

One reason for this increase in wages in the public sector, in addition to unemployment, is that public sector employees are still playing some "catch-up" with respect to their wages and salary levels. Public employees average under 20 per hour, which is one-third less than their private sector counterparts. Also, only 2% of labor agreements in the public sector have automatic cost of living adjustment clauses, while private sector union contracts have them almost in 66% of the agreements.

### Percent of Total Members

In 1976, 2 million government workers accounted for 15% of the AFL-CIO membership. Ten years later, 3.5 million government workers accounted for over 20% of AFL-CIO members. In 1963, the American Federation of State, County and Municipal Employees (AFSCME) spent \$4,000,000 to organize 21,000 more workers in Ohio. This resulted in a three year labor agreement with more than 17% in wage increases.

AFSCME has also gotten involved in politics, supporting Republican Tom Kean for governor in New Jersey. Their successful support of his election bid resulted in a new contract for more health workers providing for 15% over three

(continued on page 5)

# MY TURN

by DAVID CROSBY

Those of you who send your children to school in the Juneau School District remember the agony of budget reductions three years ago. Maybe your child was one of the ones who lost a music class, or couldn't go to the library, or didn't get as much physical education as he or she did in the past. Several of you have expressed your disappointment at the closure of Capital School as a cost containment measure. You also know that two years ago our district made the tough decision to reduce teachers' salaries rather than lay off staff or cut programs still further. That decision - which was taken unilaterally by the School Board after negotiations with the teachers' union reached impasse - has become one of the factors motivating a seemingly unstoppable drive to settle rival school districts with binding arbitration.

The decisions we made in Juneau were political decisions in the truest and best senses of that word. Board members were subjected to intense lobbying pressure from teachers, who were understandably concerned about their standard of living; from parents, who did not want to see pupil-teacher ratios increase or programs cut; and from other taxpayers, who insisted that we live within our means. I can remember having a constituent join me at the dinner table on a Sunday night to plead the case for Capital School. I'm not complaining. It comes with the territory. The point is that the process of fiscal budgeting is and ought to be a political one carried out by elected local officials.

Teachers are far from being powerless victims in this political process. They maintain no fewer than 10 full-time lobbyists in Juneau during the legislative session. NEA's political action committee (PAC) is said to be the third largest in the state. When I ran for the School Board in 1986, it was the boast of the local NEA affiliate that no candidate (including the author of this column) had ever been elected to the School

Board without the union's endorsement. Spouses of NEA employees and NEA members regularly sit on our School Board. Again, I'm not complaining. NEA has every right to support political candidates and to lobby for their causes both at the state and local levels. My point is that in the budget wars they are as well equipped to stand their ground as any other interest group.

Politics aside, all of us who are concerned with the education of our children want to attract the best teaching talent available. We want our teachers to feel appreciated and motivated to do their best. All of this exerts personal pressure on us to accommodate teachers on salaries, to the extent that it is possible for us to do so. Indeed, when the funding crisis eased in 1987 due to stronger than anticipated student enrollment, we restored step and column increases. Last year we negotiated and signed a two-year agreement with modest salary increases.

NEA talks about the "lack of finality in bargaining" as though it were some glaring flaw in our system that has resulted in a great injustice being done to the teachers of this state. The fact of the matter is that Alaska teachers have become the highest-paid teachers in the United States - without strikes and without binding arbitration - through the political process. Even after several years of stagnation in salaries, the March 17, 1989, issue of Alaska Legislative Digest reports that Alaska teachers are paid more than 16 percent higher than their West Coast counterparts after adjustment for cost of living differentials.

The reason why it has suddenly become hard to reach "finality" in the bargaining process is not difficult to understand. Teachers want salary increases and the money just isn't there - unless it is taken from educational programs. For reasons that are understandable, you have chosen not to increase the basic foundation formula unit value in three years. Now you are talking about an additional cut of 2-5 percent in the foundation, and even deeper cuts in debt

reimbursement, student transportation and support for local government. The problem is money. You won't solve that problem by creating the office of a non-elected arbitrator to tell us what we must pay our teachers and classified staff. All you will do is remove from local political control 85 percent of our operating budget, not to mention a number of sensitive educational policy questions that are presently the subject of collective bargaining.

The binding arbitration legislation, as originally introduced, carried no fiscal note, although the Department of Education correctly states that passage of the bill inevitably will result in pressure to increase the state contribution to education. Juneau Sen. Jim Duncan, the prime sponsor of the bill, insists that the results of binding arbitration are as likely to favor School Boards as the teachers' unions. No one seriously believes, however, that NEA would waste its time and money on such a chancy proposition. In Connecticut, which has had binding arbitration for years, a survey of results for the past three years shows that arbitrators decided for the teachers on salary issues 75 percent of the time and salaries have increased an average of over 9 percent per year. Moreover, binding arbitration is a "no lose" proposition for the union. Even if the district prevails in arbitration, the union will never receive less than the district's last, best offer. The union has no incentive not to arbitrate.

I know that you have been told that in Juneau the result of non-binding arbitration upheld the Board's decision to roll back salaries. You have also been told, however, that another arbitrator ruled that the Northwest Arctic School District, which depends entirely on state funding (which hasn't increased in three years), should increase its salaries by 4 percent. The only way that district could possibly comply is by laying off non-tenured teachers in order to pay higher salaries to a smaller staff. Any way you cut it, binding arbitration is Russian roulette. Whether school districts "win" or "lose" is

not beside the point. The balance between salaries and programs is to be the decision of the people voting through their elected officials.

There are other solutions to the "finality" problem. We could, for example, have one statewide salary schedule, and let the teachers negotiate directly with the state for their salary increases. The awards of the arbitrators could be appropriated directly to the foundation fund by the legislature. This would not only remove a source of bitter antagonism at the local level, it would also place responsibility for any increases caused by binding arbitration squarely where it belongs and on the party that can afford to pay (or at least is legally able to pay) for those increases. You could also set mandatory class sizes and appropriate the money for the extra staff and classrooms to bring the teacher-pupil ratio down. I suspect that many of you recoil at the thought of the kinds of pressures to which such a proposal would subject you. Yet, you are seriously contemplating tying the hands of those of us at the local level who must deal with these same thorny problems, while at the same time you talk of reducing state assistance to education and local governments in general.

Elected local officials do not have earnings from the Permanent Fund on which to fall back. We don't have contingency funds or the prospect of windfall litigation settlements to balance our budgets. We have been called on to make tough choices, and we have made them. Don't take the power of choice away from us. Don't hand control of 85 percent of our budget over to an arbitrator who is not elected by or responsible to the people, who may not send his or her children to school in our schools, and who may not even be an Alaskan citizen, let alone a taxpayer in our community.

David C. Crosby is president of the Juneau City-Borough Board of Education.

odd-year pinks of importance to the Juneau area private non-profit hatchery facilities will also be harvested by this new intercept fishery. By approving the conduct of this intercept fishing the Board has ignored recreational fisheries reallocated

## Binding arbitration: An open letter to members of the Alaska Legislature

## The City and Borough of Juneau

# YOUR MUNICIPALITY

## ASSEMBLY

### NOTICE OF ADOPTION OF RESOLUTIONS, ORDINANCES AND APPROPRIATION ORDINANCES

Notice is hereby given that the Assembly of the City and Borough of Juneau, Alaska adopted the following resolution(s), appropriation ordinance(s), and ordinance(s) on the 17th day of April, 1989, to become effective upon passage. Regular ordinances will become effective 30 days from the date of adoption.

#### Appropriating Ordinances

##### 1. Ordinance No. 88-15 (AD)

An Ordinance appropriating to the Manager the sum of \$16,910 to increase the Alaska Youth Initiative (AYI) budget component of the mental health grant. Presented by the Manager

##### 2. Ordinance No. 88-15 (AK)

An Ordinance appropriating to the Manager the sum of \$6,000 to support a joint venture between the State of Alaska, Department of Public Safety, Division of Fire Service Training and the City and Borough of Juneau. Presented by the Manager.

##### 3. Ordinance No. 88-15 (AP)

An Ordinance appropriating to the Manager the sum of \$110,750 for construction of modular classrooms. Such funds made available from the unappropriated 1/2 percent area-wide sales tax. Presented by the Manager.

#### Ordinances

##### 1. Ordinance No. 89-17

An Ordinance amending the For-Hire Vehicle Code to add the category of carrier by bus as a new type of for-hire vehicle certificate designation and exempting buses providing contract services to the City and Borough, the School District, or the University of Alaska from regulation. Presented by the Manager

##### 2. Ordinance No. 89-18

An Ordinance amending the Service Areas Code to alter the boundaries of the Juneau Service Area (No. 1) to include the Thane area. Presented by the Manager.

##### 3. Ordinance No. 89-19

An Ordinance amending the Animal Code to define the district within which the keeper of an animal must, when that animal upon public property, possess the equipment necessary for sanitary disposal of fecal matter deposited by such animal. Presented by the Manager.

#### Resolutions

##### 1. Resolution No. 1375

A Resolution authorizing the Manager to accept a \$90,000 grant from the Alaska Department of Fish and Game for the cleanup of Duck Creek and Jordan Creek. Presented by the Manager

### NOTICE OF PUBLIC HEARINGS

Notice is hereby given that there will be public hearings held on the following ordinances by the City and Borough of Juneau, Alaska Assembly on the dates designated below. These hearings will be held in the Assembly Chambers of the Municipal Building Monday, May 1, 1989

##### 1. Ordinance No. 88-15 (AQ)

An Ordinance appropriating to the Manager the sum of \$90,000 for the restoration and cleanup of Duck Creek and Jordan Creek located in the Mendenhall Valley. Such funds pending from the Governor's "Jobs Bill" (HB 512). Presented by the Manager

##### 2. Ordinance No. 89-20

An Ordinance amending the Land Use Code, Table of Permissible Uses, to allow the storage of explosives as a conditional use in the rural reserve district. Presented by the Manager.

##### 3. Ordinance No. 89-21

An Ordinance appropriating money out of the treasury. Presented

# LETTERS

# Binding ARB Watch

Viewpoints on Binding Arbitration by Locally Elected Officials and Concerned Citizens

## COMMITTEE ACTION

Senate HESS Committee has decided to publicly hear CS SB 15 (HESS) and has indicated it may pass the bill out of committee.

Sen. HESS Committee will hear the binding arbitration bill on Friday, April 28th. If passed out of committee the bill will be heard next in Senate Finance.

## THIS ISSUE . . .

**Fairbanks editorial calls binding arb "bad idea"**

**Rural Mayors say binding arb "erodes government"**

**Binding Arb bill may be forced out of Sen. HESS**

**Legislature cuts funding for P.S.E.A. arbitration award**

**A Response to Legislator on Binding arb**

## **BINDING ARB BILL TO BE HEARD: MAY BE FORCED OUT OF COMMITTEE**

Despite failed attempts by the Sen. HESS Subcommittee to reach agreement between AASB and NEA regarding binding arbitration, Sen. HESS Chairman Paul Fischer will bring CS SB 15 (HESS) before the committee one last time before session ends. A public hearing on binding arbitration is scheduled for Friday, April 28, 1989. In an attempt to assure passage of this legislation, Senate majority members are being pressured to pass this bill out of committee. The Association of Alaska School Boards is hopeful that the Senate will not pass legislation that will usurp local representative government.

## **HOUSE FINANCE CUTS FUNDING FOR P.S.E.A. ARBITRATION AWARD**

The House Finance Committee nixed funding for an arbitration award that called for a substantial increase in salaries for P.S.E.A. members. Rep. Swackhammer said it was not in keeping with present consideration to cut funding by 2% to 6%. Presently school boards are given the same kind of authority to decide whether to accept an advisory arbitration award when determining what is in the best interests of school districts.

## **MAYOR'S CONFERENCE RESOLUTION SAYS BINDING ARB WILL ERODE REPRESENTATIVE GOVERNMENT**

In a resolution unanimously passed February 10th, 1989 the North & Northwest Mayor's Conference came out against passage of a binding arbitration bill. "[I]t is the elected school boards' responsibility to determine the expenditure and allocation of public funds received for education and to establish educational policy . . . giving such authority and power to an arbitrator erodes representative government, takes final decision-making on essential budget and management decisions away from elected public officials, places such decisions in the hands of a person who is not accountable to local voters, and therefore removes political responsibility from such decision-making," reads the resolution.

( more)

## Rep. LARSON COMMENTS AT ADMINISTRATOR FLY-IN: A RESPONSE

Dear Representative Larson:

"[I] attended the recent Fly-In of the Alaska Association of School Administrators. . . In your talk you made two comparisons with state level issues that were apparently intended to be somewhat analogous to binding interest arbitration at a school district level.

### [NEUTRAL RECOMMENDATIONS]

. . . First you mentioned the recent McDowell study of area cost differentials funded by the Legislature for the purpose of acquiring objective, third party recommendations outside the political arena. However . . . the legislature did not, and could not, bind itself in advance to the implementation of the McDowell recommendations. . . their recommendations were intended to produce consideration by the Legislature in the context of other factors which you and your fellow legislators must wrestle in determining what, in your judgement, is in the best interests of the State. . .

An analogous situation already exists relative to school district collective bargaining on two levels. If the parties cannot agree a neutral third party mediator tries to assist them in reaching a mutually acceptable settlement. If that fails, an advisory arbitrator reviews the issues and makes recommendations for an agreement. The school board, as locally elected public officials, then reviews those recommendations in the context of the other variables affecting the operation of the district and makes a decision as to what, in their judgement, is in the best interests of the district.

