ALASKA LEGISLATURE COMMITTEE FILES, 1989-1990 8672
6245 SENATE HEALTH, EDUCATION AND SOCIAL SERVICES

649

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CS SB 15 (C&RA)
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Public Employees Collective Bargaining Agreements
Sponsor: Duncan, Zharoff, et.al.
Requestor: Senate C&RA

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

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)

While the fiscal note is zero, it is logical to assume that over time, to the extent arbitrator awards favor employees, this legislation will have the effect of increasing pressure to increase funding for the Foundation program.

Prepared by: Steve Hole — Phone: 465-2800
Division: Commissioner's Office — Date: 3/3/89

Approved by Commissioner: William G. Demmert — Date: 3/3/89
Agency: Education

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

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSSB 15 (HESS)
PUBLISH DATE:

FISCAL NOTE

REQUEST:
Revision Date:
Agency Affected: Labor
Title: "An Act relating to ... certain terms of a teacher's expired contract, ..."
BRU: Labor Standards & Safety
Sponsor: Duncan, Zharoff, et al.
Components: Wage & Hour
Requestor: Senate Finance

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES		64.4	64.4	64.4	64.4	64.4
TRAVEL		12.5	12.5	12.5	12.5	12.5
CONTRACTUAL		25.0	25.0	25.0	25.0	25.0
SUPPLIES		0.7	0.7	0.7	0.7	0.7
EQUIPMENT		2.4	0.0	0.0	0.0	0.0
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	105.0	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
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	105.0	102.6	102.6	102.6	102.6

POSITIONS:

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

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Tom Stuart
Phone: 264-2452
Division: Labor Standards & Safety
Date: 5/02/89

Approved by Commissioner: Jim Sampson
Date: 5/02/89
Agency: Department of Labor

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

Fiscal Note Analysis
for
CSSB 15 (HESS)
"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).

Line item costs for FY 90 would be as follows:

Personal Services	$64.4
Travel	12.5
Contractual Svcs.	25.0
Commodities	.7
Equipment	2.4
	105.0

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

Position Title	No.of Positions	Range/Step	Barg. Unit
Wage & Hour Investigator II	1	18A	GGU

Time Status	Staff Months	Location	Election District
PFT	12	Anchorage	

Type of Expenditure		Amount
1	2	3
Salary	$37,356	
Benefits	13,735	
Premium Pay		
Other		
Total Personal Services		$51,091
Travel		12,500
Contractual		9,282
Commodities		350
Equipment		1,200
Other		
Total Cost		$74,423

Funding Source for Total Cost		
Federal Receipts	1002	
G. F. Match	1003	
General Fund	1004	$74,423
GF Program Receipts	1005	
Other		

Justification

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: Labor
BRU: Labor Standards & Safety
Component: Wage & Hour

Revised Date

FY 89

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

Time Status	Staff Months	Location	Election District
PPT	6	Anchorage	

Type of Expenditure		Amount
1	2	3
Salary	$9,786	
Benefits	3,534	
Premium Pay		
Other		
Total Personal Services		$13,320
Travel		0
Contractual		4,253
Commodities		350
Equipment		1,200
Other		
Total Cost		$19,123
Funding Source for Total Cost		
Federal Receipts 1002		
G. F. Match 1003		
General Fund 1004		$19,123
GF Program Receipts 1005		
Other		

Justification

This position will provide clerical support (typing, answering telephone, mail handling, etc.) for the wage & hour investigator.

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

Request For New Position

Agency: Labor
BRU: Labor Standards & Safety
Component: Wage & Hour

FY 89

Bill No: Committee Substitute for Senate Bill No. 15 (HESS)

Date: May 2, 1989

Title: "An Act relating to continuation of the provisions of certain terms of a teacher's expired contract, nonretention of teachers, and teacher layoffs; including public school employees in the Public Employment Relations Act as class (a)(2) employees entitled to a limited right to strike; establishing un-revised, uncompromised last-best-offer package arbitration for resolution of the collective bargaining process for public school employees; and providing for an effective date."

Contact: Tom Stuart
Eileen Plate
465-2700

Under the provisions of Committee Substitute for Senate Bill No. 15, the Department of Labor would become the Labor Relations Agency for certificated and non-certificated school employees in the State.

The Department's labor relations responsibilities under the bill would be:

- investigating representation petitions;
- determining appropriate units for the purpose of collective bargaining;
- conducting elections;
- investigation and resolution of unfair labor practices;
- conducting preliminary hearings; and
- monitoring the mediation and arbitration of disputed issues subsequent to impasse during collective bargaining negotiations.

There are 55 separate school districts (including REAAs) in the State, which collectively employ approximately 4,600 noncertificated employees and approximately 7,300 certificated employees.

The Department supports the provisions of this bill. The segregation of election and dispute resolution activities from the school districts as provided in this bill is appropriate. The present process under which the individual school districts are responsible for these activities presents a

conflict of interest and thereby prejudices the collective bargaining process.

The Department's fiscal note is attached.

APPROVED:

Jim Sampson, Commissioner
Department of Labor

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CS SB 15 (HESS)
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Certain terms of a teacher's expired contract, nonretention of teachers...
Sponsor: Senate HESS
Requestor: Senate HESS

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

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

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
Division: Commissioner's Office
Phone: 465-2800
Date: 5/2/89

Approved by Commissioner: William G. Demmert
Agency: Education
Date: 5/2/89

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

A

ASSOCIATION OF ALASKA SCHOOL BOARDS
316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

March 6, 1993

Senator Al Adams, Chairman
Community & Regional Affairs Committee
P.O. Box V
Juneau, Alaska 99811

Dear Senator Adams:

The Association of Alaska School Boards adamantly opposes the concept of Binding Interest Arbitration. It is our sincere hope that the legislature will continue to recognize the extremely complex issues and concepts of Collective Bargaining and Binding Interest Arbitration.

The principles upon which representative government are founded weigh in the balance. In a period of extreme financial uncertainty, who will be responsible for the best interest of Public Education? School boards across the state are seeking your continued support that locally elected officials, accountable to the people they serve, best represent the interests of public education.

AASB acknowledges that employee unions provide a function to their respective memberships. Their charge to protect and satisfy their membership while forwarding their cause is recognized in their ability to collectively bargain in good faith.

The legislature must recognize that Binding Interest Arbitration will satisfy the politics of unions but will not serve the best interest of students served by public education. The perceived needs of any employee group is secondary to the needs of our children.

We are entering a period of great economic uncertainty. Cost containment measures and other difficult educational policy decisions will be required. School boards are asking to continue to be responsible for making these decisions because they are elected representatives of their communities. They implore the legislature not to assign these decisions to a "disinterested third party" that is not answerable to anyone for his/her actions.

Sincerely,

Carl F.N. Rose
Executive Director

ASSOCIATION OF ALASKA SCHOOL BOARDS
316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

March 3, 1989

The Honorable Senator Al Adams, Chairman
Members of the Senate Community & Regional Affairs
Comittee
Alaska State Legislature
Juneau, Alaska 99801

Re: Senate Bill 15 "An Act relating to public school employees collective bargaining agreements; and providing for an effective date"

The Association of Alaska School Boards believes the legislation brought forth in SB 15 is not in the interest of the State of Alaska and its citizens, and therefore encourages this committee not to pass out any legislation that utilizes compulsory binding arbitration as a final step in the negotiations process.

It is the position of school boards around the state, who represent all of the citizens in their communities, that **if** the perception that there is a problem with a lack of finality in teacher negotiations is a valid one, then the place to begin to rectify the situation is to **first** look at the present collective bargaining laws, which are deficient in many ways, before placing binding arbitration on top of the problem. This would go a very long way toward resolving labor relations issues in Alaska.

Some areas that need attention include: no clear definition of the scope of bargaining; no definition of unfair labor practices; no provision of bargaining unit determination procedures; no determination of exempt employees from a bargaining unit, and more. Elsewhere in this document is a list of recommendations and areas that AASB believes should be addressed to clarify existing collective bargaining laws. SB 15, as it is written, forces us to back to "square one" in the debate about our collective bargaining laws.

We hope the following information and data will provide this committee with enough input to address the current deficiencies in our collective bargaining law, and also will prove to this committee that the long term negative affects that binding arbitration would wreak on Alaskans during financially troubled times is an unacceptable alternative to a perceived problem that **can** be addressed through low-cost or no-cost avenues presently available to the 16th Legislature.

1. **HISTORICAL BACKGROUND**

a. NATIONWIDE: Private vs. Public Sector Bargaining: The demise of private sector unions and present rise in public sector unions are directly related; the difference in these sectors, however, is significant. In private sector bargaining, binding arbitration with the right to strike may be workable because the employees need their salaries and the employer needs its workers to stay in business. Both are forced to the bargaining table. But private sector bargaining laws cannot be applied to the public sector. Government cannot go out of business. The process is thus imbalanced, and serious damage to the social and economic fabric of our communities can occur.

b. NATIONWIDE: Response to Strikes: Binding arbitration came about in the early '70s in response to debilitating strikes, regardless of the legality of the right-to-strike. **Alaska** has neither the history of strikes nor the preliminary conditions to foster the granting of binding arbitration as a dispute resolution mechanism.

c. NATIONWIDE: Trend is Overturn: The trend in binding arbitration nationally is public sector infilitration by former private sector unions, followed by the passage of an arbitration law, followed by financial hardship on a state, and finally, the overturning of the arbitration law. There is historical precedent on this.

d. ALASKA Teacher Salaries: Alaska has historically and irrefutably treated their teachers well, bestowing upon them the highest salary and benefits packages in the nation for over 15 years.

e. ALASKA Contract Settlements: Historically, Alaska school district contracts have been settled within a relatively short time span, before the expiration of the current contract.

f. ALASKA Experience with Binding Arbitration: The Deparment of Administration has called their experience with binding arbitration relating to police officers "expensive," adding that the ability-to-pay-argument did not always hold weight, and that the process resulted in less good faith efforts on the part of employee unions since the union can, and has received, a better deal from an arbitrator after wringing all other concessions out of the State.

g. ALASKA Revenue Picture: When oil revenues were high, teachers benefited directly. The fact is Alaska oil revenues are on a permanent decline. To impose binding arbitration at this juncture would unjustly burden state government and Alaska citizens with additional costs that are fiscally imprudent.

2. **CURRENT SITUATION**

a.Teacher Negotiations: The current status of negotiations in Alaska school districts is that the vast majority of Alaska's districts settle expeditiously before the expiration of their current contracts.

A snapshot of 1988 negotiations via AASB survey showed that forty (40) districts had settled contracts (three (3) district's certificated staff preferred meet-and-confer negotiations over union representation) most with salary and benefits increases; five (5) districts hadn't begun negotiating; ten (10) districts were actively in negotiations. Of the ten (10) districts in negotiations only three (3) were awaiting advisory arbitration (factfinding) to help settle their contract disputes. We don't believe three (3) unsettled district disputes out of 55 districts constitutes a problem in negotiations in Alaska.

b. Finality: AASB is presently conducting a survey of the actual length of negotiations (discounting summer vacations and time immediately before and after the school year when neither party wishes to negotiate), and will present to this committee a report on the number of times the parties meet as well as the substantative progress each side made. This information, and not the length of time between the initial request to negotiate and the ratification date, is the position from which one should view the validity of the "finality argument." The fact is, in times of financial hardship, there is no incentive for an employee union, possibly facing "retrieval bargaining," to settle early. This delaying tactic is used by NEA on a nationwide scale to further the "finality argument" in their quest to make binding arbitration a credible tactic to gain increased membership, and increased wage and benefits packages.