**Compulsory binding interest arbitration is vastly different, however, because the arbitrator does not recommend. Instead, he or she establishes public policy and determines the expenditure of public funds.**

### [LAYOFFS & FUNDING]

The other comparison you drew dealt with how the Legislature might handle the request for a supplemental appropriation to cover increases in bargained insurance benefits for state employees. You indicated that the Legislature may not fund the increases, thus necessitating massive layoffs. This in turn may force the parties to the bargaining table to negotiate some form of insurance cost containment.

Such a situation is not analogous to similar circumstances in a school district. A school board could not refuse to appropriate funds to pay for a negotiated item, as this would be a contract violation subject to mandatory binding grievance arbitration which the district would inevitably lose. The district does not have the same latitude as the state to lay off employees because the Legislature has already tied the hands of districts relative to layoff of certificated employees."

Respectfully,  
B. A. Weinberg

## DAILY NEWS-MINER EDITORIAL AGAINST BINDING ARB "Powerful Weapon"

"Teachers have a good chance this year of getting something they've been trying to get for years: binding arbitration in contract talks and the right to strike.

### [BAD IDEA]

For citizens who are not teachers, the bill in the Legislature remains as bad an idea as it ever was. The difference is that this year there doesn't appear to be a committee chairman who is prepared to take the heat from teachers' lobbyists and kill it. If it gets to the floor, most legislative observers expect it to pass.

Binding arbitration, as the issue is called, would greatly improve the teachers' hand in contract talks. The threat of a strike would be an effective weapon in extracting concessions at the bargaining table.

### [UNFAIR TREATMENT??]

As the situation stands, teachers cannot strike. Theoretically, at least, school districts can impose a contract on teachers and force them to work under it. This might seem unfair to teachers, but even the strongest supporter of binding arbitration must admit that, at least in the Fairbanks North Star Borough, contracts negotiated under the present system have been very good to teachers. The school administration, the school board and the borough assembly are not going to force teachers to work under a contract they find unacceptable.

Binding arbitration takes the decision out of local hands. If teachers struck, municipal leaders would be bombarded with demands to open the schools. It is likely they would turn to the courts for help. The bill provides that when a community seeks an injunction, the contract will be submitted to a state-appointed arbiter, whose decision in the matter will be binding to both parties.

### [REMAIN LOCAL]

Communities, which pay a major part of school expenses, should not be forced to accept decisions made by an outside arbiter. Negotiations with local teachers should remain in local hands.

We hope that a legislator will come forward with the strength to prevent the bill from passing. But if this is the year that the Legislature passes a binding arbitration bill for teachers, we urge that it include a provision to allow communities to vote on whether it should apply."

*Fairbanks Daily News-Miner, editorial, Fairbanks, Alaska  
April 23, 1989.*

# Binding ARB Watch

Viewpoints on Binding Arbitration by Locally Elected Officials and Concerned Citizens

## COMMITTEE ACTION

Since the Senate HESS created a subcommittee, with Senator Jim Duncan, prime sponsor of the binding arbitration bill, as the sole member of the subcommittee, one public subcommittee meeting was held.

Despite nearly daily communications between Senator Duncan, NEA-Alaska and AASB, compromise negotiations have broken down. (See facing article)

## THIS ISSUE . . .

**NEA and AASB  
break off talks  
on collective  
bargaining bill**

**Mat-Su advisory  
arbitration award in  
union favor:  
Union authorizes  
strike vote**

**Class Size: Making it  
Negotiable will  
make it subject to  
binding arb**

## N.E.A. & A.A.S.B. BREAK OFF NEGOTIATIONS OVER BINDING ARB

Despite near daily meetings between the Association of Alaska School Boards, NEA-Alaska and Sen. Duncan, negotiations to compromise over a compulsory binding arbitration bill have broken off for the time being.

On April 17th Sen. Jim Duncan, original sponsor of the binding arb bill, Senate leader Tim Kelly, Bob Manners (NEA), and Carl Rose (AASB) met to discuss the status of CS SB 15 (HESS) subcommittee workdrafts. Carl Rose explained that substantive compromises were not forthcoming, and that each proposal contained language that subverts the intended compromise.

In a letter to the AASB membership, Rose reaffirmed the association position against binding arbitration, and added, "If arbitration is to be imposed, then school boards must have the ability to manage the adverse impact that it will produce. **That is the compromise.** A school board's right to manage its district is not a negotiable issue."

### A.A.S.B. PROPOSALS

The main issues AASB feels are paramount to any compromise include:

- Extending the acquisition rights of *tenure* from 2 to 5 years;
- Nonretention of tenured staff during revenue declines (*layoff*);
- *Contract expiration*. A contract ends when it expires.

### N.E.A. PROPOSALS

NEA-Alaska and Sen. Duncan's main proposals include:

- Don't touch tenure. Sen. Duncan has publicly stated that he does not believe a compromise can be reached on this issue;
- Create an escrow account into which salary schedule movement monies would be held while negotiating. This would create a pot of money available to arbiters when settling disputes;
- Establish a definition of "financial exigency," during which districts would be allowed to layoff tenured staff. Verification of a "financial exigency" would be conducted by Office of Management & Budget. AASB and Sen. Duncan, however, were unable to reach agreement on the definition of a "financial exigency." AASB further argued that school board members should be responsible for determining when a "financial exigency" exists.

( more)

## Binding Arb Bill Put on Hold

(continued from pg.1)

The workdraft also made it clear that all other avenues must be exhausted before a "financial exigency" exists and layoffs can take place.

The ability to layoff during a "financial exigency" would be based on "program needs" of the district as it relates to "negotiated agreements" or "policy," and based on seniority. AASB argued that under the proposed language "program needs" and policy itself would be arbitrable. Another problematic feature of this proposal, according to AASB, is that it would place district fund balances at an arbiter's disposal. Yet another problem with the NEA-proposed language is that it could make determination of *how* layoffs take place a negotiable item itself, subject to an arbiter's decision.

AASB claims that each NEA-sponsored proposal contains language that nullifies the intent of the compromise. In fact, analysis by AASB legislative counsel found that the subcommittee workdrafts "can be interpreted to restrict existing board rights."

Sen. Paul Fischer, chair of the Sen. HESS Committee has said he will not move the bill until both parties have reached agreement. Rose said AASB continues to look for avenues with which to reach agreement on ways to improve the collective bargaining process for teachers. •

## ADVISORY ARBITRATION AWARD IN UNION FAVOR

### BOARD GIVES RAISE, UNION AUTHORIZES STRIKE VOTE

The latest *advisory* arbitration award handed down to affect school districts gave the teacher union 3 out of 4 key salary items the union requested. The Mat-Su School District proposed a salary freeze for the third year in a row; the teacher union asked for 4 step increases over two years. The arbiter awarded the union 1 salary step increase for the first year, and 2 salary step increases for the second year.

The Mat-Su School Board, in an April 17th meeting, decided to grant the union the 1-step increase for the first year, and to reopen negotiations for the second year. The board accepted all non-salary arbitrated items, but was unwilling to make a 2-year commitment until more is known about current funding from Juneau. Under current school laws a school board is not bound by *advisory* binding arbitration decisions unless they choose to be.

Teachers have been picketing the administration building, according to Superintendent Bruce DeMond. *The Frontiersman* reported the local teacher union authorized a strike vote by 281-59 if the union and administration are unable to come to an agreement, in spite of the fact that teacher strikes are illegal under current Alaska law. Negotiations are scheduled to resume April 21.

## CLASS SIZE AND BINDING ARBITRATION

NEA has caused legislation to be introduced to make class size a negotiable item. Success in this one area would truly be a coup for proponents of binding arbitration. Once an item is negotiated in a contract it is arbitrable. Arbitrations that deal with disagreements in interpreting existing contracts are called "grievance arbitrations" which are compulsory and binding, according to present school laws.

AASB has called class size bills "budget busters" which could end up determining staffing levels, clearly policy issues.

For another perspective on NEA's smaller class size

campaign here is an excerpt from *The New American*, "Small Sizes for a Fatter Union," October 10, 1988:

"The average class size in the mid-60's--the apogee of achievement test scores at all levels of schooling...was about 29 pupils per class at the elementary level and 27 at the secondary...As test scores bottomed and even rebounded somewhat, class size has kept getting even smaller. So we have a class size paradox: The average class size was larger when test scores were highest than it was when test scores were lowest."

"Indeed...the NEA's smaller class size campaign is really not about improving student achievement; it is about increasing the teacher pool, which will mean more members in its union ranks, more money in its coffers, and more political clout. With 1.9 million members, the NEA has surpassed the Teamsters to become the nation's largest union." •

# Binding ARB Watch

Viewpoints on Binding Arbitration by Locally Elected Officials and Concerned Citizens

## COMMITTEE ACTION

On March 22 Senate C&RA Committee moved a CS for SB 15 into the Senate HESS Committee. Senator Paul Fischer, Chairman, Senate HESS, developed a CS by merging three other bills into the CS SB 15 (HESS): Tenure, nonretention of teachers during revenue declines, and continuation of teachers' salaries during collective bargaining. Then created a subcommittee to address the issues.

**Nonretention:** nonretention of teachers would include two new causes 1) a necessary reduction of staff as determined by the school board, and 2) a reduction of funds available to the school district. Provisions apply only to teachers hired on or after the effective date.

**Tenure:** Senate HESS changed tenure from a two-year period to a five-year period for acquisition of tenure rights.

**Continuing contracts:** When a master contract is no longer in effect and when a new one has not been adopted an employer would not be required to provide any salary increases for experience or education earned since the expiration of the contract. Provisions apply to teachers first hired on or after the effective date.

Senate HESS created a subcommittee, with Senator Jim Duncan, prime sponsor of the binding arbitration bill, as the sole member of the subcommittee. No subcommittee meetings have been scheduled at this time.

## THIS ISSUE . . .

Anchorage Chamber of Commerce

Matanuska-Susitna school board

State report calls binding arb expensive

P.T.A. steers clear of binding arb

## P.T.A. STEERS CLEAR OF BINDING ARB BILL

The Alaska Parent Teachers Association (PTA) passed a half-dozen resolutions on bills affecting education at their annual Convention held last week in Anchorage, but binding arbitration was not among them. Citing the divisive effect that taking a stand on this controversial issue would have on its membership, the PTA did not take an official position either way. PTA officers noted that school board members and teachers make up a small portion of the PTA membership [total 17,000], and that the rest of the membership, mostly parents, is not steeped in the issues.

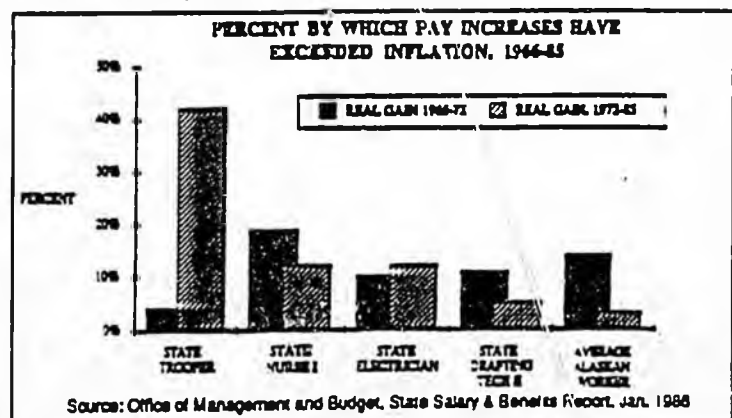
## ANCHORAGE BUSINESS LEADERS: JUST SAY NO TO BINDING ARB

The Anchorage Chamber of Commerce voiced their opposition to binding arbitration in a recent public hearing [March 16, 1989]. Duane Heyman, president of the Anchorage Chamber of Commerce, said his organization has over 1,200 members in the business community representing over 38,000 employees. Heyman said that erosion of management rights was not in the best interests of the State of Alaska.

## STATE REPORTS CALL BINDING ARB EXPENSIVE, CITE 'CHILLING EFFECT'

EXCERPT FROM OFFICE OF MANAGEMENT AND BUDGET, STATE SALARY & BENEFITS REPORT, JANUARY 1988.

"There are some instances where collective bargaining, as implemented, did play a major role in raising salaries. The 1972 statute [PERA] provided for "interest arbitration" for those essential employees who were prohibited from striking. Where this has been implemented, it appears to have led to rapid increases in pay." (continued on back)

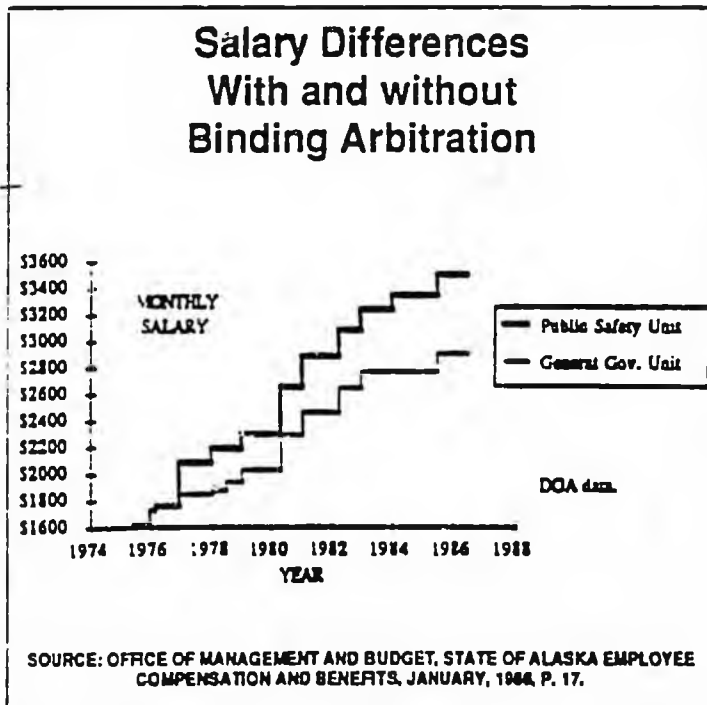


## STATE REPORTS continued

EXCERPTS FROM THE SENATE ADVISORY COUNCIL REPORT  
RR#89-100005, JANUARY, 1989, P.3-4

"The only bargaining unit to consistently use interest arbitration has been the law enforcement unit. The salary schedule for this unit has been increased over the majority of State employees as a direct result of interest arbitration."