3. THE PRICE OF FINALITY NATIONWIDE

a. **Binding Arb Laws Overturned:** As previously noted the final stage of binding arbitration is its overturn. The Supreme Courts of five states--South Dakota, California, Colorado, Utah, and most recently Ohio--held compulsory binding arbitration laws unconstitutional.

b. Binding arbitration is Inflationary. In nearly every state with compulsory binding arbitration, the rate of salary/benefits increase rose significantly more with than without compulsory arbitration.

c. Binding Arb for Teachers in Court. In 1984 Connecticut became the first state with binding arbitration for its teachers to challenge the law. It is presently being heard in the state supreme court. School boards in the 16 states with compulsory binding arbitration laws are keeping a close eye on the outcome of this "constitutionality question" as it relates specifically to school boards.

RECOMMENDATION: <u>AASB recommends that SB 15 be submitted to the Senate Judiciary Committee for review,</u> in addition to the present committee assignments. AASB expects that the "constitutionality question"--the unconstitutional delegation of the school board's authority to a third party--may be challenged in the courts if binding arbitration were to become law in Alaska. In view of the increasing number of states

overturning binding arbitration laws, AASB feels it is paramount to the public's interest for this issue to be considered by the Senate Judiciary Committee.

4. THE EFFECTS OF BINDING ARBITRATION

The experiment with binding arbitration in a number of states has produced a body of research on the effects of binding arbitration that cannot go unrecognized. Here are just a few of the detrimental commonalities of binding arbitration:

a. Discourages good-faith bargaining. Has "chilling affect" on collective bargaining.

b. Places far reaching power in the hands of an **unelected, unaccountable** person probably uneducated in the education field, who does not live in the effected community.

c. Unworkable awards. Arbitrator has no continuing responsibility to make an award that is workable as well as just.

d. "Ripple effect" of arbitrator decision could bankrupt a district, effect other employee groups, education programs, and policy decision-making.

e. Creates unbalanced process since arbitration is no-risk step for union.

f. Arbitration is inflationary, and "ability to pay" argument not always considered.

g. Expensive. Arbitration **process** itself is an expensive add-on to the bargaining process.

h. Time consuming. Binding arbitration is a time consuming process, potentially lasting more than a full year, which will certainly exascerbate the present problem that allegedly exists.

i. Constitutionality Question. There is a serious question of constitutionality of utilizing compulsory binding arbitration.

5. AASB RECOMMENDATIONS

AASB believes that the bargaining process should be strengthened, and AS 14.20 550-610 is seriously deficient in many respects. AASB proposes that the following problems should be addressed and corrected.

a. Scope of bargaining: There is no clear definition of the scope of bargaining. The Alaska Supreme Court, in its "Kenai Decision '77," attempted to define the scope of bargaining, but encouraged the Legislature to give more guidance in narrowing the scope of bargaining. Most laws in the public and private sector limit bargaining to issues directly affecting employee's wages and benefits, while reserving issues of management operations and policy to the employer.

AASB proposes:

That the scope of bargaining should be defined as salaries, monetary benefits, hours, vacations, sick leave, grievance procedures, and other conditions of employment.

b. Unfair labor practices: There is no definition of unfair labor practices. AASB believes that the current law should:

(1) require both parties to bargain in good faith (the law is currently silent on the issue of union good faith),

(2) refrain from interference in the exercise of any party's rights under the law, and

(3) avoid discriminating against any party because of the exercise of their right to join, or assist in the formation, existence or administration of any employee organization, or to *refrain* from any or all such activities.

c. Bargaining unit determination: The current law does not provide for bargaining unit determination procedures.

d. Exclusion from Bargaining Units: The current law does not speak to exclusion from a bargaining unit of those employees who would have serious conflict of interest problems, such as critical management, supervisory, or confidential employees.

e. Labor Relations Board: A Labor Relations Board should be established to hear complaints regarding good faith negotiations.

f. Arbitration: There is a host of issues that the possibility of compulsory binding arbitration presents:

1.What is arbitrable? Because of the uncertainty of the full impact of SB 15 arbitrability would need to be confined to salary and benefits, as these areas are most definable in terms of cost projections while minimizing potential impact to the overall education program.

2. Finality: SB 15 does not address timelines for the arbitration process, and does not include an incentive for both sides to remain at the table and bargain collectively in a timely fashion.

- Currently, existing contract provisions remain in force until a new agreement is reached. **Definite expiration** of existing contracts with organized groups will provide an increased incentive to collectively bargain in a timely fashion. Without that incentive, there will be no real interest in concluding negotiations.
- Employers will urgently seek to arrive at a settlement in order to minimize their risk in arbitration. The threat of arbitration alone may cause **inflationary biases** in increases to wage and benefits proposals on the part of management as a deterrent to compulsory arbitration.
- **Total package arbitration** is preferable to issue arbitration, as the length is shortened, and costs reduced. Total package arbitration is more conservative in nature and presents more conservative proposals. This will prohibit parties from "stacking" their proposals.

• **Strike**· Employees should be allowed the limited right to strike for arbitration. There MUST be incentive to come to the table and actively bargain in good faith. Without a substantial penalty for employees, arbitration becomes a no-lose deal for an employee group. PERA contains model language.

3. Sunset Clause: A period of review should be built into any arbitration process to insure abuse does not take place. Abuse would likely occur without such a provision.

• A three (3) year sunset clause should be considered, to provide for a full and complete assessment of the total impact SB 15 might have on local school district finances, state finances, and the overall impact of public education in the State of Alaska.

4. Tenured Staff Reduction When Revenues Decline: In considering the potential for increased costs of operating schools under SB 15, we must also recognize the current State of Alaska's economy. The ability of local school districts to provide a quality education will be directly related to their ability to reduce their operating costs in line with projected shortfalls. Historically, the largest percentage of local school district budgets (70% to 90%) are expended in salaries and benefits.

• Under current statutes, tenured teachers can be non-retained for four reasons: (1) incompetency (2) immorality (3) substantial noncompliance with school laws or regulations and (4) decrease in school attendance.

• Budget cuts in recent years have not necessarily been accompanied by declining enrollments. When nontenured staff are reduced because of budget cuts, even during times of increasing enrollments, then tenured teachers are placed in grade levels or subject areas for which they have insufficient preparation.

•The net result is that guaranteed employment for tenured teachers during revenue declines takes precedence over the quality of education for students, and the education program suffers because of this restriction. Dictricts must be able to lay-off tenured teachers in times of declining revenue, if keeping them on means students are not being well-served.

5. Teacher Tenure: It should be recognized that every profession is entitled to some measure of job security. In that context, the ability of school districts to secure top quality teaching staff and to provide continuity for students remains a high priority to Alaska's school districts. Two factors contribute to the inability of school districts to adequately reach their goal of a highly qualified and stable teaching staff:

• Inadequate evaluation period before granting tenure.

• Inadequate timeline to provide or institute professional development programs to assist inexperienced teachers in becoming successful in the classroom.

AASB strongly believes that five (5) years is a reasonable period of time to allow for evaluation, development and implementation of a professional improvement plan, and realistic final evaluation, without the pressure of a too-short timeline.

Recommendation: The above problems need addressing, but not in a piecemeal fashion. AASB recommends the formation of a special Senate Committee or subcommittee to address these issues, similar to the depth and attention given by the Special Subcommittee on School Performance, which may result in a complete overhaul of our bargaining laws. The Committee should include legislators, school boards, employee groups, and collective bargaining practitioners. The issues involved are much too complex and interrelated to be addressed in separate legislative bills. There are no simple solutions; binding arbitration would only serve to further complicate the problem.

6. SB 15 SECTIONAL ANALYSIS

a. Declaration of Policy AS 14.20.540 in SB 15

AASB opposes the language contained in SB 15 regarding a declaration of policy. AASB does not believe that it is in the best interests of the state to force unionism on all its school employees, which is what this policy statement proposes.

AASB proposes the following language for a declaration of policy: "The legislature finds that public school employees are critical to an effective and responsive administration of public education in Alaska, and believes that employee participation in decisions that pertain to their terms and conditions of employment is in the public interest and enhances harmonious relations between employees and school boards."

b. Negotiations with Employees AS 14.20.550 in SB 15

• What is missing from this draft is, most importantly, a definition of the scope of bargaining. In the '77 Kenai Supreme Court Case a ruling was made determining which items are "mandatory," "permissive" and which are "illegal" to bargain. The Court stated that under existing statutes "the legislature has not spoken with clarity," and 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. (Section #5 in this paper lists the areas AASB proposes to include in a scope of bargaining.)

•There is no definition of "good faith" in this section. (See section #5b of this position paper.) A definition of what constitutes

good faith negotiations is paramount to a workable collective bargaining law.

•The present statute is silent on good faith effort by employee groups, and inclusion of language providing that employee groups must act in good faith is critical to address the present negotiations atmosphere.

•AASB would like to include language to reflect that each school board shall be responsible to negotiate with employees in its own district.

•The bill as proposed also appears to approve the inclusion of certificated employees and noncertificated staff into the same bargaining unit.

c. Optional Coordinated Employee Negotiations
AS 14.20.555(a) as in SB 15

•The language in this section of SB 15, again, appears to approve the inclusion of both certificated and noncertificated employees including administrators under one union umbrella, in direct conflict with the present statute.

• AASB recommends deleting this section and retaining the current statute.

d. Negotiating unit and employee bargaining organization
AS 14.20.560 as repealed and reenacted in SB 15

•The existing statute language, with respect to the recognition of bargaining agents for employees, has worked well in most, if not all instances. There is no need to involve a labor relations agency in this process. (Unless, perhaps, there is a failure under existing statutes by a school board to recognize a properly designated bargaining agent for school district employees.)

•Again, as the rewritten title suggests, this language places forced unionism into education. In this section's provisions, questions concerning the composition of bargaining units are not to be decided by district school boards, but rather are to be resolved by the "labor relations agency" which, for public employees other than state employees, means the Alaska Department of Labor (AS 23.40.250 (3). AASB is opposed to this notion.

•In SB 15 the labor relations agency would also conduct union representation elections. In addition, the bill restricts the circumstances in which a decertification election may be held. It would also do away with the requirement that organizations representing certificated staff be composed primarily of Alaska teachers.

• Exemptions: Due to CSHB 170 passed last year giving classified employees the right to organize and negotiate with school boards, there needs to be the determination of exemptions from employee groups that may put some employees in a conflict of interest situation. (See #5 of this position paper)

e. Negotiation Meetings AS. 14.20.565 as amended in SB 15

AASB sees no need to add this section. AS 14.20.560 adequately sets guidelines for negotiation meetings. SB 15 would make even the determination of meeting in executive session an arbitrable item.

f. Mediation AS 14.20.570 as amended in SB 15

• This portion of SB 15 is precisely what needs strengthening. This languange dismantles the reconciliation effort exactly where the current law needs strengthening.

• Item (3) in this section dissolves one of the few timelines for dispute settlements that already exist. In effect, the union could immediately bypass mediation, or conversely, draw mediation out indefinitely without a "30-days" timeline.

• Item (4) in this section allows the selection of a team to include as many members as either party wishes. This will lead to a circus atmosphere as either party could load the meeting with its supporters in an attempt to sway the decision making of the mediator.

g. Continued Impasse
AS 14.20.580 as repealed and reenacted in SB 15

•AASB rejects completely this section as rewritten, as it eliminates the necessity of a mediation, and delivers school districts into the arms of compulsory binding arbitration. AASB recommends and original languange in AS 14.20.580

h. Arbitration AS 14.20.585 as added to SB 15

•AASB encourages the elimination of this section in this draft bill.

i. Grievance procedures AS 14.20.590 as amended in SB 15

• AASB finds a number of potentially devastating ramifications in the language contained herein.

•Item (a) in this SB 15 section would provide that all questions concerning arbitrability be resolved by an arbitrator. In spite of the fact that the court has asked the Legislature to clarify what is negotiable, this section would, nevertheless, result in a substantial inroad on the Alaska courts' authority to address what are normally legal issues.

• This section also provides that unfair labor practices must be resolved through arbitration. Under current law, those issues are decided by Alaska courts.

• AASB recommends that a labor relations agency may be utilized to deal with complaints of unfair labor practices. (See #5 in this position paper)

•This provision goes on to state that "it is an unfair labor practice for a school board to refuse to continue the terms of an expired

agreement until a new agreement is reached." This provision would impose financial and managerial obligations on districts far in excess of what they originally bargained for in agreeing to the provisions of a negotiated agreement. The practical effect of this provision could be to create perpetual contracts, since unions would have little incentive to bargain so long as they were satisfied with the provisions of an expired agreement.

j. Release from duties AS 14.20.595 as added in SB 15

AASB is concerned about the term "working hours" in this provision. Hours is a negotiable item, and should remain there as a legitimate area of negotiations. AASB opposes this SB 15 provision and recommends the original language in As 14.20.570.

k. Legal responsibilities of boards
AS 14.20.610 as amended in SB 15

• The proposed language in this section is clearly designed to erode the legal responsibilities and duties of the school board.

•AASB encourages the replacement of the phrase "educational policies" with simply "policies," as originally included in the law. By narrowing the definition of which policies a board is responsible for, the boards' powers are interpreted to be somewhat diminished. A school board is responsible for ALL the policies of its district, with no exceptions.

l. Definitions AS 14.20.615 as added in SB 15

•"Employee" definition in SB 15 gives the appearance of one bargaining unit for all employees. Forced unionism is unacceptable to AASB.

m. AS 14.20.555 and 570 repealed in SB 15

•AASB has indicated elsewhere that the original language in the present law regarding 14.20.555 is preferable. Repeal of 14.20.570--the mediation process--is unacceptable. This process should be strengthened, not weakened, to help settle disputes.

SUMMARY

We are aware that school employees are voters and that their unions are a substantial political force in the field of special interest groups. We 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 expedciency. However, the principles upon which this proposed legislation is based are directly contradictory to those 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 principles held so sacred by our founding fathers. Compulsory binding arbitration will increase the cost of doing business. In a time of declining oil revenues, while the legislature is recommending cutbacks and possible increased taxes, compulsory binding arbitration is, in effect, taxation without representation.

SENATE BILL 15

COMPULSORY BINDING INTEREST ARBITRATION: SUMMARY OF PRO-CON ARGUMENTS

NEA-Alaska & Local Affiliates-PRO	AASB & Local Affiliates-CON
•it achieves finality expeditiously	•it erodes representative government
•it reinforces equity in process	•if equity is goal, give teachers right to strike, not binding arb
•it reinforces good faith bargaining	•it inhibits genuine bargaining
•final offer is risk for both parties	•final offer does not solve board and union differences, it polarizes them
•third-party assistance is often necessary/desirable	•present voluntary system of intervention works; why change?
•improper award can be challenged	•no explicit standards/guidelines for arbitrators and no provision for court review in SB 15
•too much time, money, and energy wasted with current impasse process	•proposed new impasse procedure may save some time, but will cost more, e.g., teacher salaries in states with binding arb are higher than in states that have no binding interest arb statute
•management rights/prerogatives are protected by statute	•scope-of-bargaining too vague, plus leaves, PTPC majority, duty-free lunches, right to make public statements criticizing employer, legal holidays, lay-off protection for tenured teachers and for nontenured during contract year, binding arbitration as final step in grievance procedure, protection of association/political rights, retirement, and protection from litigation for actions in course of employment are all guaranteed Alaska teachers by statute
•arbitration stops strikes	•arbitration does not prevent illegal strikes
•public favors interest arbitration	•binding arbitration is unacceptable delegation of authority--if unions want to give public result it truly supports let local voters choose between board and union final offers by referendum

NEA-ALASKA

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February 28, 1989

To: Senator Al Adams, Chair
Members, Senate Community & Regional Affairs Committee

Re: Senate Bill No. 15; "An Act relating to public school employees collective bargaining agreements; and providing for an effective date."

NEA-Alaska supports and encourages your favorable and expeditious consideration of SB 15.

Attached to this analysis and statement of support for SB 15 please find the section analysis prepared by NEA-Alaska, a position statement by NEA-Alaska, the specific reference to the Public Employees' Relations Act (PERA) which is incorporated in SB 15 in section 10 on page 6, and a status report on bargaining in the public school districts in Alaska. This last document is in the process of being updated.

GENERAL PURPOSE:

The major focus in SB 15 is to provide a mechanism for achieving finality through last best offer item by item arbitration in the collective bargaining process for school district employees.

* It provides for the mutual selection of a local arbitrator if that is the will of the parties and also provides for an orderly procedure for the selection of an arbitrator if they are unable to agree on a process.

* By requiring that arbitration commence no later than August 1, SB 15 provides that contract negotiations will be settled before the school year begins.

* SB 15 provides that either of the parties or the arbitrator may call for a public hearing on the issues, thus including the public as a part of the process of final resolution to a negotiations dispute.

* It clarifies bargaining unit determination and representation questions and provides for oversight by the Department of Labor.

* SB 15 defines, prohibits, and provides for ajudication of Unfair Labors Practices; currently a cumbersome, time-consuming and costly procedure through the courts.

In any collective bargaining process the statutory objective is to enhance the probability of a mutual, bilateral agreement between the parties on all of the issues which they have placed on the negotiations table.

* Last best offer arbitration does precisely that by creating a "risk" for each party that the position of the other side will prevail if they don't work conscientiously to reach the mutual, bilateral agreement.

* Data from the states which have last best offer arbitration show that this is precisely what happens.

School district employees are entitled to equity in the negotiations process. Under the current law, the advantage clearly lies with the employer.

* Massive employer rollback proposals, delays in the negotiations schedule, and threats to or actual unilateral imposition of terms and conditions of employment invalidate the good faith intent of the collective bargaining process.

CONTINUING NEED:

Absence of finality in school district employee negotiations in recent years has extracted a heavy "toll" or "cost" to both management and employee organizations. Each round of bargaining brings an increase in the amount of time both parties spend at the bargaining table.

Two years ago, NEA-Alaska surveys of the last round of bargaining in 43 school districts revealed the following:

- the average length of time in negotiations from start to finish was over 10 months.
- in 12 districts negotiations took over 1 calendar year.
- in 2 districts the negotiations process required nearly 2 years.
- in 1 district the parties negotiated over 3 1/2 years before finally reaching agreement.

The current NEA-Alaska survey which is not yet complete shows in 35 school districts:

- the average length of time from start to finish is still 10 months.
- 9 of those negotiations required over 1 calendar year for completion.
- in 3 districts the time required was over 2 years.

The financial resources of both parties are also being used increasingly in disputes pertaining to Unfair Labor Practices regarding the negotiations process and in challenging improper unilateral implementations by school districts to bring an end to the negotiations process.

NEA-Alaska estimates the aggregate cost to school districts for negotiations consultants and legal services to easily exceed $200,000 in each school year.

OPPOSITION:

Opposition to finality through arbitration in school employee negotiations quite naturally comes from school boards and administrators. Their arguments can generally be summarized in two categories of concern; a perception of the need to protect local autonomy and the mistaken perception that arbitration gives employees an advantage in the negotiations process.

Last best offer arbitration provides that the parties themselves set the parameters for the arbitrator. Unless local autonomy is supposed to mean complete unilateral authority must reside with only one party, the school district, good faith collective bargaining requires that the interests of the employer and the employees be equally represented as part of the negotiations process.

NEA-Alaska feels that the latter was the intent of the legislature when AS 14.20.550 was passed in 1972. Therefore, local concerns must equally reflect employee interests.

Relative to the allegation of unfair advantage, the shoe really belongs on the other foot.

It is not fair to employees when a school district negotiator requires that employees accept a school board offer on the bargaining table or their health insurance be terminated on July 1 at the end of the 1 year or that they must

accept the school boards' negotiations proposal in order to continue having access to essential leave provisions.

When the negotiations law opens the door to effective coercion and intimidation forcing employees to acquiesce to unacceptable employer demands, the "advantage" is clearly with the employer. SB 15 only restores necessary equity to the process.

Opponents to SB 15 have inappropriately alleged that the NEA-Alaska strategy is to extend the bargaining process whenever arbitration is before the legislature in order to build the case for the need for this change. The answer to this frivolous allegation is an unequivocal denial. School boards have consciously extended the process for the purpose of "wearing down" the employee organizations and to posture themselves for their eventual unilateral implementation of the contract.

Opponents question the accountability of arbitrators. In SB 15 the arbitrator is clearly constrained by the position (last best offers) of the parties as well as the quality of the information, data, and testimony that the party choses to put before the arbitrator. The "risk" of the last best offer requires that each party take responsible and defensible positions as part of the arbitration process. By the very nature of the process arbitrators tend to be conservative in their determinations.

ARBITRATION; A SUCCESSFUL DISPUTE SETTLEMENT MECHANISM

Grievance arbitration has been in place and working successfully in both the school employee bargaining law, AS 14.20.550, and the PERA, AS 23.40.070 since the mid-1970's. It has been and continues to be an effective dispute settlement mechanism on matters pertaining to contract interpretation.

Interest arbitration is provided for in the PERA for essential service employees. Again, it has been an effective dispute settlement process.

In both of the above it is significant to note that employers have not found the need to seek modification of the arbitration process through legislative change.

Three other states have last best offer arbitration and the data from each demonstrates the effectiveness of arbitration.

Iowa: (mediated arbitration) Approximately 400+ school districts negotiate annually.

- From 1975-85 71% had voluntary settlements, 24% settled in impasse but short of arbitration, and 5% settled in arbitration although some of these were consent awards.

- Between 1985-88, again with the same base of 400+, 88% were voluntary awards, 8% settled in impasse but short of arbitration, and 4% settled in arbitration with some being consent awards.

- During the 1985-88 period, arbitration awards were nearly the same as voluntary settlements in terms of salary and compensation with less than a 1/2 to 1% average difference.

Connecticut: (arbitration) As high as 85 school districts negotiate each year. The absence of mediation as part of the arbitration process tends to increase the number of actual arbitration awards.

- From 1980-85 27% of the negotiations were settled voluntarily, 39% in impasse but short of arbitration, and 34% resulted in arbitration with some of these being consent awards.

- Quite a few negotiations go to arbitration consent awards since it is possible for the town government to challenge a voluntary settlement in court in Connecticut.

- Between 1985-88 30% resulted in voluntary settlements, 58% settled in impasse but short of arbitration, and 12% were arbitration awards, some of them being consent awards.