"It is the State's opinion that a compulsory interest arbitration has a 'chilling' effect on the bargaining process. It has also been the State's experience that a union does not seriously pursue a mutual agreement when it believes it has a chance to secure more of its demands from an arbitrator than from the employer. For example, the State and PSEA reached tentative agreement on a new contract in 1987. The membership rejected the agreement. Subsequently, the union had twenty-three (23) changes for a better deal from the arbitrator."



**A NOTE ON OVERTIME:** While overtime may account for some of the increase in salaries, it should be noted that the issue is itself an arbitrable item within public safety unit negotiations, and subject to increase due to arbitrations. The base salary for the public safety unit--with binding arbitration--is 45% higher than the general government unit.

## MAT-SU: BINDING ARB WILL ULTIMATELY RESULT IN LOSS OF CHILDREN'S PROGRAMS

"Dear Senator Fischer:

It is my understanding that SB 15 [binding arbitration] has been passed out of the C&RA Committee and is now in your committee. As President of the Matanuska-Susitna School Board, I must tell you that I am very much concerned about this bill.

I fear that passage of this bill will not only result in the loss of our present ability to resolve our negotiation with employees of our school districts locally but will ultimately result in losses of programs needed by our children. It seems like a great paradox to me that the legislature would consider passing such a bill at a time when we are looking at deficits and losses of revenue. This bill will cost the state money.

I am also concerned that passing such a bill will make school boards impotent in their dealings with employees. If employees are assured of binding arbitration as a way of resolving their labor disputes, what incentive is there for them to enter into good faith bargaining with their school board?

We have within our present policies, opportunities to resolve at the local level our negotiations to the satisfaction of all parties. What we do in our negotiations reflects not only our understanding of the contributions our employees make and fair compensation for their work but also reflects the communities in which we live. SB 15 is not legislation that this state needs.

Sincerely,  
Kenneth P. Fallon, Jr., President  
MATANUSKA-SUSITNA SCHOOL BOARD

# Binding ARB Watch

Viewpoints on Binding Arbitration by Locally Elected Officials and Concerned Citizens

## COMMITTEE ACTION

Since the Senate HESS created a subcommittee, with Senator Jim Duncan, prime sponsor of the binding arbitration bill, as the sole member of the subcommittee, one public subcommittee meeting has been held. However, nearly daily communications between Senator Duncan, NEA-Alaska and AASB continue.

A public work session, scheduled for Friday, April 14, was cancelled. Sen. Duncan continues to hold nearly daily sessions on the bill in his office.

## THIS ISSUE . . .

**Railbelt cities form coalition against "BA"**

**Ketchikan Chamber of Commerce calls binding arb undemocratic**

**Sitka Schools congratulate Sen. Paul Fischer**

**So you say an Arbiter won't determine policy?**

**St. Mary's: Binding arb a step backward for Native people**

**Letters from school boards**

- Mat-Su
- Railbelt
- Fairbanks
- Copper River
- Annette Islands

## RAILBELT COMMUNITIES PRESENT RESOLUTION TO LEGISLATURE

Government city/borough assembly members from Anchorage, Fairbanks, Kenai, and Mat-Su sent a message to the Legislature on April 12th in the form of a joint resolution signed by assembly members stating that the "Railbelt coalition strongly opposes compulsory binding arbitration." The Railbelt coalition resolution was presented in person by Heather Flynn, Municipality of Anchorage. The resolution was approved on April 8, 1989.

## KETCHIKAN CHAMBER OF COMMERCE CALLS BINDING ARB UNDEMOCRATIC, UNCONSTITUTIONAL

Dear Sen. Paul Fischer and Sen. HESS Committee Members:

"[B]inding arbitration is not an acceptable concept in our representative form of government. Binding arbitration is incompatible with our democratic system and is an unconstitutional delegation of school boards authority to a third party who is not responsible or accountable to the public."

Respectfully,  
Ms. L.J. Bartholomew, President  
Greater Ketchikan Chamber of Commerce

## SITKA BOARD CONGRATULATES SEN. FISCHER

The Sitka School District passed a resolution on April 4, 1989 supporting and congratulating Senator Paul Fischer. It reads in part: "Sen. Paul Fischer, counter to what is politically expedient and resulting in great political duress, has taken a position in support of a fair, equal discussion and consideration of this binding arbitration bill. The Sitka School Board supports Sen. Fischer for his courage and sense of fairness on this issue and thanks the Senator for his stance in opposition to both binding arbitration and those who would compromise the common good for the sake of this special interest legislation."

( more)

## BINDING ARB: A STEP BACKWARD FOR NATIVES

Dear Senator Sturgulewski:

"The matter of binding arbitration is a deep concern to the St. Mary's City School District. The people of St. Mary's formed their community for the sole purpose of educating their children at the Mission School in the early days. Flora Paukan, our school board president, has been on the board for over 20 years, and [our] board is one of the most stable in all of Alaska."

"That is why binding arbitration would be a step backwards for the community of St. Mary's, whose entire history has been centered around the empowerment of the Native people through a history of excellent education. [Binding arbitration] would not only give the message that people cannot be responsible for their own schools and governments, but would also alienate the Native people who have made years of progress. Binding arbitration is the antithesis of empowerment of a people who have struggled for self determination through education. Binding arbitration would truly be an insulting and degrading step for the people of rural Alaska."

Sincerely,  
Sister Ann J. Pratt, board member  
St. Mary's City School District

## SO YOU SAY AN ARBITER WON'T DETERMINE POLICY?

### Ohio Arbiter Determines Staffing Practices

An arbiter banned a school board from assigning work out of the bargaining unit to reduce costs. The arbiter took the position that a financial crisis "was not sufficient reason for making such a change." The arbiter also found that the school board's initial decision to fill the position with a certificated teacher from the time it was created was **determinative**. The arbiter, Nels Nelson, is a member of the Federal Mediation & Conciliation Service, a free federal government service that selects and assigns arbitrators. **The American Arbitrators Association--written into CS SB 15 (HESS)-- and the FMCS share most of the same arbiters. The AAA charges for their services, but**

## EXCERPTS OF LETTERS FROM SCHOOL BOARDS

Dear Sen. Fischer:

"I fear that passage of [binding arbitration] will not only result in the loss of our present ability to resolve our negotiation with employees ...but will ultimately result in loses of programs needed by our children."--Ken Fallon, President, Mat-Su

Dear Sen. Fischer:

"It is our belief that [binding arbitration] would be fundamentally bad public policy, not only in matters of predicted inflated costs both in terms of human and fiscal resources, but primarily in the loss of public control over education."--James Paul, Superintendent, Railbelt School District

Dear Sen. Fahrenkamp:

"In a time of shrinking revenues ... it would be [imprudent] to remove from local school boards the ability to control personnel costs, which amount to approximately 80 percent of a school district's budget. That is why the Fairbanks School Board has gone on record ...opposing binding arbitration."--Rick Cross, Superintendent, Fairbanks

Dear Rep. Wallis:

"Thank you for introducing HB 199. HB 199 [clarifying when contracts expire] would save school districts money and give an incentive to teachers to bargain in good faith. Too many times bargaining groups drag the negotiations process on, costing school districts a good deal of money. [The union] argues that they have a *continuing contract* ... until they agree to something new."--Billy Williams, President, Copper River School District

Dear Sen. Adams:

"As an elected official yourself I'm sure you understand the need to be responsive to the local needs of your constituents. Binding arbitration will remove this authority from local school boards and create financial crises in our educational agencies."--Janis Johnson, Board Member, Valdez

Dear Rep. Foster:

"Who loses [with binding arbitration]? Our children... whose education we are to provide."  
--Rechael Askren, Metlakatla Council member

# Binding ARB Watch

Viewpoints on Binding Arbitration by Locally Elected Officials and Concerned Citizens

## COMMITTEE ACTION

Since the Senate HESS created a subcommittee, with Senator Jim Duncan, prime sponsor of the binding arbitration bill, as the sole member of the subcommittee, no public subcommittee meetings have been held. There has, however, been nearly daily communications between Senator Duncan, NEA-Alaska and AASB.

While negotiations have been occurring at breakneck speed, a compromise has yet to be reached. Senator Duncan and NEA-Alaska have accused AASB of stalling. AASB claims that substantive compromises aren't forthcoming.

At a April 10, 1989 Sen. HESS Committee meeting Senator Duncan gave an update of progress on the bill. Testimony was also heard by AFT's Nick Begich.

A public work session has been scheduled for Friday, April 14.

## THIS ISSUE . . .

**Governor introduces package arb for state employee groups**

**Alaska woman's club fears "taxation without representation"**

**A.F.T. wants in on binding arb negotiations**

**Fairbanks Daily News Miner "Guest Opinion"**

**Administrators lobby against binding arb**

## GOVERNOR COWPER INTRODUCES PACKAGE BINDING ARB BILL FOR P.E.R.A. EMPLOYEE GROUPS

Governor Steve Cowper has introduced legislation on the Senate side requiring last-best-offer package compulsory binding arbitration legislation for other state employee groups under P.E.R.A., similar to the last-best-offer package binding arbitration legislation presently being considered for Alaska teachers in CS (HESS) SB 15, sponsored originally by Juneau's Senator Duncan. David Ramseur, from the Governor's Office, said one of the reasons Governor Cowper has decided not to run for reelection was to pursue controversial legislation that he feels is in the best interest of Alaska. The newly proposed legislation would also make it clear that contracts end when they expire.

## A.F.T. UNION WANTS IN ON BINDING ARB NEGOTIATIONS

At the April 10 subcommittee report to Senate HESS Committee, teleconference testimony was taken from the American Federation of Teachers Alaska Chapter's Nick Begich, in which he publicly stated his union's support of last-best-offer package compulsory binding arbitration and placement of teachers in Class 2 of PERA (Public Employee Relations Act). This position is the same taken by the Senate HESS Committee. Begich said that his organization would like to be involved in the shaping of this legislation, as he represents 600 Alaska educators.

## ALASKA WOMAN'S CLUB FEARS "TAXATION WITHOUT REPRESENTATION"

Reaffirming a position taken two years ago, the Anchorage Woman's Club, a committee of the G.F.W.C. Anchorage Woman's Club F.R.E.E.-- Federation's Role in our Enterprise Economy--recently sent letters to Alaska legislators opposing binding arbitration.

( :more)

Darlene Holt, Anchorage Woman's Club F.R.E.E., said that public input into the educational process would be reduced. Reaffirming a position taken in 1986, Holt said the Woman's Club still stands behind the position paper that states, "In asking that a third party be empowered to set terms of a contract, the union is in effect demanding that taxes be set by that party. To do so is tantamount to taxation without representation."

The position paper goes on to say, "On the surface, binding arbitration seems rational and reasonable. Third party arbitration has frequently been used in settling private enterprise disputes. Public sector bargaining, however, is different from the private sector. As an example, in the private sector, management can reduce the work force. This option is not available in the public sector."

## ADMINISTRATORS DENOUNCE BINDING ARB

At their annual Legislative Fly-In Alaska's school administrators this week took to the hill to reassert the widely held opinion that binding arbitration is not good for Alaskan education.

Jim Paul, Superintendent for the Railbelt School District, made a personal plea to administrators to stand tall, noting that funding levels will go up and down, but binding arbitration will never be reversed and will ultimately result in the erosion of public policy.

"Regardless of the amount [of funding] you have, if you have binding arbitration it won't matter because you won't have the ability to manage it anyway," he said.

### TO LEGISLATORS . . .

Concern was voiced recently by NEA that information contained within this publication is taken out of context. AASB would be happy to provide the complete backup documents of any publication or letter presented at your request.

## FAIRBANKS DAILY NEWS MINER

"GUEST OPINION"

### 'IF THE PUBLIC DOES NOT TELL THE LEGISLATURE NO, BINDING ARB IS, AS THEY SAY, A 'DONE DEAL'

by Andy Warwick

*Excerpts from the April 2, 1989 Guest Opinion, Fairbanks Daily News Miner, "Look Out--Binding Arbitration Bill Coming"*

"In my varied years of public service, I have been generally regarded as being tight with the purse strings. However, I can say without equivocation that the amount of time your present school board (including me) would stand up to a strike could be measured in minutes, not hours, days, weeks or months. There is no way any school board in the state can withstand the pressure from parents and kids to keep the schools open. The overwhelming pressure will be to give the wage impasse to an arbiter."

"So you say an arbiter will be reasonable? Arbiters give out money. Their job isn't to hold the line or take away. Their job is to resolve wage disputes. If the Legislature gives us binding arbitration the mechanics will be in place for substantial wage increases. And once we have binding arbitration, we will never go back."

"If the Legislature gives us binding arbitration, in my opinion the cost of education will increase dramatically."

"Unfortunately, if the public does not tell the Legislature no, binding arbitration is, as they say, 'a done deal.' I hope those of you who are concerned about the effect this will have on the cost of education will contact your legislators. I know from personal experience that if enough people respond, the Legislature will listen. Right now the only message the legislators are getting is from the teachers."