Wisconsin: (mediation arbitration; package) There are approximately 800+ rounds of negotiations annually but the law covers local government as well as school districts.

- From 1977-84 54% resulted in voluntary settlements, 39% settled in impasse but short of arbitration, and 7% resulted in arbitration awards with some being consent agreements.

- During 1983-84 the data shows that the arbitration awards ran approximately 1/2-1% less than the voluntary settlements.

- NEA-Alaska is still in the process of getting Wisconsin data for the more recent time frame.

In Alaska under voluntary and advisory only arbitration, during the past three years arbitrators have been recommending pay freezes and salary cuts consistent with the economic climate which has been facing school districts.

Finally, it is well worth noting that the public over the past 8 years as a result of various surveys by legislators, NEA, the Anchorage school district and others has expressed strong, 70% to 93%, support for arbitration over the right to strike as a means to finality in school employee negotiations.

SENATE BILL NO. 15:

NEA-Alaska, the Alaska Association of School Boards, and the Alaska Council of School Administrators have recently met on two occasions at the request of Senators Adams and Duncan for purposes of discussing SB 15 and trying to find resolution to differences in perspective on its component parts.

While this effort is constrained by the fact that organizational opposition to finality through arbitration is an essential policy of the AASB and ACSA, these meetings did produce 9 areas of concern.

These areas are listed below along with the NEA-Alaska proposed modification which is intended to address the concern. NEA-Alaska feels that resolution of 6 of the 9 is realistically possible without compromising the integrity of the intent of SB 15.

1. Arbitrability: AASB and ASCA want to restrict the issues which go before the arbitrator. NEA-Alaska feels that all issues still in dispute at the time of arbitration should have a chance to be tested on their own merits.

   * NEA-Alaska proposes that arbitrability be based on those items listed as negotiable in the 1977 Supreme Court Kenai decision. This change could be made on page 5, section ..

2. Need for Specific Timelines: The parties agree on the desirability of having timelines which would

encourage earlier resolution to the negotiations process.

* NEA-Alaska proposes:
  - proposal exchange, setting ground rules no later than 1/15
  - negotiations to commence within a reasonable period thereafter, be done in good faith and in an expeditious manner, within a mutually defined limited time period
  - mediation, if necessary, to be done after a limited cooling off period, and in a limited and pre-determined period of time
  - the arbitration process to be complete by 7/15 with the actual award to be in by 7/31

  - all timelines subject to waiver by mutual agreement

- These changes could also be made on page 5, section 8.

3. Sunset: AASB and ASCA would like to have a 3-year sunset on any arbitration legislation while NEA-Alaska prefers no sunset since we have confidence in arbitration effectively serving the interests of the employer, the public, and the public employees.

* If a sunset is necessary NEA-Alaska suggests that it be at least 5-years in length to provide for a complete round of negotiations, that it include the legal right to strike if arbitration is not extended at the end of the sunset and that arbitration awards during the first 5 years be no more than 1-year awards unless the parties mutually empower the arbitrator to make an award for more than one year.

4. Tenure:
5. Lay-off: These items are included together because it is NEA-Alaska's understanding that the issue is to be able to lay-off tenured teachers, if necessary, in the event of an extreme reduction in school funding.

* NEA-Alaska is not persuaded that the current law doesn't adequately serve the interests of employers, the public, and employees. However, if information becomes available which more specifically supports the need for such a change we feel that it should be dealt with in separate legislation.

- NEA-Alaska support could be possible only if such legislation adequately addressed the following:
    - a clear definition of financial exigency which is more that a mere reduction in funding and along the lines of compelling financial need to reduce or eliminate programs and services through a reduction in personnel and taking into consideration previous fund balances and patterns of spending
    - clear negotiability of class size, teacher load and employee workload
    - district-wide seniority relative to lay-off procedures unless there is mutual agreement on a different procedure
    - 3rd party determination, if needed, of the lay-off decision through the grievance procedure of the collective bargaining agreement

6. Panel Arbitration: It has been suggested that panel arbitration might provide for more local involvement and a better balance in the arbitration process. NEA-Alaska feels that last best offer mediated arbitration requires the talents of a person, arbitrator, who is skilled in the process of dispute resolution.

* As a possible compromise, NEA-Alaska suggests that the legislation provide for a mutual option for panel arbitration with each party selecting one arbitrator and the two thus selected, selecting the third. If they are unable to agree on a third arbitrator they would then be bound by the procedures of the American Arbitration Association in the selection of the third arbitrator.
    - At any point in the process the parties should have the latitude to mutually agree on an arbitrator and the arbitration procedure itself. These changes could be made on page 5 in section 8.

7. Continuing Contract: AASB and ACSA object to inclusion of this provision in the legislation. NEA-Alaska feels it is essential to provide a necessary disincentive to employers to threaten to terminate health insurance leave provisions, and other basic benefits as a means of coercing employees to accept a management position at the bargaining table.

* Lines 3, 4, and 5 on page 7 could be deleted if the timeline modification referenced in #2 above were made as suggested.

8. Definition, Prohibition, Ajudication of Unfair Labor Practices: The parties have not fully discussed this component of SB 15 which is included in section 10 on page 6. The third attachment to this packet includes the specific language from the PERA.

9. Criteria for the Arbitrator: This issue was raised as an area of concern by the AASB and ACSA in terms of the need for giving an arbitrator some guidance or criteria relative to making an award in addition to the positions of the parties and the data, testimony and evidence submitted during the process.

* NEA-Alaska suggests the inclusion of the following specific criteria:
  - ability to pay, history of negotiations between the parties, appropriate comparability, the public interest, and the interest of the employees
    - This change could be made on page 6 between paragraphs (b) and (c) at the top of the page.

The need for finality in the school district employee negotiations law has been around for over 15 years. Each round of negotiations further demonstrates the critical nature of this need by its heavy toll on the parties and the barriers it puts in place regarding other essential cooperative efforts which must be made by employers and employees in the overall interest of public education in Alaska.

It is clearly in the public interest to bring this issue to final closure through the modifications to AS 14.20.550 as proposed in SB 15 including but not limited to finality through last best offer mediated arbitration.

Thank you for your consideration of our position.

Respectfully submitted,

Bob Manners
Executive Secretary

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SECTION ANALYSIS: FINALITY THROUGH ARBITRATION

Senate Bill No. ___
House Bill No. ___

Section 1:

Adds a policy statement to public school district employee bargaining law.

This section articulates a pol. / similar to the one found in the Public Employee Relations Act which states that employee participation in decisions that pertain to their terms and conditions of employment is in the public interest and enhances harmonious relations between employees and school boards.

Section 2:

Defines the obligation to negotiate in good faith on terms and conditions of employment and fulfillment of professional duties.

Section 3:

This is enabling legislation which provides the opportunity for two or more REAAs to negotiate a single contract for all of the employees rather than separate agreements and for a single team to represent the REAA school boards.

It also establishes that certificated employees, non-certificated employees or certificated administrators may do this independently of each other.

There is nothing compulsory about this provision and it has been in the certificated employee bargaining law for a number of years.

Section 4:

Provides that bargaining unit determination questions, showing of interest questions, representation election procedures, timeliness of a showing of interest, and questions pertaining to a contract bar from challenges by competing organizations shall be determined by the labor relations agency.

Under current law these questions are decided by the local school board. Because the school board is frequently an interested party to such a proceeding the current law creates a conflict of interest which increases the chances for subsequent, but unnecessary litigation.

Section 5:

Clarifies procedures relative to the commencement of negotiations and provides for mutually-determined executive sessions as part of the negotiating process.

Section 6:

Provides for a local mutually acceptable mediator and for use of the Federal Mediation and Conciliation Service if local mediation is not successful.

Defines the mediation process and responsibility of the mediator.

Section 7:

Gives authority to the mediator to determine the success potential for continued mediation and provides for a 10-day cooling off period if mediation is not successful.

Requires that the parties immediately submit the dispute to arbitration if there is not agreement by August 1.

This provision clearly provides that there will be a timely conclusion to the negotiations process before the beginning of the next school year.

Section 8:

Provides for a local mediated arbitration procedure. If the parties are unable to agree on one, they are then bound to the last best offer mediated arbitration procedure of the American Arbitration Association.

Clarifies that the arbitrator shall attempt to mediate a solution to the dispute.

Provides for a public hearing at the request of the arbitrator or either of the parties.

Provides that the decision of the arbitrator may only be that of the last offer of one party or the other on each issue, that the decision shall be made within 10 days, and that the costs of arbitration shall be shared by the parties.

Section 9:

Under contract grievance arbitration questions of arbitrability shall be decided by the arbitrator.

Currently, many questions pertaining to arbitrability end up in time-consuming and costly litigation in the courts and are not resolved in a timely way.

Provides that unfair labor practices shall be adjudicated under the grievance procedure through expedited arbitration.

Section 10:

Defines and prohibits unfair labor practices by school boards and by employee unions and provides for their adjudication under expedited arbitration.

Provides that unilateral imposition of a contract is defined as an unfair labor practice.

Section 11:

Provides release time without penalty for employee negotiations teams when mediation or arbitration are held during work hours.

Section 12:

Emphasizes school board rights and decision-making responsibility on matters pertaining to policy.

Section 13:

Adds a "definitions" section to clarify meaning on terms used in the legislation.

Section 14:

Repeals redundant sections.

Section 15:

Preserves the status quo for bargaining units and collective bargaining agreements in existence on the effective date of the Act.

Section 16:

Provides for an immediate effective date.

LE/Arblegsl/dl

NEA-Alaska Position Statement:

School District Employee Negotiations

The absence of finality to the process of school district employee negotiations is not in the public interest of the State of Alaska and is inconsistent with public policies of the State as they pertain to employer/employee relationships for all other public employees.

Collective bargaining is well established in both the public and private sectors as the best procedure for employees to equitably share in the decision-making processes regarding their terms and conditions of employment. The State of Alaska in AS 23.40.070, the Public Employee Relations Act (PERA), has further stated that it is the public policy of the State to promote harmonious and cooperative relationships between employees and government and that government will be more effective and responsive when employees have such opportunity.

The current negotiations law, as it pertains to school district employees, fails every reasonable test relative to equity and effective bilateral decision-making and falls substantially short of what has been granted to other public employees under AS 23.40.070.

* There is no meaningful incentive for school boards to reach agreement on terms and conditions of employment as a result of the negotiations requirement.

* The dispute settlement mechanism does not achieve finality in the process.

* The law does not define and prohibit unfair labor practices.

* There is currently no administrative procedure for resolution of alleged unfair labor practices except through costly and time-consuming court procedures.

* Bargaining unit determination procedures are ambiguous at best and final decision making in disputes resides with a party in interest--the local school board.

* Time, energy and valuable resources (human and financial) are being spent in a collective bargaining process which is substantially increasing in its length, cost and frustrations.

Final offer interest arbitration is the only effective labor relations alternative to strike as a method of achieving finality to a negotiations dispute, and has been shown to be effective where it is being utilized in other states.

In the public sector it is a better alternative than strike, in that it provides for a continuity of services and does not adversely effect the public interest, health, safety, and welfare.

Final offer interest arbitration is effective because it represents a risk for both parties to a dispute and it subjects their positions to neutral scrutiny, thus causing them to be more defensible and rational.

The reality of final offer interest arbitration is that a very low percentage of disputes actually end up in written arbitration awards. In other words, very seldom is the arbitrator required to impose his/her judgement on the parties and even when called upon to do so, is limited to selecting the position of one party or the other. The mere presence of such an arbitration procedure enhances the settlement potential and results in more bilateral agreements between the parties short of actually utilizing the arbitration process.