*Andy Warwick, a CPA, served four years in the Legislature, was commissioner of administration under Gov. Jay Hammond and is currently a member of the Fair-*

# Binding ARB Watch

Viewpoints on Binding Arbitration by Locally Elected Officials and Concerned Citizens

## COMMITTEE ACTION

After four hearings, a bill providing last-best offer package binding arbitration was passed from Senate Community & Regional Affairs (C&RA) Wednesday, March 22. SB 15, by Senator Duncan, provides last-best-offer binding arbitration by moving school employees to PERA, and places both certificated and non-certificated employees in Class #2, which provides the right-to-strike, followed by compulsory binding arbitration once the strike is enjoined by a court. Senate C&RA met Tuesday, March 21 to consider three amendments to SB 15, and to hear testimony from a number of school board members who were in town. Testimony, representing board members throughout the state, opposed binding arbitration and asked lawmakers to reconsider putting teachers in PERA as Class #3 employees.

Three amendments brought before the committee were presented by Chairman Adams. Amendment #1, clarified that the last-best-offer package arbitration applied only to teachers in local school districts. Amendment #2 allows an arbitrator to take more or less than ten days to make his decision if mutually agreed upon by the parties. Amendment #3 allowed the arbitrator to propose compromises to points in dispute and would allow each party to revise their final offer before final submission to the arbitrator. Senator Frank asked for more time to consider the amendments. An additional C&RA meeting was scheduled for Wednesday, March 22, in which Amendment #3 was changed to strengthen the last-best-offer aspect of the bill by clearly stating that the last offer cannot be revised or compromised by changes to the title and the addition of other clarifying language. The Amendments were adopted. SB 15 moved from the Senate C&RA with individual recommendations and will be heard next in Senate HESS.

## THIS ISSUE . . .

**Alaska Municipal League's  
Scott Burgess**

**Sitka school board  
speaks out**

**Juneau Empire questions  
need for SB 15**

**State Board of Ed  
Rescinds Stand on "ARB"**

Dear Legislator:

Binding Arbitration has been a top priority for the NEA-Alaska organization for quite some time now. It has been urged upon legislators for reasons ranging from "fairness" and "finality," to its alleged "public support." All during this while there has been a good deal of misinformation and half-truths thrust upon Alaska's elected officials. This publication is intended to debunk some of the myths about binding arbitration and its alleged support.

We urge you to read on, and to listen to the public's voice through the eyes of Alaska's grassroots, locally elected officials and other concerned citizens active in our communities across Alaska. Nearly all of Alaska's locally elected public officials are against binding arbitration. We believe you should be too.

As you read excerpts from the debate on "binding arb" you will notice one common thread--the importance of the people's right to influence local decisions. When an arbitrator makes a decision that affects a whole community or group of communities, the people do not have a way to influence that arbitrator's decision. In Alaska, an arbitrator is not bound by any written or unwritten rule to consider the public's interest.

Yes, 16 states have elected to give teachers binding arbitration, but less than 10 states provide for compulsory binding arbitration (versus voluntary). More importantly, we believe, over 40 states have NOT! And for good reasons. It takes the "public" out of public education, it's inflationary, it's ruining collective bargaining as we know it, and it's possibly an unconstitutional delegation of power. (This is being tested in Connecticut State Supreme Court right now!)

State government's own experience with binding arbitration demonstrates the "chilling effect" it has had on negotiations and its inflationary nature. (See Senate Advisory Report #89-100005)

In past years the debate about binding arbitration was conducted behind committee doors. This year, due to the interest shown by the 16th Legislature, we are bringing our case directly to you. This endless debate can irritate one easily. The issues are complex and many. However, we ask for your patience--the impact of this legislation is substantial.

## **Alaska Municipal League: City leaders say no to binding arb**

At the March 16th public hearing on SB 15 Alaska Municipal League's director Scott Burgess, representing over 120 municipal members, informed C&RA committee members of his membership's position against compulsory binding arbitration, citing the need for municipalities to maintain the ability to determine their personnel costs and to determine local tax rates.

Mr. Burgess, in a position paper, noted that "the potential limits on a local officials' ability to control their budgets, as presented by SB 15, is of even greater concern when federal and state assistance to municipalities continues to decrease and when municipalities have had to increase taxes and/or reduce services."

AML believes that "mandating binding arbitration 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--teachers."

## **Juneau Empire If it isn't broke, why try to fix it**

"If it isn't broken, don't fix it. That's the attitude the Alaska Legislature should have as it takes up a proposal to change how teacher contract disputes are handled in Alaska. In fact, the current system seems to have worked well. As districts have been able to afford it, Alaska teachers have become among the highest-paid in the nation. That's a point of pride for many Alaskans."

"As budgets have become tighter, some districts have been forced to cut back. The current system has allowed that. If the school district doesn't have the money for teachers' raises, binding arbitration is not going to produce it. That money has to be cut from other parts of the budget. Under the current system, the district and teachers have to face that reality together."

--Juneau Empire editorial

## **State Board of Education Rescinds stand on Arbitration**

Due to the complicated nature of binding arbitration it is difficult for some to see just how detrimental binding arbitration would be for a district, said Cora Sakeagak, State Board member from North Slope, at the March 1st meeting in Juneau. She added that the imbalance would be revealed if binding arbitration passed. That was just some of the debate before a vote of 4 to 2, in which the State Board rescinded a stand to support a binding arbitration bill if amended to allow for local district option between binding arbitration and the right-to-strike--in favor of a neutral stand. The State Board opted for "no recommendation" regarding SB 15.

## **Sitka speaks out against special interest influence**

Dear Sen. Eliason and Rep. Grussendorf:

"The Board [is concerned] with the excessive pro National Education Association (NEA) legislation that is moving through the legislative system. Due to the potential shortfall of educational dollars projected for next year's budget, it is extremely alarming to us when we see binding arbitration and class size regulations rearing their ugly heads. These issues are extremely expensive in a time of plentiful dollars but, in a time of shortfalls, they are even more disastrous."

"NEA goes to the table and negotiates the best contract possible--and that's fine. That's the American way. However, it doesn't stop there. They then go to the Legislature with their big bucks, big vote clout and they promote all the issues they didn't get at the negotiating table. Additionally, they join many local and State committees and continue their push for added benefits. The average taxpayer in our community cannot compete with this pressure and organization. Please help us to control our costs to educate our children."

Sincerely,  
Art Woodhouse, Superintendent for  
Michael Meier, President  
Shirley McCoy, Vice-President  
Dennis Vettese, Clerk  
Sandi Hicks, Member


# Alaska MUNICIPAL League

TELEPHONE  
907 186-1325  
FAX 461-5480

317 SECOND STREET, SUITE 200  
UNALASKA, ALASKA 99801

## MEMORANDUM

TO: Senator Al Adams, Chair  
Members of the Senate Community and  
Regional Affairs

FROM: Scott A. Burgess, Executive Director 

DATE: March 16, 1989

SUBJECT: SB 15 - Binding Arbitration for Public School Employees

The Alaska Municipal League is opposed to SB 15 based on the language cited below from the AML 1989 Policy Statement (page 43), adopted by the membership at the 1988 annual meeting in Fairbanks in November:

"Binding Arbitration: The League opposes legislation imposing binding arbitration on local governments and school districts."

This is a long-standing policy of the AML. Legislation similar to this has been introduced in the Alaska State Legislature perennially, and the AML and its over 120 municipal members have opposed it each time. Binding arbitration hinders local elected officials' ability to determine their personnel costs and prevents local governments from having complete control of determining the local tax rate. The scope of decisions with regard to what local government can afford for labor is best left to the local bodies possessing that knowledge. The concern and opposition by local governments is to mandating binding arbitration as a final step in the negotiating process for teachers. The potential limits on local officials' ability to control their budgets presented by SB 15 is an even greater concern when federal and state assistance to municipalities continues to decrease and municipalities have had to increase taxes and/or reduce services. The cost to local government for education over and above what the state pays is significant - 26 percent of the total operating amount for education in Alaska.

Summarized below are some of the major reasons for local governments' opposition to the legislation:

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 binding arbitration 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 - teachers.

AML Testimony on SB 15  
March 16, 1989  
Page 2

3. Teachers have recourse through their elected officials on the city council or borough assembly or school boards to address specific concerns, or to influence voters to elect representatives who are more sympathetic to their positions.
4. 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.
5. Many school boards provide for collective bargaining but the final agreement as to terms and conditions of employment, including salaries is subject to approval of the city council, assembly, or the school board.

The League strongly opposes SB 15. Thank you.

SAB1/a:SB 15

# SITKA SCHOOL DISTRICT

ACCREDITED BY THE NORTHWEST ASSOCIATION OF SECONDARY SCHOOLS & COLLEGES



P O BOX 179 SITKA ALASKA 99835

## RESOLUTION SUPPORTING AND CONGRATULATING SENATOR PAUL FISCHER

WHEREAS, a Bill has been introduced in the Alaska Legislature proposing Binding Arbitration for resolving impasse in school district negotiations; and

WHEREAS, Binding Arbitration would strip a locally elected school board of its right and responsibility to establish educational costs and place this right in the hands of an outside arbitrator; and

WHEREAS, Binding Arbitration is counter to the principles of a representative democracy to maintain the common interest and good; and,

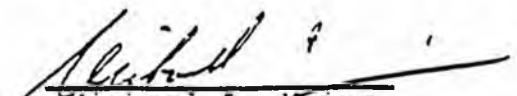
WHEREAS, the fair and impartial treatment of the Binding Arbitration Bill is in jeopardy due to political pressures brought to bear by NEA-Alaska and its affiliates; and

WHEREAS, Senator Paul Fischer, counter to what is politically expedient and resulting in great political duress, has taken a position in support of a fair, equal discussion and consideration of this Binding Arbitration Bill.

THEREFORE, BE IT RESOLVED that the Sitka School Board supports Senator Fischer for his courage and sense of fairness on this issue and thanks the Senator for his stance in opposition to both binding arbitration and those who would compromise the common good for the sake of this special interest legislation.

DATED this fourth day of April, 1989.

SITKA SCHOOL BOARD

  
Michael L. Meier  
President

For Representative Wallis.

I am taking the time to thank you for introducing HB 199 and HB 200.

I have been on the Copper River School Board for 9 years. I have been the chairman for four years. Our district has about 570 students in 3 sites and 1100 registered voters.

Both of the issues 199 & 200 would be a great help to school boards in maintaining local control and in staff development.

HB 199 would save school district money and give an incentive to teachers to bargain in good faith. Too many times teacher bargaining groups drag the negotiation process on, costing school districts a good deal of money, because they argue they have a continuing contract and can't be cut until they agree to something new.

HB 200 would give districts more time to review and train personnel and see if a plan of improvement or training is working before granting tenure. This would be very advantageous in developing quality programs because the teacher is 85% of the quality of that program.

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

Also with current financial cuts facing us, this bill would give districts a longer period in which to make a decision that affects a large part of their budget for current terms. Law does not allow districts to cut tenured teachers for declining revenues. This creates a reluctance to granting tenure in these unstable financial terms.

Seniors would benefit by this bill in that districts could employ them longer with more opportunity to find or train them for a permanent position.

Once again thank you for introducing these two very important pieces of legislation.

Sincerely,  
Bill Williams  
Chairman (ASD)  
Director AASB

Bill Allison  
 Chairman  
 Jan. 18, 198

For Representative Foster

Dear Sir I am writing to thank you for introducing  
 HB 193. This issue is a very necessary option for local school boards.  
 Through out state government we are hearing about balancing  
 revenue and budget cuts, yet in many instances  
 the current laws law interfere with a school district's  
 ability to cut personnel while preserving the quality of  
 educational program.

The Copper River School District has approximately  
 570 students in 8 school sites. We have approximately 1600  
 registered voters in our district. We have had many  
 financial difficulties some of which you may have heard about.  
 If we had this legislation in place 3 years ago  
 a tremendous amount of money spent on legal fees,  
 negotiations, and paper work, could have been spent on  
 children.

The main opposition to these types of legislation  
 is normally NEA Alaska. Please keep in mind that NEA represents  
 about 5000 people. The school boards throughout this state  
 represent about 500,000 <sup>people</sup>. ~~There~~ including 107,000 students.

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we need this legislation to run our school districts  
effectively.

we do not mind the responsibility for running  
our school districts but we need the authority to do so  
effectively.

Once again thank you for introducing HB 198  
I certainly hope it is successful and if I can be of  
any help please let me know when and how I can  
assist you.

Sincerely,  
Bill Willson Jr.  
Chairman, Commission on Govt.  
Director, Assoc. of Alaska Sch. Bd.



## Matanuska-Susitna Borough School District

125 WEST EVERGREEN — P. O. BOX 1688 — PALMER, ALASKA 99645-1688 — (907) 745-4822

Bruce P. DeMond, Superintendent

March 28, 1989

Senator Al Adams  
Senate  
P.O. Box 17  
Juneau, AK. 99801

Dear Senator Adams:

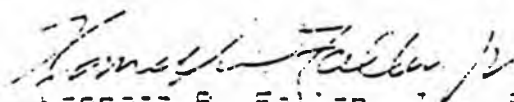
Re: Senate Bill 193 and Senate Bill 194

On behalf of the students in the Matanuska-Susitna School District I would like to express my appreciation for your introduction of Senate Bill 193 and Senate Bill 194. As President of the Matanuska-Susitna School Board, I can tell you that passage of this legislation would enhance the quality of instruction our children receive.

Senate Bill 193 would provide school districts with a tool in which we can quantify skills and competences of our instructional staff which would assist us in maintaining the quality of instruction we would like to have in our school districts.

Passage of Senate Bill 194, as you know, would acknowledge the time, effort and expense that the school boards and the school districts incur in our non-retention hearings. When a school district decides not to retain a teacher, it is a decision based on hard evidence of that teachers performance. That evidence is documented in the hearing and need not be replicated through a costly and duplicatory, even redundant process. Your bill speaks to that inefficiency well and I appreciate your introducing it to the Senate.