In his dissenting opinion in the Alaska Supreme Court determination which derived from the 1979 Anchorage Teacher Strike and found that teacher strikes are illegal, Justice Rabinowitz said: "If public school teachers are so essential to society that they must be denied the right to strike, then they should be given the right to compulsory arbitration."

Further, the public supports interest arbitration. Surveys of the general public regularly show overwhelming support for negotiations finality through binding interest arbitration.

The NEA-Alaska desire for finality through arbitration has been a matter of record for 15 years. Our commitment only intensifies as each round of bargaining with school districts produces a lengthening process and greater frustration for school district employees

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NEA-Alaska recommends the following as minimal revision to AS 14.20.550-610.

a) Include a policy statement similar to PERA (AS 23.40.070).
b) Clarify procedures regarding questions of representation and bargaining unit determination.
c) Establish final offer (item-by-item) arbitration as the negotiations dispute settlement mechanism.
d) Define and prohibit unfair labor practices.
e) Provide administrative procedures for resolution of alleged unfair labor practices.
f) Establish an agency for administration of the negotiations law.

The following points effectively summarize the positive effect of the recommended revisions to the current negotiations law.

1. Achieves finality in an expeditious way.
2. Reinforces equity in the process.
3. Reinforces good faith negotiations.
4. Final offer is a risk for both parties.
5. Final offer forces the position to be defensible, rational.
6. An improper award can be challenged in court and set aside.
7. Makes better use of human and financial resources by making the impasse process more effective and more efficient.
8. Management rights/prerogative are protected by statute.
9. Arbitration stops strikes.
10. The public favors interest arbitration.

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election it shall be certified by the labor relations agency as exclusive representative of all the employees in the bargaining unit.

(c) An election may not be held in a bargaining unit or in a subdivision of a bargaining unit if a valid election has been held within the preceding 12 months.

(d) Nothing in this chapter prohibits recognition of an organization as the exclusive representative by a public agency by mutual consent.

(e) No election may be directed by the labor relations agency in a bargaining unit in which there is in force and effect a valid collective bargaining agreement, except during a 90-day period preceding the expiration date. However, no collective bargaining agreement may bar an election upon petition of persons in the bargaining unit but not parties to the agreement, if more than three years have elapsed since the execution of the agreement or the last timely renewal, whichever was later.

Sec. 23.40.110. Unfair labor practices. — (a) A public employer or his agent may not

(1) interfere, restrain or coerce an employee in the exercise of his rights guaranteed in Sec. 80 [Sec. 23.40.80] of this chapter;

(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 he has signed or filed an affidavit, petition or complaint or given testimony under Secs. 70-260 [Secs. 23.40.70 to 23.40.260] of this chapter;

(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 agent 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 Sec. 80 [Sec. 23.40.80] of this chapter, or

(B) a public employer in the selection of his 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 Secs. 70-260 [Secs. 23.40.70 to 23.40.260] of this chapter as the exclusive representative of employees in an appropriate unit.

Sec. 23.40.120. Investigation and conciliation of complaints. — If a verified written complaint by or for a person claiming to be aggrieved by a practice prohibited by Sec. 110 [Sec. 23.40.110] of this chapter, or a written accusation that a person subject to Secs. 70-260 [Secs. 23.40.70 to 23.40.260] of this chapter has engaged in a prohibited practice, is filed with the labor relations agency, it shall investigate the complaint or accusation. If it determines after the preliminary investigation that probable cause exists in support of the complaint or accusation, it shall try to eliminate the prohibited practice by informal methods of conference, conciliation, and persuasion. Nothing said or done during this endeavor may be used as evidence in a subsequent proceeding.

Sec. 23.40.130. Complaint and accusation. — If the labor relations agency fails to eliminate the prohibited practice by conciliation and to obtain voluntary compliance with Secs. 70-260 [Secs. 23.40.70 to 23.40.260] of this chapter, or, before it attempts conciliation, it may serve a copy of the complaint or accusations upon the respondent. The complaint or accusation and the subsequent procedures shall be handled in accordance with the administrative adjudication portion of the Administrative Procedure Act (AS 44.62).

Sec. 23.40.140. Orders and decisions. — If the labor relations agency finds that a person named in the written complaint or accusation has engaged in a prohibited practice, the labor relations agency shall issue and serve on the person an order or decision requiring him to cease and desist from the prohibited practice and to take affirmative action which will carry out the provisions of Secs. 70-260 [Secs. 23.40.70 to 23.40.260] of this chapter. If the labor relations agency finds that a person named in the complaint or accusation has not engaged or is not engaging in a prohibited practice, the labor relations agency shall state its findings of fact and issue an order dismissing the complaint or accusation.

Sec. 23.40.150. Enforcement by injunction. — The labor relations agency may apply to the superior court in the judicial district in which the prohibited practice occurred for an order enjoining the prohibited acts specified in the order or decision of the labor relations agency. Upon a showing by the labor relations agency that the person has engaged or is about to engage in the practice, an injunction, restraining order, or other order which is appropriate may be granted by the court and shall be without bond.

Sec. 23.40.160. Power to investigate and compel testimony. — (a) For the purpose of the investigations, proceedings, or hearings which the labor relations agency considers necessary to carry out the provisions of Secs. 70-260 [Secs. 23.40.70 to 23.40.260] of this chapter, the labor relations agency may issue subpoenas requiring the attendance and testimony of witnesses and the production of relevant evidence.

(b) The labor relations agency may administer oaths, examine witnesses, and receive evidence.

(c) The attendance of witnesses and the production of evidence may be required from any place in the state at any designated place of hearing.

(d) If a person refuses to obey a subpoena issued under Secs. 70-260 [Secs. 23.40.70 to 23.40.260] of this chapter, the superior court in the district in which the person resides or is found may, upon application by the labor relations agency, issue an order requiring him to comply with the subpoena.

Sec. 23.40.170. Regulations. — The labor relations agency may adopt regulations under the Administrative Procedure Act (AS 44.62) to carry out the provisions of Secs. 70-260 [Secs. 23.40.70 to 23.40.260] of this chapter.

Sec. 23.40.180. Penalty for violation of order or decision. — A person who violates a provision of an order or decision of the labor relations agency is guilty of a misdemeanor and is punishable by a fine of not more than $500.

Sec. 23.40.190. Mediation. — If, after a reasonable period of negotiation over the terms of a collective bargaining agreement, a deadlock exists between a public

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

January 16, 1989

TO: NEA-Alaska Staff & Board of Directors

FROM: Bob Manners

RE: Status of Negotiations

The assumption relative to the school years listed below is that a local is bargaining in the year in which it is listed for a contract to be effective in the subsequent year. Please revise and note current status (M = Mediation, A = Advisory Arbitration, D = Board demand to re-open, etc.). Thanks.

1985-86	1987-88	1988-89	1989-90	1990-91
~~Coppr Valley~~ A	Unalaska	Adak	Bering Strait	KPESA
	Bristol Bay	Anchorage	Kenai	Kodiak
1986-87	Mid-Kuskokwim	Delta	Mid-Yukon	Metlakatla
CCSEA	Iditarod	Hoonah	North Slope	KIESA
Cordova	Dillingham	Sand Point	Petersburg	
Yupiit	Kake	Ketchikan	S.W. Region	
	Kashunamiut	King Cove	Fairbanks	
	Galena	Railbelt	Juneau	
	Hydaburg	Pribilofs	Pelican	
	Lowr Kuskokwim*	St Mary's	Unalaska	
	Mat-Su post arb A	Tanana	Wrangell	
	Mt. Edgecumbe	Tok	Sitka	
	SESA	Valdez	NW Arctic	
	TEASE	Yukon Flats		
		Aleutian		
		Lake & Pen		
		Lower Yukon		
		Yakutat		
		Klawock		
		Haines		
		Nenana		
		Nome		
		Pr. Wm. Snd		
		Skagway		
		Chatham		
		Craig		
		Copper Valley		

* Lower Kuskokwim will be bargaining for 1989-90
Limited Reopener

CO/Negots/dl

C

ACSA

ALASKA ASSOCIATION OF ELEMENTARY SCHOOL PRINCIPALS
ALASKA ASSOCIATION OF SECONDARY SCHOOL PRINCIPALS
ALASKA ASSOCIATION OF SCHOOL ADMINISTRATORS

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

SB 15 BINDING ARBITRATION

POSITION PAPER I

THE ALASKA COUNCIL OF SCHOOL ADMINISTRATORS strongly opposes SB15 "Finality in negotiations for school district employee through last best offer arbitration."

ACSA further recommends to the committee SB 15 not be passed out of committee for the following reasons;

The private sector collective bargaining model has been transplanted to the public sector. Experience with labor relations and government employment demonstrate that certain critical differences between the two employment sectors make private sector labor relations practices incompatible with our traditions of democratic government and, therefore, unsuited for use in the public sector. One particularly troublesome area is the increased advocacy and use of binding arbitration as a dispute resolution mechanism in the public sector.

Many public sector unions have come to view the arbitration process as a "no lose" situation. After negotiating the maximum concession from management, the union can declare an impasse and vote binding arbitration with the certain knowledge that the arbitration award will not be any less than what has already been negotiated.

There is a growing body of evidence to indicate that the availability of binding arbitration as an impasse resolution procedure results in a distortion of the collective bargaining process. Instead of negotiating to agreement, the union, seeing minimal risk in arbitration, is more likely to declare an impasse and allow the arbitrator to make the decision. A two and one-half year study funded by the New York State Public Employee Relations Board and National Science Foundation and conducted by Cornell University found a 26% increase in the probability of an impasse occurring in negotiations when binding arbitration was available.

Compulsory collective bargaining diminished citizens control of government by requiring elected officials to share what has been unilateral decision-making authority with unions. Binding arbitration completely destroys the concept of citizens control by turning over absolute decision-making power to third parties who are in no way accountable to the citizens of any governmental unit.

In "Final-Offer Arbitration and Teacher Contract Bargaining" Richard A. King wrote, the cost of teacher bargaining includes not only potential fiscal losses by both parties and the destruction of the necessary services to the public but also the potential destruction of local fiscal control. By establishing a procedure for deciding one offer or another by a private, non-elected board or person, legislators are in effect delegating governmental decision-making power in a manner that might be unconstitutional. By mandating school boards to accept a binding award that must then be funded by the public, legislators may be instituting a form of taxation without representation.

Massachusetts governor Michael Dukakis, in a statement vetoing reenactment of compulsory arbitration from public safety employees in his state said, "By imposing binding arbitration on all communities, no matter how willing and able the given city or town has been to negotiate in good faith with its employees-the law has made normal collective bargaining irrelevant. It has taken the responsibility of determining the financial future of the city or town, at least in so far as the cost of public safety services affect the financial future, from the local elected officials and given that responsibility to an unelected arbitrator who may not even live in the community. I do not believe this broad delegation of local fiscal powers is consistent with any reasonable notion of home rule."