Sincerely Yours,

  
Kenneth P. Fallon, Jr., President  
Matanuska-Susitna School Board

of



## Matanuska-Susitna Borough School District

125 WEST EVERGREEN — P.O. BOX 1688 — PALMER, ALASKA 99645-1688 — (907) 745-4822

Bruce P. DeMond, Superintendent

March 28, 1989

Representative Richard Foster  
House of Representatives  
P.O. Box V  
Juneau, AK. 99811

Dear Representative Foster:

Re: -B198

I wanted to write and thank you for introducing House Bill 198. As President of the Matanuska-Susitna School Board, I can tell you that the passage of this bill is vital to the interest of our children. In order to insure that the quality of teachers we hire is high it is important to have a longer period of evaluation, before tenure is granted.

Thank you for your consideration and support of the kids we serve and for being a guardian of their education.

Sincerely,

*Kenneth P. Fallon, Jr.*  
Kenneth P. Fallon, Jr., President  
Matanuska-Susitna School Board

cf

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

SENATOR ADAMS  
JUNEAU AK.

AS PRESIDENT OF THE RAILBELT SCHOOL  
DISTRICT AND REPRESENT 1400 PEOPLE  
IN THE AREA.

I WANT TO THANK YOU FOR INTRODUCING  
SB. 193 AND 194. YOUR INTEREST AND  
SUPPORT FOR EDUCATION IN ALASKA  
IS GREATLY APPRECIATED.

THANK YOU  
A.R. Mobley  
G.R. MOBLEY  
BOX 53  
CANTWELL, AK 99729

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W 4th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

REPRESENTATIVE WALLIS  
JUNEAU, ALASKA.

AS PRESIDENT OF THE FAIRBANKS SCHOOL  
DISTRICT AND REPRESENT 1400 PEOPLE  
IN THE AREA.

I WANT TO THANK YOU FOR INTRODUCING  
H.B. 199 & 200. YOUR INTEREST IN  
THE EDUCATION OF THE YOUNG PEOPLE  
OF ALASKA IS GREATLY APPRECIATED.

THANK YOU  
G. R. MOBBEL  
G. R. MOBBEL  
BOX 53  
CANTWELL, AK 99729

REPRESENTATIVE FOSTER  
JUNEAU, ALASKA.

I AM PRESIDENT OF THE RAILBELT  
SCHOOL DISTRICT AND REPRESENT  
1400 PEOPLE IN THE AREA.

I WANT TO EXPRESS MY APPRECIATION  
FOR YOUR SUPPORT FOR THE EDUCATION  
OF THE YOUNG PEOPLE OF ALASKA BY  
INTRODUCING H.B. 198. WE SUPPORT  
YOUR POSITION AND WILL CONTINUE  
TO.

THANK YOU.

G. R. Moberg

G. R. MOBERG

BOX 53

CANTWELL, AK 99729

26 MAR. 1959

THE HONORABLE KAY WALLS  
ALASKA STATE LEGISLATURE  
PO BOX 11 (MS 3140)  
JUNEAU AK 99801

REF. HB 199  
HB 200

DEAR REPRESENTATIVE WALLS

MY NAME IS WILLIAM MILLER, I AM VICE CHAIRMAN  
OF THE ALASKA STATE CITY SCHOOL DISTRICT SCHOOL BOARD. I  
HAVE SERVED ON THIS BOARD FOR THREE YEARS. IN ADDITION,  
I AM A MEMBER OF THE UPPER TINDEN/FORTY MILE FISH + GAME  
ADVISORY COMMITTEE AND DIRECTOR OF UNITED CROW ISLAND INC.  
IN THESE POSITIONS, I REPRESENT APPROXIMATELY 2000 INDIVIDUALS.

I WOULD LIKE TO TAKE THIS OPPORTUNITY TO THANK YOU  
FOR INTRODUCING HB 199 + HB 200. THESE ARE THINGS THAT  
I HAVE BEEN NEEDED FOR A LONG TIME. IF I CAN DO ANYTHING  
TO HELP IN SUPPORT OF THESE BILLS, PLEASE LET ME KNOW.

Sincerely

William Miller

William Miller

Box 262

DOT LAKE, AK 99797

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W. 14th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

March 21 1989

Representative Richard Foster

Juneau, Alaska

Dear Rep Foster,

Thanks for your support of HB198 and other  
education issues. I have great respect for its teachers  
of Kodiak, and we work closely and respectfully  
together in educating our kids, but there are  
certain issues of flexibility we need as elected  
officials in these days of fiscal uncertainty.

Thanks again.

Dave Herrnoteen

President

Kodiak Island Borough School Board

Representative Board

Dear Representative Board,

I want to thank you for  
information about the  
in our state, in being representative  
decisions and revenue and these  
agencies need the local control  
to evaluate their programs and  
make decisions that are responsive  
to the educational needs of the  
community of Soldotna. The  
community of Soldotna and  
approximately 3500 children will  
will be affected by educational  
decisions. Thank you for  
your support of education  
and retaining local control  
Sincerely

David Johnson  
Soldotna City School Board

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W. 4th St. • JUNEAU, ALASKA 99801-1510 • (907) 586-1083

March 21, 1989

Honorable Representative Foster

PO Box V

Juneau, AK 99811

Dear Representative Foster:

Thank you for sponsoring HB198, addressing the non-retention of teachers in times of decreased enrollment and a reduction in district funds. Such a move will enable districts to ensure quality education despite financial hardships. Reassigning tenured teachers, often out of their area of expertise, is a delicate juggling act at best and in the long run it is the students who suffer. In our district we are on the verge of having over the teachers themselves agree on this issue!

Please advise me as to anything I can do to aid in the passage of this bill.

Sincerely,

Forrest Tesch,

President

Chugach School District  
Board of Education

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

march 21 1989

Honorable Representative Walker  
P.O. Box V  
Juneau, AK 99811

Dear Representative Walker:

I would like to take this opportunity to thank you for your heartwarming speech yesterday to the Alaska Association of School Boards. It is indeed refreshing to see a legislator so tuned in to education issues. Your constituency should certainly be proud of you.

Thank you, also, for sponsoring HB 199 and HB 200. Both areas of weaknesses have gone unaddressed for far too long. I agree strongly in the extension of tenure from two to five years. As a former teacher, I know the great amount of time needed to refine skills in the academic arena.

Please advise me as to anything I can do to help ensure passage of HBs 199 and 200, and good luck to you

Sincerely,

Janis Tesch, President  
Chugach School District  
Board of Education

March 27 1979

Representative Lou Sullivan

Dear Honorable Sullivan,

I would like to thank you for introducing HB 179 and HB 200. Keep up the good work.

I would like to say at this time that the Annette Island School District would like strong opposition on Senate Bill #15. We feel that this bill will take too much control away from the local districts. Our children are getting lost in the shuffle already, we don't need to confuse them anymore. The children will be the big loser if this bill is passed. We would also like to see your support on the Senate Bill #179.

Thank You,

Bruce W. Gathuni Jr.

P.O. Box 185

Metlakatla, Alaska 99926

(Annette Is. School Dist)

Alaska 1974

Representative Foster

Dear Mr Foster,

I would like to thank you for introducing  
SB 15. As a school board member  
I live in a community  
about 1600 homes. We strongly oppose  
of SB 15 concerning Binding Arbitration. This  
Bill will tie local Districts hands and do a  
slow death please do not support this,  
Our children will be the loser. We  
also would like support for SB 179

Thank you,

Bruce W. Guthrie Jr.

Box 185

Metlakatla, Alaska 99522

(Annette Is. School Dist.)

Representative Wallis  
Funan Alasia

Dear Kay -

Will I guess the little field brothers have found  
you by now, I know how you enjoy your old ST  
Buddies.

Thank you for introducing 16199 and 14800  
AS a Council woman for Multiracial Indian Community  
I represent a total of 1672.

AS President of the Board of Education we

represent a total of 145 students.  
your 2 Bills have the support of the Annate Sior  
Board of Education.

Our concern is 5B15 Binding Arbitration, we  
oppose this Bill, this will not hurt the teachers, the  
Board of Education, it will hurt our children, they are  
the main, Single Nason for education. This will take  
the Board of Education ability to govern and throw it  
out the window - who wins - Not our children. But  
it will take a stand of strong opposition to this Bill  
Keep up the good work Kay

Rachael S. Askren, Council MIC

President, Annate Sior School District

Representative [unclear]

Dear Representative [unclear]

Thank you for your support of education and continuing local control of education issues. Your bills SB 177 and SB 180 are important and needed. I also appreciate your opposition of binding arbitration. School districts must be able to make decisions which are responsive to the educational needs of individual communities.

Sincerely,

James Johnson

Soldotna City Schools

Representative Foster  
P.O. Box V  
Juneau, Alaska 99811

Dear Representative Foster:

Thank you introducing HB 198 regarding non-retention of teachers during times of declining Revenues. This is an issue that needs to be discussed. It's vital to districts to be able to control costs - and Teachers Salaries are one of the largest District Costs.

I'm Board President of Skagway City School District representing 900 constituents of which approx 150 are school age children and I appreciate your sponsorship of this legislation on their behalf.

Sincerely,  
Ralph Townsend  
Box 523  
Skagway, Alaska  
99840

21-MAR-1989

THE HONORABLE RICHARD FOSTER

ALASKA STATE LEGISLATURE

REF: HB-198

P.O. Box V (MS 3100)

JUNEAU, ALASKA 99811

DEAR REPRESENTATIVE FOSTER

MY NAME IS WILLIAM MILLER, I AM VICE-CHAIR OF THE ALASKA GATEWAY SCHOOL DISTRICT SCHOOL BOARD I HAVE SERVED ON THIS BOARD FOR THREE YEARS. I AM ALSO PRESIDENT OF THE DOT LAKE VILAGE COUNCIL, A MEMBER OF THE UPPER-TANANA/FORTY MILE FISH & GAME ADVISORY COMMITTEE AND DIRECTOR OF UNITE CROW BAND SONGS IN ALASKA. IN THESE POSITIONS, I REPRESENT APPROXIMATELY 2,000 PEOPLE.

I WOULD LIKE TO TAKE THIS OPPORTUNITY TO THANK YOU FOR HAVING THE INSIGHT AND STRENGTH TO INTRODUCE HB-198. THIS HAS BEEN NEEDED FOR A LONG TIME AND ANY ASSISTANCE I CAN BE TO YOU IN SUPPORTING THIS BILL WILL BE FORTHCOMING. JUST LET ME KNOW

W. J. M.

WILLIAM J. MILLER

Box 262

DOT LAKE, AK 99737

21-MAR-1984

THE HONORABLE AL ADAMS  
ALASKA STATE LEGISLATURE  
P.O. BOX 7 (MS 3100)  
JUNEAU AK 99811

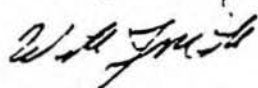
REF. SB 193  
SB 194

DEAR SENATOR ADAMS,

MY NAME IS WILLIAM MILLER. I AM VICE-CHAIR OF THE  
ALASKA GATEWAY SCHOOL DISTRICT SCHOOL BOARD. AND HAVE SERVED  
ON THIS BOARD FOR THREE YEARS. IN ADDITION, I SERVE ON  
THE UPPER TANAHA / 40 MILE FISH & GAME ADVISORY COMMITTEE AND DIRECTOR  
OF UNITED CROWN SAND INC., TOK ALASKA. IN THESE POSITIONS, I  
REPRESENT APPROXIMATELY 2000 PEOPLE.

I WOULD LIKE TO TAKE THIS OPPORTUNITY TO THANK  
YOU FOR INTRODUCING SB 193 AND SB 194. THIS TYPE OF  
LEGISLATION HAS BEEN NEEDED FOR FOR A LONG TIME. I AM  
WILLING TO GIVE YOU ANY SUPPORT I CAN ON THESE  
BILLS.

SINCERELY



WILLIAM MILLER

BY SEA

POT LAKE AK 99737

3-21-89

Dear Sen. Adams,

I am a Board member from Southeast Island School District. I represent 500 children from 19 schools. I am also on the TASB Board of Directors.

Thank you for introducing SB 193 + 194. and Thank you for your support on Binding Arbitration. We've really needed your help and we appreciate the difficult job you've had.

Sincerely,

Mim Robinson

P.O. Box 8857

Port Alexander, AK 99836

568-2236

3-21-89

Dear Rep. Wallis -

I am a Board Member ~~on~~ from Southeast Island School District. I represent 500 children in 19 schools. I am also on the TASB Board of Directors.

Thank you for introducing HB 199, HB 200 + HB 35. I appreciate the interest you are taking in the welfare of our children's education.

Sincerely,

Mim Robinson

PO Box 8857

Port Alexander, AK 99836

568-2236

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W 4th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

3-21-89

Dear Rep. Foster

I am on the School Board of Southeast Island School District. I represent approximately 500 children <sup>(in 19 schools)</sup>. I am also on the ASB Board of Directors.

I would like to thank you for introducing HB 195. Non-Retention for financial reasons is not a popular issue & I really appreciate the position you've taken.

Sincerely,

Mim Robinson

P.O. Box 5857

Port Alexander, AK 99836

568-2236

Representative Kay Wallis  
Juneau

March 21 1989

Dear Representative Wallis,

Thank you for your support of HB199 and  
HB 300. I have great respect for the teachers of Kodiak,  
but the issues of the bills need to be dealt with.  
We demand excellence from our teachers, and the extra  
years before granting tenure would help our kids.

It's usually the poor teachers who shouldn't  
be there who are the focus of complaints by  
students and parents alike.

Kodiak Island Borough has over 2,000 students  
and an overall population of about 15,000.

Thanks again,

Dave Herrnstein

President

Kodiak Island Borough School Board

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W 4th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

June 21, 1981

Dear Mr. [Name],  
Thank you for your continued support  
of education in the state.

Your introduction of legislation  
and committee work and a very  
valuable to the various people  
state and the future of the

I am a member of the Kotzebue  
Island Borough School District Board. There  
are 12,000 people in the Borough, have  
four town schools, seven village schools,  
and represent 3,300 students.

Sincerely,  
Suzanne Hancock

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

Mar 21, 1981

Dear Rep. Foster,

Thank you for your support of  
education.

Your introduction of legislation  
concerning education is commendable  
and support for other education  
legislation will also be appreciated.  
However your opposition to legislation  
detrimental to the kids and school  
district is vital.

I am a member of the Kasaan  
Elementary School District Board.  
There are 12,000 people in the  
District, we have five town-  
ships, seven village schools,  
and represent 2,300 students.

Sincerely,

Suzanne Hancock

ASSOCIATION OF ALASKA SCHOOL BOARDS

316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

March 11, 1988

Dear Rep. Walker,

Thank you for your continued  
support of education in the state.

Your introduction of legislation  
and committee work is very valuable  
to educational issues.

I am a member of the  
Juneau Borough School Board.

There are 12,000 people in the  
Borough which have five town  
schools, seven village schools, and  
represent 3,300 students.

Sincerely,  
Suzanne Hancock

ASSOCIATION OF ALASKA SCHOOL BOARDS  
316 W. 11th St. • Juneau, Alaska 99801-1540 • (907) 586-1083

Representative Fay Walker  
House of Representatives  
Juneau, Alaska 99801

March 2, 1989

Dear Fay,

On behalf of the school board members of St Mary's  
City School District, I would like to thank you  
for the support and work you are doing for us  
on House Bills 199 and 200.

We are also most grateful for your work on  
House Bill 185.

Your efforts on our behalf are greatly appreciated.  
We believe we have an excellent history of education  
in St Mary's and your support of these bills and the  
others you will find in the Western Coalition minutes  
we gave to Pat, your aid, are very helpful in giving  
us greater opportunity to provide better education for  
our students.

Sincerely,  
Sister Angie Pratt C.S.U.  
St Mary's City School District

SITKA SCHOOL DISTRICT

ACCREDITED BY THE NORTHWEST ASSOCIATION OF SECONDARY SCHOOLS & COLLEGES



P. O. BOX 179 SITKA, ALASKA 99835

March 2, 1989

Senator Al Adams  
Alaska State Legislature  
P.O. Box 7  
Juneau, Alaska 99811

Dear Senator Adams:

I want to thank you for your letter of February 23, 1989.

I reviewed the proposed legislation that you plan to introduce in connection with SB 15. You are to be applauded for the thoroughness of your program. Admittedly, I am very fearful of the long range consequences of binding arbitration, probably due to my Michigan background, but, if I have to live with binding arbitration, at least some of the sting would be taken out of it with your program.

Thank you for your efforts on behalf of the students of Alaska.

If I can be of any assistance to you, please let me know.

Sincerely,

SITKA SCHOOL DISTRICT

Art Woodhouse  
Superintendent



# RAILBELT SCHOOL DISTRICT

Drawer 280, Healy Alaska 99743 • (907) 683-2278  
James W. Paul, Superintendent

January 26, 1989

The Honorable John Binkley  
Alaska State Senate  
P.O. Box 7  
Juneau, AK 99811

Dear Senator Binkley:

I read in a letter to the editor in one of the Anchorage newspapers a couple of weeks ago your response to what was apparently an editorial criticizing the legislature for not "biting the bullet" and paring state government spending. In my opinion you provided a well reasoned response - something many of us have come to expect from you as we observe your work in the legislature. After reading the letter, I tried to realistically put myself in your shoes and think about where I would want to cut government spending - and then tried to come up with reasonable justification of same. In this process, I decided to stay away from areas in which I really didn't have in-depth knowledge and understanding.

The following thoughts, therefore, focus on education, and outline what I believe is a reasonable and appropriate direction the state should be heading.

My background incidentally involves having been an educator in this state since 1970 and an education administrator since 1973.

Philosophically, I believe local school boards should govern the schools in our state within relatively broad guidelines from the legislature and with assistance and direction from the Department of Education. From my perspective this is essentially what was occurring from the beginning of my tenure in the state until sometime in the early 1980's.



# RAILBELT SCHOOL DISTRICT

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Senator John Binkley  
Page 2  
January 26, 1989

This was a relatively efficient form of government in that local board members, while paid relatively little, were heavily involved in their respective schools dealing with education at the local level in a timely fashion. While many newly created REAA's had unsophisticated and inexperienced board members, and concurrent problems associated with any fledgling government entity, their learning curve was steep and thus educational governance problems seemed to become fewer and smaller.

Prior to the early 80's local districts and various quasi and fully independent contractors were encouraged and assisted by the Department of Education in grant writing for state and federal grant monies.

In the early 80's, however, there was a change in state administration (a new governor), a complete change in the State Board of Education, and a new Commissioner of Education was brought aboard. With these changes seemed to come a shift in the philosophy of education governance.

From then until the present, it seems, the philosophy of the state administration with respect to education has been to compete with local Boards of Education. There has been an explosion of regulations, and the attitude of the Department of Education has seemed to shift from one of providing assistance to that of producing numerous regulations and demanding compliance.

This is fertile ground for special interest groups - because instead of having to deal with 55 different local boards to address their interests, they only need to deal with the State Board and the Department of Education. What then happens is a serious erosion of local control followed by a drastic increase in bureaucracy (both in number of state employees and in regulations) and a serious decrease in efficiency of the whole system. Local boards begin to view the State as eroding their decision-making responsibilities and as an adversary versus source of assistance.



# RAILBELT SCHOOL DISTRICT

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Senator John Binkley  
Page 3  
January 26, 1989

In this kind of a climate, much less state and federal money in the form of grants, etc. gets passed through to contractors and school districts. Instead it is utilized by the Department of Education to expand special interest programs, to consolidate empires by hiring new full-time state employees, and to break new ground in shifting the responsibility of education from the local to the state level. Under this situation, regulations are expanded, first to better justify the existence of the new personnel, and second to nail down in specifics what the Department of Education wants districts to do under the philosophy that they know better than we what is best for us. All of this drastically reduces efficiency and moves Alaskan education to a more centralized style of governance. There is now almost a worldwide recognition that this is not the direction to be going to provide for the efficiency and quick changes needed in the coming 21st century.

While the above may or may not be interesting, I haven't offered any specific recommendations that would help reduce state spending so please note the following:

Reduce the Department of Education budget by 20%! I have spoken with two previous deputy commissioners of the Alaska Department of Education and one former director of the Department of Education Management Law and Finance Division in the development of this recommendation. They all feel the 20% number is both reasonable and realistic.

It has been positive politically for the Department of Education to brief legislators on administrative excesses in a few local school districts in the state. I want to acknowledge these abuses have occurred - for a number of reasons - (i.e.- inexperienced boards, bad luck (or judgment) in hiring administrators etc.) - but since former Governor Sheffield's 10% cuts coupled with subsequent general cuts to the education budget, there aren't too many local boards that will stand still for a bloated local administration. I would hazard an estimate based on our own experience that most school districts budgets have been cut from 20 - 30% in actual dollars (more, in real dollars adjusted for inflation) since 1985.



## RAILBELT SCHOOL DISTRICT

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Senator John Binkley  
Page 4  
January 26, 1989

I don't see the Department of Education having had to reduce spending and/or personnel. In fact, I see just the opposite, with them certainly asking for more money (not unusual in the education community) to implement their new regulations.

It should be made clear here also that an increase in the Department of Education directly requires increasing administrative staff in the local districts to oversee local compliance with these new regulations and handle the increased correspondence and reporting that also goes with them. All this at a time when we are facing revenue shortfalls everywhere!

There are a number of specific areas within the department where I personally think the recommended 20% cut should (and needs to) come from - but debating specifics with an inside bureaucrat (anyone in the Department of Education) is a losing proposition. Therefore - my recommendation is a 20% cut and let them work out how to best accomplish the task - much like what happened to the districts as outlined above!

Following the above won't take a massive bite out of the looming deficit, but it would help some and it might start a trend in the direction of understanding the increased efficiency of decentralized government.

Sincerely,

James W. Paul

cc: Senator Jack Coghill  
Senator Paul Fischer  
Representative Dick Shultz  
Carl Rose, Association of Alaska School Boards  
Steve McPhetres, Alaska Council of School Administrators

# Binding ARB Watch

Viewpoints on Binding Arbitration by Locally Elected Officials and Concerned Citizens

## COMMITTEE ACTION APR 12 1989

Since the Senate HESS created a subcommittee, with Senator Jim Duncan, prime sponsor of the binding arbitration bill, as the sole member of the subcommittee, no public subcommittee meetings have been held. There has, however, been nearly daily communications between Senator Duncan, NEA-Alaska and AASB.

While negotiations have been occurring at breakneck speed, a compromise has yet to be reached. Senator Duncan and NEA-Alaska have accused AASB of stalling. AASB claims that substantive compromises aren't forthcoming.

At a April 10, 1989 Sen. HESS Committee meeting Senator Duncan gave an update of progress on the bill. Testimony was also heard by AFT's Nick Begich.

A public work session has been scheduled for Friday, April 14.

## THIS ISSUE . . .

**Governor introduces package arb for state employee groups**

**Alaska woman's club fears "taxation without representation"**

**A.F.T. wants in on binding arb negotiations**

**Fairbanks Daily News Miner "Guest Opinion"**

**Administrators lobby against binding arb**

## GOVERNOR COWPER INTRODUCES PACKAGE BINDING ARB BILL FOR P.E.R.A. EMPLOYEE GROUPS

Governor Steve Cowper has introduced legislation on the Senate side requiring last-best-offer package compulsory binding arbitration legislation for other state employee groups under P.E.R.A., similar to the last-best-offer package binding arbitration legislation presently being considered for Alaska teachers in CS (HESS) SB 15, sponsored originally by Juneau's Senator Duncan. David Ramseur, from the Governor's Office, said one of the reasons Governor Cowper has decided not to run for reelection was to pursue controversial legislation that he feels is in the best interest of Alaska. The newly proposed legislation would also make it clear that contracts end when they expire.

## A.F.T. UNION WANTS IN ON BINDING ARB NEGOTIATIONS

At the April 10 subcommittee report to Senate HESS Committee, teleconference testimony was taken from the American Federation of Teachers Alaska Chapter's Nick Begich, in which he publicly stated his union's support of last-best-offer package compulsory binding arbitration and placement of teachers in Class 2 of PERA (Public Employee Relations Act). This position is the same taken by the Senate HESS Committee. Begich said that his organization would like to be involved in the shaping of this legislation, as he represents 600 Alaska educators.

## ALASKA WOMAN'S CLUB FEARS "TAXATION WITHOUT REPRESENTATION"

Reaffirming a position taken two years ago, the Anchorage Woman's Club, a committee of the G.F.W.C. Anchorage Woman's Club F.R.E.E.-- Federation's Role in our Enterprise Economy--recently sent letters to Alaska legislators opposing binding arbitration.

( more)

Darlene Holt, Anchorage Woman's Club F.R.E.E., said that public input into the educational process would be reduced. Reaffirming a position taken in 1986, Holt said the Woman's Club still stands behind the position paper that states, "In asking that a third party be empowered to set terms of a contract, the union is in effect demanding that taxes be set by that party. To do so is tantamount to taxation without representation."

The position paper goes on to say, "On the surface, binding arbitration seems rational and reasonable. Third party arbitration has frequently been used in settling private enterprise disputes. Public sector bargaining, however, is different from the private sector. As an example, in the private sector, management can reduce the work force. This option is not available in the public sector."

## **ADMINISTRATORS DENOUNCE BINDING ARB**

At their annual Legislative Fly-In Alaska's school administrators this week took to the hill to reassert the widely held opinion that binding arbitration is not good for Alaskan education.

Jim Paul, Superintendent for the Railbelt School District, made a personal plea to administrators to stand tall, noting that funding levels will go up and down, but binding arbitration will never be reversed and will ultimately result in the erosion of public policy.

"Regardless of the amount [of funding] you have, if you have binding arbitration it won't matter because you won't have the ability to manage it anyway," he said.

### **TO LEGISLATORS . . .**

Concern was voiced recently by NEA that information contained within this publication is taken out of context. AASB would be happy to provide the complete backup documents of any publication or letter presented at your request.

## **FAIRBANKS DAILY NEWS MINER**

**"GUEST OPINION"**

### **'IF THE PUBLIC DOES NOT TELL THE LEGISLATURE NO, BINDING ARB IS, AS THEY SAY, A 'DONE DEAL'**

**by Andy Warwick**

*Excerpts from the April 2, 1989 Guest Opinion, Fairbanks Daily News Miner, "Look Out--Binding Arbitration Bill Coming"*

"In my varied years of public service, I have been generally regarded as being tight with the purse strings. However, I can say without equivocation that the amount of time your present school board (including me) would stand up to a strike could be measured in minutes, not hours, days, weeks or months. There is no way any school board in the state can withstand the pressure from parents and kids to keep the schools open. The overwhelming pressure will be to give the wage impasse to an arbiter."

"So you say an arbiter will be reasonable? Arbiters give out money. Their job isn't to hold the line or take away. Their job is to resolve wage disputes. If the Legislature gives us binding arbitration the mechanics will be in place for substantial wage increases. And once we have binding arbitration, we will never go back."

"If the Legislature gives us binding arbitration, in my opinion the cost of education will increase dramatically."

"Unfortunately, if the public does not tell the Legislature no, binding arbitration is, as they say, 'a done deal.' I hope those of you who are concerned about the effect this will have on the cost of education will contact your legislators. I know from personal experience that if enough people respond, the Legislature will listen. Right now the only message the legislators are getting is from the teachers."