There is another force at work which increases the likelihood of an arbitrator exercising authority over policy matters. As a bargaining relationship evolves, matters of policy are likely to be decided at the bargaining table. A Rand Corporation study, "Organized Teachers in American Schools," noted this phenomenon. The phase one analysis indicated that collective bargining gains by teachers follow distinctive patterns. Teacher organizations first bargain over and obtain increases in salary and fringe benefits, then move on to working conditions and job security and lastly to issues of educational policy. Although non compenstion gains have not been universal, teachers have significantly increased their influence over shool and classroom operations. Regulation of class size may be one of

the most dramatic future gains, but negotiation provisions covering assignment and transfer policy are another collective bargaining achievement. At the same time, orgainzed teachers now play a major role in the decisions of length and postion of the school day, how teachers are evaluated and in some cases how supplementary personnel are used in the schools.

If these policy issues are brought to the bargaining table and cannot be resolved there, they will be placed in the hands of the arbitrator for resolution. There now arises a situation in which an unelected, outside third party is rendering binding decisions on staffing requirements, class size, or any number of policy matters directly and significantly affecting the operations of the public school.

And finally, The Supreme Courts of four states- South Dakota, California, Colorado and Utah have held compulsory binding arbitration to be unconstitutional. In all of these cases, the courts have handed down remarkably similar decision, finding arbitration to be an unconstitutional delegation of authority to an unaccountable third party.

D

ALASKA STATE AFL-CIO

2501 Commercial Dr.
Anchorage, Alaska 99501
(907) 258-6284

819 1st Ave.
Fairbanks, Alaska 99701
(907) 456-2030

MANO FREY
Executive President

March 2, 1989

To: Senator Al Adams, Chair
Members, Senate Community and Regional Affairs Committee

Re: Senate Bill 15

The Alaska State AFL-CIO supports and urges passage of SB 15 for a variety of reasons. Foremost amongst our reasons is "fairness."

Its passage would be fair for the affected school districts' employees. Finality in the collective bargaining process is necessary for an equitable agreement to evolve. Currently, in the school district employees negotiations law, management has a heavy advantage over labor.

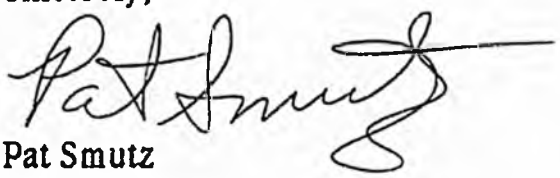
SB 15 would save money for the school districts. Negotiations have proven to be expensive for school districts budgets. Monies which could be spent on classroom needs have been used by management to prolong negotiations beyond reasonable time frames in attempts to frustrate bargaining units into submission. It would certainly be fair to the taxpayers of the various school districts if their tax dollars went to satisfying their children's needs at school instead of being used for prolonged negotiations between management and the bargaining unit.

When it comes to education it's only fair for the students to receive it from an organization whose labor management practices have fostered trust, honesty, and integrity. The employees of a school district should have high morale and a willingness to encourage students to achieve. The disharmony that often results from bitter negotiations doesn't foster the above.

Fairness to employees, taxpayers, and students - not to much to ask for.

I sincerely urge your approval of SB 15, and request its passage from your committee as expeditiously as possible.

Sincerely,



Pat Smutz
Business Representative/
COPE Director

cc: Mano Frey

E

DEPARTMENT OF ADMINISTRATION
POSITION PAPER

DIVISION: Labor Relations BILL NUMBER: SB 15

BILL TITLE: An Act relating to public school employees' collective bargaining agreement; and providing for an effective date.

The Division of Labor Relations opposes this bill only as it applies to approximately 15 State employees at the Mount Edgecumbe High School.

Mount Edgecumbe High School was established as a State boarding school in 1988. AS 14.16.050 lists which provisions of the education laws apply to the school. Under AS 14.16.050(a) (3) (E), certificated teachers are covered by the sections of the education laws governing collective bargaining, negotiation and mediation by certificated employees (AS 14.20.550-14.20.610). In August 1988, the certificated teachers at Mount Edgecumbe designated the Teacher's Education Association of Mount Edgecumbe to be their bargaining agent, thus becoming the State's smallest bargaining unit and the only one to be covered by the collective bargaining provisions of AS 14 rather than AS 23.

The State's concern with SB 15 is that the changes to the arbitration provisions will give 15 State employees arbitration rights inconsistent with those available to the approximately 11,000 State employees in the other nine bargaining units who are covered by the Public Employment Relations Act (AS 23.40.070-23.40.260).

The State's concerns could be addresssed by removing certificated teachers at Mount Edgecumbe from the collective bargaining provisions for teachers (AS 14) and placing them under the collective bargaining provisions for public employees (AS 23). All other State employees at Mount Edgecumbe are already covered by this act. There is also historical precedent for placing teachers under the act because teachers in the schools previously operated by the State were covered by AS 23. In fact, the language of the act provides for teachers. In AS 23.40.200(c), the explanation of class 2 employees lists "public school and other educational institution employees."

The proposed section on definitions (Sec 14.20.615) would have the effect of the Department of Labor being the labor relations agency for certificated and noncertificated employees of school districts except for those at Mount Edgecumbe. The labor relations agency for Mount Edgecumbe employees would be the State Personnel Board. This would increase the Board's workload to include collective bargaining under Title 14 as well as Title 23. An additional problem would be the potential for two labor relations agencies to provide differing interpretations of statutes for State teachers and teachers employed by local governments.

APPROVED:

Director: Bruce Cummings

Signature: _____ Date: 3/6/89

Commissioner: John M. Andrews

Signature: _____ Date: 3/6/89

For further information call Dean Gottehrer at 465-2200

1/8K1/030312-9

Placing the Mount Edgecumbe teachers under the provisions of the Public Employment Relations Act would require these amendments to AS 14 and AS 23:

1. Delete AS 14.16.050(a) (3) (E). This is the section that extends the collective bargaining provision of the education laws to the state boarding school.

2. Repeal AS 14.16.070; this provision becomes extraneous if other proposed amendments are adopted.

3. Amend the definition of "public employee" in AS 23.40.250 to read:

   (6) "public employee" means any employee of a public employer, whether or not in the classified service of the public employer, except elected or appointed officials or teachers <u>who are not state employees</u> or noncertificated employees of school districts <u>other than schools state-owned or state-operated</u>.

F

Bill No: Senate Bill No. 15 **Date:** March 1, 1989

Title: "An Act relating to public school employees collective bargaining agreements; and providing for an effective date."

Contact: Eileen Plate
465-2700

Under the provisions of Senate Bill No. 15, the Department of Labor would become the Labor Relations Agency for certificated and non-certificated school employees in the State.

The Department's labor relations responsibilities under the bill would be:

- 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.

There are 55 separate school districts (including REAAs) in the State, which collectively employ approximately 4,600 noncertificated employees and approximately 7,300 certificated employees.

The Department supports the provisions of Senate Bill 15. The segregation of election and dispute resolution activities from the school districts as provided in this bill is appropriate. The present process under which the individual school districts are responsible for these activities presents a conflict of interest and thereby prejudices the collective bargaining process.

The Department's fiscal note is attached.

APPROVED:

Jim Sampson, Commissioner
Department of Labor

POSITION PAPER/Department of Labor

ALASKA ASSOCIATION OF ELEMENTARY SCHOOL PRINCIPALS
ALASKA ASSOCIATION OF SECONDARY SCHOOL PRINCIPALS
ALASKA ASSOCIATION OF SCHOOL ADMINISTRATORS

• 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 catagory 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 orginal 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 andwe 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.

ASSOCIATION OF ALASKA SCHOOL BOARDS
316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

AASB's position regarding CS SB 15 (C&RA) is as follows:

(1) **CLASS 3 CATEGORIZATION**:AASB believes that there should be every effort to keep the negotiating parties at the table.

- Both negotiating parties would suffer severely from a strike; this alone will keep the parties actively negotiating.
- AASB is opposed to compulsory binding arbitration. CS SB 15 with Class 3 categorization of school employees would offer binding arbitration as a local option but does not make it compulsory.
- ARGUMENT-AGAINST CLASS 1/AASB does not believe that school employees should be categorized as Class 1. State law merely requires that there be 180 days in session. For large periods of time, such as summer months, winter and spring vacation, public education is not even provided. Public education can be postponed without harm. This occurs every weekend.

(2) **FINAL OFFER/PACKAGE ARBITRATION:** AASB is opposed to compulsory binding arbitration. But if faced with choosing between Issue-by-issue or Package arbitration, as a local option, would nevertheless, choose PACKAGE ARBITRATION.

- ISSUE-BY-ISSUE is more expensive, lengthier, poses a no-risk situation for unions--who never get less than the management final offer on any issue being arbitrated, and "chills" the process of collective bargaining.
- PACKAGE poses more risks for both sides, thereby encouraging settlement before going to arbitration.
- PACKAGE reduces frivolous or unrealistic proposals, encourages realistic proposals.
- PACKAGE removes "splitting the difference" in arbitrations, removing the penalty on reasonable positions.
- PACKAGE decreases dependence on arbitration.

ASSOCIATION OF ALASKA SCHOOL BOARDS
316 W. 11th St. • Juneau, Alaska 99801-1510 • (907) 586-1083

MEMORANDUM

To: Senator Al Adams, C&RA Committee Chairman
Committee Members

From: Carl FN Rose, Executive Director

Date: March 15, 1989

RE: CS SB 15 (C&RA)

GENERAL ARGUMENTS AGAINST BINDING ARBITRATION

NEA-Alaska has become a potent political force in the State of Alaska. As a result, legislators are acquiescing to demands that private sector labor relations issues such as the right-to-strike or binding arbitration be applied to the public sector.

The Legislature cannot ignore the differences between the private sector and the public sector. Some of these differences are relevant to collective bargaining and have broad implications, as follows:

Sovereignty
The issue of sovereignty is involved in public sector bargaining. If the laws of the land are to be enforced, then government must retain its sovereignty. A private company does not face this issue. Its services are not mandated by law. The only major limitation is that it cannot negotiate beyond its ability to stay in business and maintain a necessary profit margin.

Public Education
On the other hand, a local school board can, through binding arbitration, have its ability to deliver quality education at a reasonable cost seriously eroded. Additionally a school board must operate within the confines of state law, which cannot be abrogated by the simple signing of a labor contract with teachers.

Balance of Power
Government, by its very nature, lacks the incentives of a profit and loss economic system. One reason that collective bargaining came to the private sector was to place some control over an employer's ability to make unlimited profits through exploitation of workers. No such temptation exists in the public sector. The absence of the profit incentive and the absence of competition creates an imbalance between the bargaining powers of government labor and government management.

Mandated Teacher Benefits
Teachers enjoy mandated benefits such as tenure, retirement, sick leave, restrictions upon discharge, layoff, etc. In the private sector, such benefits must be bargained for. This difference complicates bargaining in that the public employee has an alternative route to obtain benefits other than the bargaining process. In essence, a school board is already bargaining with one hand tied behind its back since state law currently dictates what a school board must provide relating to major areas of employee benefits.

Negotiated Agreements
A negotiated agreement becomes *stronger* than law or policy because it cannot be changed until its expiration and then only through the complicated process of negotiations.

Binding Arbitration: The Great Escape

Binding arbitration provides a convenient excuse to escape accountability for bad decisions and inefficient operations. This is possible by blaming an arbitrator for certain unacceptable events or by blaming the state's bargaining law for the presence of an improper labor contract provision.

CLASS 1 UNDER P.E.R.A.

Teachers do not belong in Class 1 of the Public Employment Relations Act. This becomes clear if one considers the group of employees that are currently in Class 1. Those are police and fire protection employees, jail, prison, and other correctional institution employees, and hospital employees.