*Andy Warwick, a CPA, served four years in the Legislature, was commissioner of administration under Gov. Jay Hammond and is currently a member of the Fair-*



SOUTHEAST  
ISLAND  
SCHOOL  
DISTRICT

1621 TONGASS AVENUE SUITE 301  
POST OFFICE BOX 8340  
KETCHIKAN, ALASKA 99901  
19071 225-9658 OR 225-9659

Robert Weinstein  
SUPERINTENDENT

MAR 6 1989

February 23, 1989

Representative Johnny Ellis  
Alaska House of Representatives  
P. O. Box V  
Juneau, Alaska 99811

Dear Representative Ellis:

This is to comment upon SB 15, the proposed binding arbitration legislation.

There is a venerable legal maxim that particularly applies to current discussions about binding arbitration for public school employees: "If it ain't broke, don't fix it." I am firmly convinced that, if there is a problem with collective bargaining in the public schools in Alaska, it is not with the law, but with the attitude of a few school and union officials towards the law.

In my experience, most school district negotiators throughout the State, elected and appointed, are mindful that they are doing the public's business, and conduct themselves in good faith. There are rarely problems when the approach of public officials is to willingly accept their obligations under the law, and to show leadership in implementing both the letter and spirit of the law. Citizens and the press usually respond to occasional lapses in the process.

Those who want to invent problems, because they are not comfortable in assuring that the public through their elected officials has the final say on public business, can readily do so. In part, I believe that this is why such legislation is being promoted by the teachers' union. It is no accident that accurate statistical information regarding the success/failure rate of the current statutory scheme in achieving collective bargaining agreements is not being offered in support of binding arbitration legislation. If one carefully examines the historical record of collective bargaining in Alaska for the past ten or more years, I believe that available data will show that:

- A. In over 95% of collective bargaining processes, a final settlement has been achieved in Alaska school districts through good faith negotiations under the current statutory scheme. If true, the system "ain't broke."
- B. There is a decrease in settlements whenever the union is making a major push for binding arbitration. It has been my understanding

that, in past years as well as at the present time, NEA-Alaska carefully orchestrates the non-settlement of contracts in order to "show the Legislature" that a different version of "finality" is needed.

In an era of declining revenues, negotiations are obviously not as smooth as when budgets are increasing significantly on an annual basis. This is particularly exacerbated when a state-wide union does not review fiscal reality with, nor recommend fiscal restraint to, its local chapters. It should come as no surprise to legislators that school boards are not jumping at the chance to accept proposals for 10% salary increases, for perpetuation of increasingly expensive "free" medical insurance programs, for boards to delegate their policy making functions to the unions, and so on.

A little common sense, mutual respect, and cooperation seems more helpful now, not a major change to our collective bargaining statutes that would bring one party to the table blindfolded and with hands tied behind its back.

Even when considering it in the context of binding arbitration, the proposal contains numerous sections which, when taken as a whole, would result in a grossly imbalanced relationship between the parties involved in school district labor relations. Virtually every feature of previous binding arbitration bills introduced in recent years which would afford a measure of fairness to school boards and, more importantly, a measure of protection to the public is absent from the current proposal. Some proponents of the proposal would lead us to believe that binding arbitration is a form of wizardry, and that an arbitrator is a combination of Merlin and Solomon. Unfortunately, the truth is that arbitrators are mortal human beings, and that even good arbitrators make mistakes and bad decisions. School districts need to be protected from human error and/or poor judgment of such persons. I would therefore like to suggest that certain changes occur in the event that the bill moves forward.

Specific comments to the proposed legislation are as follows.

1. Section 2: The proposed amendment to AS 14.20.550 does not include appropriate guidance on what constitutes "good faith negotiations" in a manner similar to parallel Alaska statutes which exclude public school employees (AS 23.40.250).

Recommendation: Add, as Section 14.20.550(b), the following:

In this section, "negotiate in good faith" means the performance of mutual obligations of the parties to meet at reasonable times and to participate actively, indicating a present intention to reach agreement, or to negotiate an agreement or a question arising under the agreement, and at the request of either party to execute a written contract incorporating any agreement reached. However, the requirement to negotiate in good faith may not be interpreted to compel either party to agree to a proposal or to make a concession.

2. Section 4: To the best of my knowledge, the existing language in AS 14.20.560, with respect to the recognition of bargaining agents for employees, has worked well in most, if not all, instances. If there is a need to change the language to involve a labor relations agency in this process, I would suggest that such involvement only occur if there is a failure under existing statutes by a school board to recognize a properly designated bargaining agent for school district employees.

Recommendation: Delete Section 4, retaining current statute.

3. Most of my concerns with the proposed legislation relate to the sections on the arbitration process itself, particularly as it relates to the scope of bargaining.

As you are aware, in 1977 the Alaska Supreme Court made a ruling in combined cases involving the Anchorage, Kenai, and Matanuska-Susitna School Districts and their respective teacher organizations. The Court was confronted with conflicting views as to the scope of good-faith collective bargaining under existing Alaska statutes and the Alaska Constitution. By applying a balancing test which weighed an item proposed for negotiations on its relative impact on education policy versus working conditions or economic interests of teachers, the Court determined, as have courts and employee relations boards in other states, that the more an item tended to be related to educational policy, the more a school board could legitimately refuse to negotiate. Likewise, the more an item was related to economic interests or working conditions of teachers, the more bargainable that item became. Recognizing a large gray area, the Court did specify, with respect to the case before it, which items were negotiable and which items were not negotiable under existing statutes (see enclosed appendix to ruling).

In addition, the Court stated that, under existing statutes, "the legislature has not spoken with clarity" and, furthermore, that "it would be helpful if the legislature, through future enactments, provided more specific guidance on a number of the items which the unions seek to negotiate".

In general, an item proposed for negotiation falls into one of three categories:

- A. It is a mandatory subject for bargaining, i.e. the item must be discussed in good faith by the school board and bargaining unit.
- B. It is a permissive subject for bargaining, i.e. a school board may or may not discuss the items with the bargaining unit.
- C. It is a prohibited item, i.e. it is not allowed under the Constitution or existing statutes and could not be enforced even if written into the contract.

In line with the above, I would suggest a further amendment with respect to the scope of arbitration itself. Rather than have arbitration apply to every item in dispute, the decisions of an arbitrator should be limited to economic interests and working conditions of employees. This would prevent an arbitrator from establishing educational policy. It would also prevent the unrestrained introduction of items at the bargaining table in the hopes of getting those to, and through, arbitration.

Recommendation: If the Legislature declines to be as specific as the Court suggested, minimally the following should be added as AS 14.20.550(c):

"Terms and conditions of employment and the fulfillment of professional duties" means the hours of employment, the compensation and fringe benefits, and the school board's personnel policies affecting the working conditions of the employees; but does not mean the general policies of the school board not predominately related to economic interests and working conditions of the employees.

4. Section 7: I question the rationale for eliminating the existing requirement in AS 14.20.580 for the mediator to issue a report. It appears that, as written, the proposal is designed to reduce the potential effectiveness of the mediation process.

Also, as proposed, AS 14.20.580(b) requires arbitration to occur if no agreement is reached by August 1. This proposal does not address a situation wherein one party has not been willing or available to engage in good faith bargaining, nor does it allow an extension by mutual consent. Put differently, an employee organization could engage in delay tactics solely for the purpose of avoiding good faith negotiations and thereby reaching arbitration.

Recommendation: Amend AS 14.20.580 as proposed to:

1. Require that the parties have bargaining sessions in each of the two immediate 30-day periods prior to August 1. If this did not happen, neither would arbitration. This would prevent arbitration by default.
  2. Permit the August 1 deadline to be extended by mutual consent.
5. Section 8:

No guidance is given for the arbitrator to use when making the decision or for appropriate judicial review of the arbitrator's decision.

Recommendation:

A. Amend paragraph (c) of proposed AS 14.20.585 so that it mandates the following factors to be taken into consideration by the arbitrator:

1. The lawful authority of school district.
2. The public interest and financial abilities of the school district. An award which exceeds the financial ability of the school district, or which would require an additional legislative and/or municipal appropriation, is prohibited.
3. The interest and welfare of the employee group.
4. Changes in the cost of living.
5. Comparison of the wages, hours, and conditions of employment with other employees performing similar services and with other employees generally.
6. The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays, and other excused time, insurance and pensions, medical benefits, the continuity and stability of employment, and all other benefits received.

B. In paragraph (c), the arbitrator should be allowed to select the recommendation of the mediator (from the process in Section 6 - 14.20.570) as a third choice, i.e. in addition to the last best offer of each party.

C. Add a new paragraph (e) as follows:

Within 30 days after receipt of a final decision in an arbitration, a party to the arbitration may file a motion in the superior court for the judicial district in which the school district is located to vacate or modify the decision. The court, after a hearing, may vacate or modify the decision if the substantial rights of a party of been prejudiced because:

1. The decision violates constitutional or statutory law;
2. The decision exceeds the statutory authority of the arbitrator;
3. The procedure in the arbitration is unlawful;
4. The proceeding is affected by other error of law;
5. The decision is clearly erroneous in view of the reliable, probative, and substantial evidence on the whole record; or

6. The decision is arbitrary, capricious, or characterized by abuse of discretion or clearly unwarranted exercise of discretion.
6. Sections 9 and 10: Paragraph 3 of the proposed AS 14.20.590 and the entire proposed AS 14.20.590(b) provide for resolution of unfair labor practices through the grievance procedure (including binding arbitration), and would also require a contract to be extended indefinitely until a new agreement is reached.

One prevailing standard in labor relations is that both parties, i.e. employer and employee organizations, should not engage in certain practices which are considered unfair labor practices.

The proposed legislation, by providing for resolution of unfair labor practices by the grievance procedures, makes it appear that employer-committed acts shall be dealt with through an expedited process, but that nothing shall result when an employee organization engages in similarly prohibited actions. Is the employer now to begin to file grievances against the employee group, in contravention of most current definitions of grievance and grievance procedures?

The indefinite extension of an agreement until replaced by a new agreement runs counter to principles clearly established at the federal level by the National Labor Relations Board, and upheld by various federal courts. In essence, the Legislature is attempting to mandate contracts of "indeterminate duration," which is defined as a contract which may not be altered except by mutual consent. At the federal level, contracts of indeterminate duration are allowed to terminate by unilateral action of either party after reasonable notice and a reasonable lapse of time.

In effect, under a contract of indeterminate duration, each party could stand entrenched knowing that the contract would continue as it was. The side desiring to alter the terms of the contract would never have a prayer of success. Furthermore, the Alaska Supreme Court has noted that it looks to such federal decisions, including those of the National Labor Relations Board, for guidance. In other words, the proposal clearly is not in compliance with principles established at the federal level, and apparently would also require other changes in Alaska contract law.

Finally, the terms of duration of a negotiated agreement, including terms for extension, are subject to collective bargaining. This is exactly where it should remain.

Recommendation: Eliminate paragraphs (2) and (3) from the proposed 14.20.590, and the entire section 10 (AS 14.20.590[b]) until such time as unfair labor practices are defined for the public school collective bargaining, and balanced treatment of infractions is provided.

7. Section 12: The proposed legislation is clearly designed to erode the legal responsibilities and duties of the school board, especially including the right to make final educational policy decisions, by assigning such responsibilities to a third party.

The Alaska Supreme Court noted that, "if teachers' unions are permitted to bargain on matters of educational policy, it is conceivable that through successive contracts the autonomy of the school boards could be severely eroded, and the effective control of educational policy shifted from the school boards to the teachers' unions (my emphasis). Such a result could threaten the ability of elective government officials, and appointive officers subject to their authority, in this case the school boards and administrators, to perform their functions in the broad public interest."

Recommendation: Delete Section 12, retaining current statute.

8. The proposed legislation should also contain a mandatory sunset provision whereby the legislation expires in three years unless the Legislature takes affirmative action to continue its provisions.

This would prevent abuse of the arbitration process, which likely would happen in the absence of such a provision.

In summary, the proposed legislation would not only alter the relationship between school boards and employees by greatly reducing a board's ability to make educational policy decisions, but would do so in a manner which can best be described as imbalanced and unfair to one of the parties - school boards. I sincerely believe that the public interest will best be served if parties to collective bargaining in our public schools adopt a new attitude, not if the Legislature adopts a new law.

Sincerely,



Robert Weinstein  
Superintendent

RW:CM

c: Carl Rose, AASB  
Steve McPhetres, AASA  
Bob Manners, NEA-Alaska

APPENDIX

LIST OF NEGOTIABLE AND NON-NEGOTIABLE ITEMS

Those items which are non-negotiable are as follows:

1. Relief from Non-Professional Chores <sup>11/</sup>
2. Class Size and Teacher Load
3. Ombudsman
4. Evaluation of Administrators
5. Teacher Aides
6. Para-Professionals
7. PTR Formula
8. Specialists
9. Calendar

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11/ In the Kenai case this item was described in the negotiating document as follows:

"RELIEF FROM NON-PROFESSIONAL CHORES

The Board and Association acknowledge that a teacher's primary responsibility is to teach and that his energies should be utilized to this end, therefore, they agree as follows:

Teachers shall not be required to perform the following duties:

- A. Non-instructional assignments, including but not limited to, supervising of cafeterias, sidewalks, bus loading, or unloading, or playgrounds of more than fifteen (15) minutes daily.
- B. Collecting money from students.
- C. Cumulative record cards and other clerical and/or custodial functions."

These matters seem so closely related to school board policy as to be non-negotiable. We do not pass upon other conceivable non-professional functions. We also do not know what is specifically meant by "custodial" functions, and do not, therefore, pass upon that aspect of this item.