Crime and fires occur daily and would go unchecked without police and fire protection employees. To protect public safety, those sentenced to prison cannot be left unattended. Those who are ill or injured cannot postpone their illness or injury.

That is not the same with public education. State law merely requires that there be 180 days in session. For large periods of time, such as the summer months or winter and spring vacation periods, public education is not even provided. Public education can be postponed without harm. *That occurs every weekend.*

LAST-BEST-OFFER PACKAGE ARBITRATION

It cannot be disputed that collective bargaining is essentially the unions asking the school boards for more. That makes the expansion of a negotiated agreement inevitable. After years of negotiations, the typical labor contract contains a broad spectrum of provisions, all under the guise of working conditions. In essence, the public employer plays defensive bargaining. That is, the employer waits until the union brings in its proposals and simply responds to those proposals. This approach to bargaining is generally a one-way process, where the only question is how much of what will the union get?

Since a school board has the ultimate governing power, it does not need a collective bargaining agreement to assert that power. That power is found in State Law.

In the process of collective bargaining, the union attempts to cut back on that management power or right and also to increase the benefits that employees receive for performing the tasks assigned to them. As a result, **item by item last best offer binding arbitration will allow the complete union agenda to come before an arbitrator.** That could comprise one hundred proposed changes to the current negotiated agreement. An arbitrator would have to go through each of those 100 proposed changes one by one. *That is clearly to the benefit of the union since it wins immeasurably even if a small percentage of those changes are mandated.*

On the other hand, if its is the last best offer package arbitration, the union is penalized if it presents its wish list of items in the hope that the net will sweep in a couple of fish. It forces the union to deal with those issues that are truly of importance to its membership and can be balanced against the school district's needs and the public interest. Package last best offer arbitration would clearly be more beneficial to the bargaining process.

NEA-ALASKA

AFFILIATED WITH THE NATIONAL EDUCATION ASSOCIATION

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(907) 456-4435

March 13, 1989

To: Senator Al Adams, Chair
Members, Senate C & R A Committee

Re: CS for Senate Bill No. 15 (C&RA); "An Act including school employees in the Public Employment Relations Act as class (a)(2) employees entitled to a limited right to strike; establishing last-best-offer package arbitration for resolution of the collective bargaining process for public school employees; and providing for an effective date."

NEA-Alaska supports using the Public Employment Relations Act (PERA) as the mechanism for drafting a CS for SB 15. We encourage your careful but expeditious attention to this bill and hope that you will pass it from Committee on Thursday, March 16.

The PERA has proven its effectiveness as a collective bargaining law in Alaska and serves the best interests of both the public employers and public employees, therefore, the general public as well. Within the PERA are provisions for resolving the other problems and weaknesses of the current school employee negotiations law.

We respectfully request that the Committee give serious consideration to two changes in the CS as it has been adopted by the Committee.

In the title on page 1, line 7 and again on page 3, line 22, and then editorially through-out, we suggest that the class for school district employees be changed to (a)(1), finality through arbitration rather than the limited right to strike category.

In the title on page 1, line 5 and again on page 4, line 22, and then editorially through-out the rest of section 4, we suggest that the technique of arbitration be changed from package to item by item arbitration.

School district employee negotiations should not require the threat or the reality of an employee strike to achieve

balance and equity in the negotiations process. Uninterrupted continuity in the programs and services for students is essential. By having last best offer arbitration immediately follow mediation absent the potential for a strike, the public interest is best served and the probability for a bilateral agreement short of serious impasse is enhanced.

The general public has consistently demonstrated strong support for arbitration over the alternative of school employee strikes.

Item by item arbitration is a better test of the validity of the issues which remain on the negotiations table at impasse. Each issue should be defensible and able to stand on its own merits.

Item arbitration cause a greater responsibility by the parties for the initial positions in each of the issues it brings into negotiations. It also give the mediator greater flexibility to achieve a bilateral settlement short of the actual arbitration award itself.

This, of course, supports the fundamental principle of collective bargaining which is a mutually acceptable bilateral agreement between the parties.

Thank you for your consideration of our position.

Respectfully submitted,

Bob Manners
Executive Secretary

cc: Senator Jim Duncan

ASSOCIATION OF ALASKA SCHOOL BOARDS
316 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

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

907 826 3274

CRAIG SCHOOL DISTRICT

Wm. D. Millhorn
Superintendent
and
Principal

SUMMARY

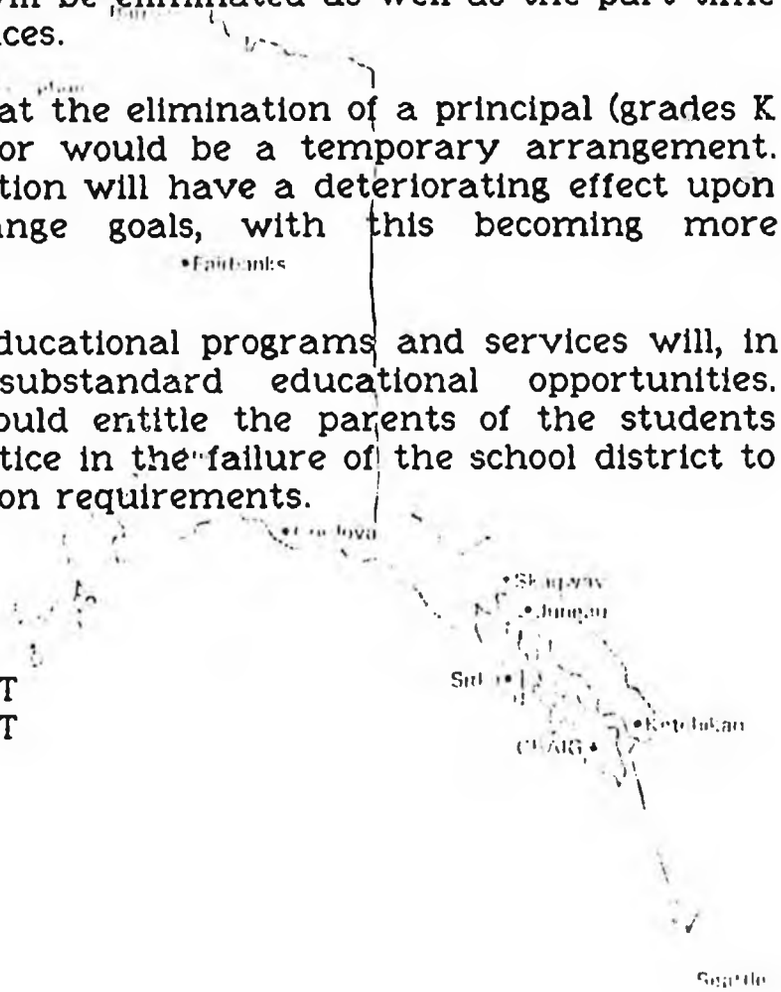
The reductions sustained in the 1988-89 school year were balanced in part by a better teacher-student ratio at the lower levels (K-2).

This positive factor will be eliminated as well as the part-time elementary librarian services.

It was anticipated that the elimination of a principal (grades K 12) and a district counselor would be a temporary arrangement. Continuation of this reduction will have a deteriorating effect upon immediate and long range goals, with this becoming more pronounced.

Further erosion of educational programs and services will, in my opinion, produce substandard educational opportunities. Further, this situation would entitle the parents of the students involved to claim malpractice in the failure of the school district to provide even basic education requirements.

DAVID JOHNSON, PRESIDENT
CRAIG CITY SCHOOL DISTRICT
BOARD OF EDUCATION



CRAIG CITY SCHOOL DISTRICT
LOST OR REDUCED PROGRAMS AND SERVICES
DUE TO REDUCTION IN REVENUES FROM THE STATE

CLASS DESCRIPTION	1987-88		*	1988-89		*	1989-90	
	ENROLLMENT	FTE	*	ENROLLMENT	FTE	*	ENROLLMENT	FTE
ELEMENTARY			*			*		
KINDERGARTEN	32	1.33	*	26	1.33	*	30	0.67
1ST GRADE	26	1.00	*	30	2.00	*	26	1.00
2ND GRADE	16	1.00	*	22	2.00	*	30	1.00
3RD GRADE	18	1.00	*	15	1.00	*	22	1.00
4TH GRADE	19	1.00	*	20	1.00	*	15	1.00
5TH GRADE	18	1.00	*	15	1.00	*	20	1.00
6TH GRADE	16	1.00	*	20	1.00	*	15	1.00
LIBRARIAN		0.33	*		0.19	*		0.00
ART		0.00	*		0.00	*		0.00
MUSIC		0.40	*		0.00	*		0.00
PHYSICAL ED		0.50	*		0.00	*		0.00
SPEECH THERAPIST		0.25			0.10			0.10
TOTAL	**145**	**8.81**	*	**148**	**9.62**	*	**158**	**6.766**
HIGH SCHOOL 7-12			*					
GENERAL TEACHERS		7.50	*		8.00	*		8.00
MUSIC		0.50	*		0.50	*		0.50
PHYSICAL ED		0.50	*		0.50	*		0.50
FOREIGN LANGUAGE		0.50	*		0.00	*		0.00
LIBRARIAN		1.00	*		0.00	*		0.00
ART		0.50	*		0.00	*		0.00
COUNSELOR		1.00	*		0.00	*		0.00
SPECIAL ED		1.00	*		1.00	*		1.00
PRINCIPAL		1.00	*		0.00	*		0.00
SPEECH THERAPIST		0.25	*		0.11	*		0.11
TOTAL	78	13.75	*	68	10.11	*	78	10.11
TOTAL ALL	**223**	**22.56**	*	**216**	**19.73**	*	**236**	**16.876**
SUPPORT SERVICES								
SUPERINTENDENT		1.00	*		1.00	*		1.00
BUS. MANAGER		1.00	*		1.00	*		1.00
DIST SECRETARY		1.00	*		1.00	*		1.00
MAINT. SUPERVISOR		1.00	*		1.00	*		1.00
ELEMENTARY SEC.		1.00	*		1.00	*		1.00
H.S. CLERICAL		1.00	*		0.80	*		0.80
CUSTODIAL		2.00	*		1.88	*		1.88
KITCHEN		2.00	*		1.88	*		1.88
TOTAL		**10.00**	*		**9.56**	*		**9.56**

907-826-3274

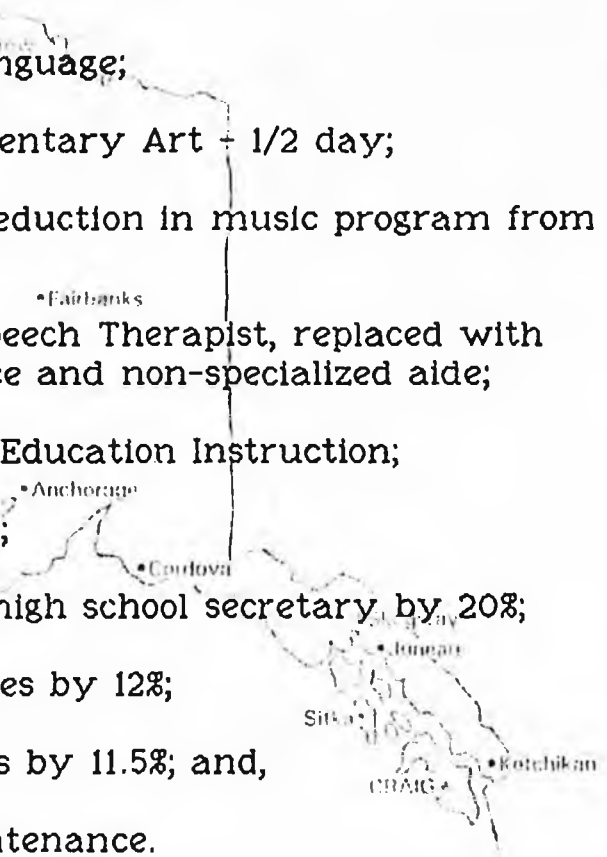
CRAIG SCHOOL DISTRICT

Wm. D. Millhorn
Superintendent
and
Principal

FINANCIAL EXIGENCY

PROGRAM OR SERVICES DISCONTINUED IN THE CRAIG CITY SCHOOL DISTRICT BECAUSE OF THE REDUCTION IN REVENUES FROM THE STATE.