Those items which are negotiable are:

1. Recognition
2. Negotiation Procedures
3. Grievance Procedures
4. Salary Schedule Conditions
5. Salary Schedule
6. Automatic Cost of Living
7. Extra Curricular and Extra Duty
8. Extended Contract
9. Additional Educational Employment
10. Life Insurance
11. Health Insurance
12. Liability Insurance
13. Automobile Allowance
14. Tuition/In-Service Workshops
15. Reimbursement for Physical Examinations
16. Sabbatical Leave
17. Career Development
18. Administrative Leave
19. Personal Leave
20. Sick Leave and Bereavement
21. Personal and Sick Leave for Half-Time Employees
22. Unpaid Leave of Absence
23. Maternity Leave
24. Political Leave
25. Duty-Free Lunch
26. Teacher Preparation Periods
27. Monthly Planning Time
28. In-Service Days
29. Discretionary Materials
30. Personnel Files
31. Teacher Transfer
32. Teacher Retention
33. Job Openings
34. Reduction of Staff
35. Teacher Contracts
36. Association Rights and Privileges
  - (a) Information
  - (b) Release Time for Meetings
  - (c) Use of School Buildings
  - (d) Use of School Equipment
  - (e) Supplies
  - (f) Mail Facilities
  - (g) Subcontracting
  - (h) Non-jeopardy
  - (i) Exclusive Rights
  - (j) KPEA Professional Leave
  - (k) Dues Deduction/Continuing Membership

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- (l) Other Deductions
- (m) Conformity to Law
- (n) School Board Agenda
- (o) Preliminary Draft of Budget
37. Agreement Print-up and Dissemination
38. Duration of Contract

March 15, 1989

MAR 29 1989

Representative Lyman Hoffman  
P. O. Box V  
Juneau, AK 99811

Dear Representative Hoffman:

As a five year veteran of school boarding in the Copper River School District and being experienced with current teachers' contract negotiations in Alaska, I am writing to express my objections to SB 15. Including teachers in Public Employment Relations Act (PERA) and granting them the right to binding arbitration and/or strike are issues which this bill presents as teacher contract issues without acknowledging the detrimental impact these processes would have on public education in Alaska. Furthermore, I believe the inclusion of teachers in the PERA would violate Alaska State Law and the Alaska State Constitution.

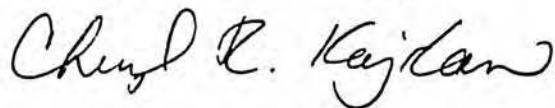
Binding arbitration is neither a necessary nor money saving process. Alaska's teachers currently receive the highest average salary in the country. States in which binding arbitration is legal for teachers report an increase in contract costs. This additional anticipated financial burden is alarming in light of the shrinking educational dollar in Alaska. Any additional costs incurred by this process would ultimately be paid by the students in my school district in the form of decreased programs available and the lay-off of non-tenured teachers.

The control of education in Alaska is at stake in negotiating with the teachers' unions, including NEA/Alaska. They reportedly have included managerial items in negotiations which would erode the management authority of the locally elected boards and the school administrators. The idea that an arbitrator could come in and accept a package of negotiation proposals presented by a special interest group, a teachers' union, is morally reprehensible and I believe, prohibited by the Alaska State Law Sec. 14.20.610, which insures the legal responsibilities and authority of locally elected boards. Furthermore, the Alaska

State Constitution, Article VII Section I states, concerning public education, "... schools and institutions so established shall be free from sectarian control ..."  
NEA/Alaska constitutes a sect, which is, according to Webster's Dictionary, "any group of people having a common leadership, set of opinions, philosophical doctrine, political principals, etc., specifically a faction of a larger group."  
Senator Jack Coghill, one of the signers of the Alaska State Constitution, concurred with my understanding of the constitution. He stated that it was the intent of the Alaska State Constitution that public education be free from the control of special interest groups and subject to the authority of locally elected officials. SB 15 would violate this constitutional intent.

Please take into consideration the items of this letter. My primary duty as a school board member is to protect and provide for the education of those who cannot do it for themselves, the students of the Copper River Basin. It is in the interest of their education, as well as that of all of Alaska's children, that I ask you to reject SB 15.

Serving Alaska's children,



Cheryl R. Kajdan  
Vice-Chair  
Copper River School District

## Recent Legislative History on Arbitration

1987-88	15th Legislature	HB 130 - Died in House Finance SB 40 - Died in Senate State Affairs HB 170 - Passed for Non-certified > See original version which was changed in House Finance
1986	14th Legislature	Second Session; CSHB 130 - Died in Senate State Affairs
1985	14th Legislature	First Session, CSHB 130, passed House (29-10)
1984	13th Legislature	Second Session, CSSB 78, passed Senate (15-4)
1983	13th Legislature	First Session,
1982	12th Legislature	Second Session, CSSHB174, passed Senate (14-6) CSSB 668, passed Senate (14-6) HCSCSSB 668, died in House Finance
1981	12th Legislature	First Session, SB 126, in Senate Rules HB 163, failed on reconsideration in the House (20-20) after passing (21-17-2)

Governor Hammonds' Blue Ribbon Commission recommends the concept of Arbitration.

1980	11th Legislature	Second Session, HB 487, died in the House SB 376, died in the Senate
1979	11th Legislature	First Session
1977	<i>Teachers Union</i>	

Bill No. Senate Bill 15  
Title "An Act relating to public school employees collective bargaining agreements; and providing for an effective date."

Date February 14, 1989  
Contact: Eileen Plate  
465-2700

This legislation extends to noncertificated school employees the right to bargain collectively. Presently only certified employees have this right.

Under this bill, the Department of Labor would become the labor relations agency for 55 separate school districts (including REAA's) involving approximately 4,600 noncertificated employees and 7,500 certificated employees. The department would be responsible for:

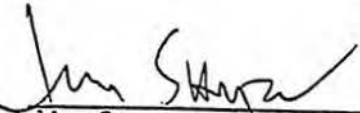
- investigating representation petitions;
- determining appropriate units for the purpose of collective bargaining;
- conducting elections;
- monitoring the resolution of unfair labor practices;
- conducting preliminary hearings; and
- monitoring the mediation and arbitration of disputed issues subsequent to impasse during collective bargaining negotiations.

Four school districts are presently organized or have a collective bargaining agreement with a union or an association. These are Fairbanks, Kenai, Juneau and Anchorage.

The department supports the concept of extending collective bargaining to this group of public employees.

The department's fiscal note is attached.

APPROVED:

  
Jim Sampson, Commissioner  
Department of Labor

**POSITION PAPER/Department of Labor**

## SB 15: Labor Relations Under PERA

### UNFAIR LABOR PRACTICES (ULP)

Sec. 23.40.110. Unfair labor practices. (a) A public employer or an agent of a public employer may not

(1) interfere, restrain or coerce an employee in the exercise of the employee's rights guaranteed in AS 23.40.080;

(2) dominate or interfere with the formation, existence or administration of an organization;

(3) discriminate in regard to hire or tenure of employment or a term or condition of employment to encourage or discourage membership in an organization;

(4) discharge or discriminate against an employee because the employee has signed or filed an affidavit, petition or complaint or given testimony under AS 23.40.070—23.40.260;

(5) refuse to bargain collectively in good faith with an organization which is the exclusive representative of employees in an appropriate unit, including but not limited to the discussing of grievances with the exclusive representative.

(b) Nothing in this chapter prohibits a public employer from making an agreement with an organization to require as a condition of employment

(1) membership in the organization which represents the unit on or after the 30th day following the beginning of employment or on the effective date of the agreement, whichever is later; or

(2) payment by the employee to the exclusive bargaining agent of a service fee to reimburse the exclusive bargaining agency for the expense of representing the members of the bargaining unit.

(c) A labor or employee organization or its agents may not

(1) restrain or coerce

(A) an employee in the exercise of the rights guaranteed in AS 23.40.080, or

(B) a public employer in the selection of the employer's representative for the purposes of collective bargaining or the adjustment of grievances;

(2) refuse to bargain collectively in good faith with a public employer, if it has been designated in accordance with the provisions of AS 23.40.070—23.40.260 as the exclusive representative of employees in an appropriate unit.

(2 ch 113 SLA 1972)

*Applied in Hoffing v. Inlandboatman's Union. Sup. Ct. Op. No. 1743 (File No. 3438), 585 P. 2d 870 (1978).*

AASB

1990  
LEGISLATIVE  
POSITIONS



Association of  
Alaska School Boards

**GENERAL SUBJECT: GOVERNANCE**

**ISSUE: RIGHT-TO-STRIKE (SB 15)**

**RESOLUTION INTENT:**

AASB would reluctantly submit to granting educational employees the right to strike.

**STATEMENT OF REASONS:**

The Senate Finance Committee (1989) in CSSB15(Fin) provided two options for handling labor relations in school districts: granting employees the right to strike or binding arbitration.

AASB vehemently opposes the intrusion of a third person deciding policy for locally elected officials, and thereby continues to adamantly oppose the concept of binding arbitration.

The Senate Finance Committee also concluded that binding arbitration is not good public policy, and decided to address the issue of "finality" by granting the right to strike to school district employees. Due to that decision AASB reluctantly submits to the right to strike as a means of putting the finality issue to rest.

**GENERAL SUBJECT: GOVERNANCE**

**ISSUE: BINDING ARBITRATION**

**RESOLUTION INTENT:**

AASB opposes any legislation that would include binding arbitration as a final step in collective bargaining.

**STATEMENT OF REASONS:**

Binding arbitration allows a third party to determine salaries of district employees (the largest component of district budgets) and essentially removes the basic element of local control from this critical management prerogative. Because an arbitrator's focus is only on salaries and conditions of employment, an arbitration decision will not take into consideration the financial impact on the total educational program. Consequently, a decision made with a narrow scope of focus may have far reaching negative effects for students.

The current process used in collective bargaining has resulted in substantially improved employment conditions and salaries for Alaska teachers without harmful disruptions caused by strikes or unrealistic financial constraints on the educational program imposed by arbitrary third party decisions. Collective bargaining history in Alaskan education has been successful and supports maintaining the status quo.

# PRIORITY SCHOOL BOARD ISSUES FOR 1990

*Association of Alaska School Boards*

## **RIGHT TO STRIKE/BINDING ARBITRATION**

AASB opposes any legislation that would include binding arbitration as a final step in collective bargaining. However, if the Legislature feels it is necessary to pass either binding arbitration or the right to strike, AASB would reluctantly submit to granting educational employees the right to strike as the less objectionable of the two options.

## **EDUCATION ENDOWMENT**

AASB gives its full support to the concept of a constitutional amendment which would create an educational endowment fund to be used for public elementary and secondary education. AASB supports efforts in the Senate that would place the endowment on the 1990 general election ballot.

## **INCREASED FOUNDATION FUNDING**

AASB supports legislation increasing the foundation formula aimed at restoring the 10% reduction districts suffered in FY87. The lack of an increase in the foundation formula in 4 years, plus inflation, increasing depreciation and the expanding role of schools has resulted in a dangerously low maintenance of funding standard.

## **AT-RISK YOUTH**

AASB supports funding by the State of Alaska to allow development and testing of early detection methods and student evaluation strategies that will lead to effective programs and services for at-risk youth.

## **EARLY CHILDHOOD EDUCATION**

AASB encourages an optional early childhood education program be developed by the Department of Education, and that DOE develop certification requirements that would result in qualified educators with a firm foundation of knowledge in early childhood education.

## **SCHOOL FUNDING**

(Single/Dual Sites & Area Cost Differential)

AASB supports efforts to appropriately revise the elementary and secondary funding formula in an effort to mitigate the negative impact of the formula on many school districts.

## **SCHOOL CONSTRUCTION DEBT RETIREMENT**

AASB calls upon the Legislature to fully honor all past commitments for bonded indebtedness reimbursement. AASB calls upon the Legislature to pass a school construction debt retirement bill for future programs that insures fairness and equity to all regions of Alaska.

## **TEACHER TENURE**

AASB encourages the Legislature to amend AS 14.20.150 (a) and (b) by increasing the probationary requirement for tenure from two years to four years.

## **TENURED STAFF REDUCTION WHEN REVENUES DECLINE**

AASB promotes legislation which would allow districts to reduce tenured certificated personnel due to reductions in funding.

## **STAFF REDUCTION DUE TO CHANGING PROGRAM NEEDS**

AASB supports necessary legislation to allow districts to change staffing levels based on the district's program needs.

## **ACCESS TO CRIMINAL RECORDS**

AASB supports a proposed amendment to House Bill 52 making it a requirement of the Department of Education to request and receive records on all convictions involving violence or sexual abuse crimes, a felony or a crime, or other violation involving controlled substances for any person who has supervisory or disciplining authority over minors.

## **SEXUAL ABUSE OF A STUDENT**

AASB supports legislation making sexual contact with a student 16 years of age or older by a school district employee or volunteer a felony offense.

## **SEXUAL MISCONDUCT BY EDUCATORS (Certification)**

AASB supports legislation which would require the Department of Education to request all records on convictions involving any sex crimes for a person initially seeking certification in the State of Alaska.

## **SUPPORT FOR RECRIMINALIZATION OF MARIJUANA**

AASB encourages and supports legislative action to make possession of marijuana at least a misdemeanor.

## **JOINT COMMITTEE ON SCHOOL PERFORMANCE**

AASB welcomes the increased attention to education by the Joint Committee on School Performance, and requests to participate actively in their deliberations as the designated educational leaders of Alaska.

## **STUDENT STATEWIDE TESTING**

AASB calls upon the Department of Education to modify the existing regulation to mandate compliance with "Standards for Educational and Psychological Tests" which assure appropriate testing and reporting procedures.

## **MANDATORY BOROUGH FORMATION**

AASB opposes mandatory formation of boroughs, especially as it pertains to House Bill 1-borough incorporation and annexation.