1. Loss of full-time Principal;
2. Loss of full-time Counselor;
3. Discontinuance of Foreign Language;
4. Loss of High School and Elementary Art - 1/2 day;
5. Loss of Elementary Music, reduction in music program from 90% to 50%;
6. Loss of half-time certified Speech Therapist, replaced with nine (9) days itinerate service and non-specialized aide;
7. Loss of Elementary Physical Education Instruction;
8. Loss of High School Librarian;
9. Reduction in Clerical Staff - high school secretary by 20%;
10. Reduction in Custodial Services by 12%;
11. Reduction in Kitchen Services by 11.5%; and,
12. Deferring of Preventive Maintenance.



All of the above items will impact the school district in various ways.

SUMMARY: The loss of the above is evident. Further erosion, in my opinion, would be a substandard educational program. Further, it would entitle the parents of the students involved to claim mal-practice on the part of the educational system for failure to provide even basic education.

Testimony Before the Senate HESS Committee
April 28, 1989

Presented by Cora Sakeagak, Clerk
Board of Education, North Slope Borough School District

Senator Fischer and members of the Senate HESS Committee, thank you for the opportunity to testify before your Committee. In your capacity as Chairman of this Committee, Senator Fischer, I wish to thank you on behalf of our School Board for your special interest in the education of children throughout Alaska and the North Slope. We appreciate your past efforts to extend fairness and objectivity during the binding arbitration deliberations.

My name is Cora Sakeagak and I am here representing the seven-member Board of Education for the North Slope Borough School District. I am currently serving my second three-year term on the Board. Like many of our elected School Board members and other Alaskan officials, I thoroughly enjoy and respect the democratic process we use before making critical decisions on behalf of our constituents. My husband Morgan and I have four children and we value highly those aspects related to the family unit, which, of course, includes a sound educational base for them.

Our School Board continues to strongly oppose the passage of Senate Bill 15 and any other legislation related to binding arbitration. Nowhere in this bill do I see fairness and equity toward management rights; most of all, toward the children we have the privilege of serving. Before acting on issues, the driving force behind all the decisions we make is: Is this decision in the best interest of our students? What will be the impact of this decision on our students?

Locally-elected School Board members have the responsibility and the authority to govern and manage the schools. We are keenly aware of this and we do our very best to protect this right vested in us by the Legislature.

We are extremely disturbed that the rights of the School Board and management may be jeopardized. It appears that this bill caters heavily toward one side of this issue without regard to the precious democratic process used by elected School Board members in making sound educational decisions.

Our democratic process would be imbalanced by binding arbitration laws. Very detrimental to the complicated social and economic fabric of our communities is the "unconstitutional" delegation of the school board's authority to a third party. This places an extremely imbalanced amount of power into the hands of an unelected, unaccountable person (not knowledgeable in the education field) and who does not live in the area being affected by binding arbitration. How is this imbalance of power and the deminishment of local control viewed by the Legislature? I ask this question because school boards hold in high regard the authority vested in them to govern schools at the local level.

In 1988, out of 55 districts, only three districts had unsettled contracts. Historically, negotiations in Alaska have been completed before contract expiration dates. Does that constitute a drastic change for ALL school districts in Alaska?

Indeed, it is wise to learn from history and to take heed to its warnings. Already, the states of South Dakota, California, Colorado, Utah, and Ohio, have had their binding arbitration laws overturned and termed unconstitutional by the Supreme Courts.

Alaskans overall enjoy the constitutional right to exercise maximum local control. We treasure this right because it allows those of us who are elected school board members to make decisions that will allow our children to reach their maximum potential in achieving academic excellence. This is our goal. Any actions we make must maintain a strong instructional focus on the learner.

We ask that the Legislature first legally review this proposed binding arbitration legislation. A legal opinion on the constitutionality of this bill would only be fair and cause us to act more responsibly as elected officials.

Binding arbitration would virtually wreck our finances even further than we are now, during these financial-troubled times. Again, binding arbitration history shows that salary and benefits have significantly increased, at the expense of educational programs. To wipe out our students' educational programs in order to further increase our highly paid teachers is not a decision we on the North Slope are willing to make at all.

Finally, I wish to point out that State and Federal contributions to school districts are decreasing every year and local governments thereby are experiencing hardships to make up the difference. Pending legislation is also seeking an increase in local contributions. The North Slope Borough School District receives the majority of our funding from our local municipality; not from the State and Federal governments. It is unfair for the State to impose laws on the North Slope Borough School District when its dollar contribution to my area is less than 30 percent of our total budget. The majority of our funding does not stem from the State of Alaska. We feel strongly that we exercise maximum local control because the majority of our funding comes from our own local contributions.

Members of the Senate HESS Committee, I wish to reiterate that proposed binding arbitration laws in our State should be legally reviewed and thoroughly studied before any further actions are taken by the Legislature. Copies of the Legislature's legal opinion should be distributed to ALL school boards in Alaska for our review as well. To do so would demonstrate an air of some regard toward those of us who are elected school officials.

Again, Senator Fischer and members of the Committee, thank you for any consideration you can give to our Alaskan school boards and the North Slope Borough School District.

1332 Matterhorn Way
Anchorage, AK 99508

March 17, 1989

Honarable Al Adams, Chairman
Senate Community & Regional Affairs Committee
P.O. Box V
Juneau, AK 99811

Dear Senator Adams:

I very much appreciated the opportunity to testify before your Committee yesterday regarding CSSB 15. Prior to the hearing, I was not aware of the time constaints on testimony, nor was I aware that the discussion would be limited to the category of employees and the type of binding arbitration. As a result, I had prepared more extensive comments dealing almost exclusively with the issue of so-called lack of finality and the propriety of compulsory binding interest arbitration. I have enclosed the full text of the testimony that I intended to give and should very much appreciate your consideration of it as you deliberate on this proposed legislation.

As I listened to all of yesterday's testimony I was stuck by the composition of the groups that spoke for and against binding interest arbitration. Every person who testified in favor of binding arbitration was a labor union member, all but two of whom were members of NEA-Alaska who have the potential to accrue personal financial gain from this legislation. On the other hand, except for the person from the Chamber of Commerce and myself, all of those who testified against binding arbitration were school board members, their employed administrators, and their association leaders. None of them have any potential for financial gain from this legislation whether it passes or fails. Instead, they are apparently making an earnest effort to do what is in the best interests of the public who put them into office to utilize sound judgment on their behalf.

It is clear that compulsory binding interst arbitration is a special interest proposal designed to benefit only a special interest group. The bill will not benefit education or the public as evidenced by the overwhelming testimony of those who are in the best possible position to know the will of the people on this matter.

I urge you to search out your heart and your conscience and oppose this legislation.

Very sincerely,

B.A. Weinberg

March 15, 1989

TESTIMONY --CSSB 15
SENATE COMMUNITY REGIONAL AFFAIRS COMMITTEE

B.A. Weinberg
1332 Matterborn Way
Anchorage, AK 99508

By way of background, I have worked in public education continuously since 1962 as a teacher, principal, superintendent, and as a management consultant for school districts. My public school career in Alaska began in 1965. I am also a parent with children in Alaska public schools dating back to 1971; with the last one graduating in the year 2005.

As a superintendent and management consultant, I have been intimately involved in labor relations and collective bargaining for some fifteen years. I have bargained many agreements for Alaska school districts and am very familiar with how well the present process works and with its shortcomings. In spite of its shortcomings, the system does work.

Regrettably, however, a great deal of misinformation has been promulgated for the purpose of convincing the Legislature and the public that binding interest arbitration would benefit public schools. Most of this misleading information has come from NEA-Alaska, the labor union for the majority of Alaska teachers. In my experience, however, labor unions work primarily for the private interests of there own members, not for the interests of the enterprise that employs their members nor for the interests of the general public. It would be naive to assume that NEA-Alaska differs from the norm in this regard.

This labor union cites as the major problem with school district collective bargaining the lack of finality. Such a contention is pure poppycock. There definitely is finality in school district collective bargaining. Finality in the overwhelming majority of cases is the mutual agreement of the parties. In the relatively few instances wherein the parties do not agree in a resonably timely manner, the district usually continues to honor the prior agreement, or in rare cases, imposes its last best offer until mutual agreement is reached-- and agreement always comes sooner or later.

Under present law, as a last resort in an unresolved bargaining dispute, the school board, as the elected representatives of the people, makes the final decisions regarding the econmic and policy matters at issue. What could be more appropriate under our representative form of government than to have elected representatives

make such decisions? Yet the teachers' union would have these decisions that can critically affect the education of our children turned over to a third party who has no stake in the outcome and who is not accountable to the electorate for the results. Thus if an arbitration award adversely affects education, the public has no one to turn to for a remedy. Such an arrangement flies in the face of the long-ingrained American principle that the "public schools belong to the people" and of the very foundations of our representative form of government.

NEA-Alaska further asserts to boister their case that in many districts teachers are forced, due to protracted bargaining, to work for months or even years without a contract. Again, this is deliberately misleading. There is a continuing contract provision in Alaska law that has been upheld in state courts which requires an employer to honor the terms of an agreement beyond its nominal expiration date at least until impasse. Futhermore, several Alaska agreements expressly provide that they shall continue in effect until new agreements are bargained. Employees cannot have it both ways-- they cannot enjoy the security of continuing contract provisions while at the same time they claim they are working without a contract. I believe the facts will show that in the history of school district collective bargaining in Alaska, there have been precious few times that teachers have actually worked without a contract, contrary to the claim of the union.

NEA-Alaska also implies that protracted bargaining is the fault of school districts. The opposite is more likely the case. This is especially true under the economic circumstances that have existed in Alaska for the last few years and which are likely to continue for some time. When the school district is seeking concessions to address a fiscal crisis, it is to the union's advantage to stall the process as long as possible to enjoy the status quo under a continuing contract. Futhermore, in my experience several bargaining traits of teachers tend to prolong the process. For each successive agreement they place a myriad of new demands on the table which cost millions of dollars, which adversely affect productivity, and which interfere which the district's management rights -- and then they retreat from or comprimise on these new demands only very reluctantly. They are often ill-prepared to bargain and often do not fully understand their own demands. It is not uncommon for a teacher bargaining team to take an extended caucus prior to presenting each demand simply to prepare their arguments. Also teacher bargaining teams typically come to the table without sufficient authority to make deals and must continually go back to their membership for further direction.

Sometimes the union delays reaching agreement because they think they can do better with a new superintendent or if the composition of the board changes. Last August I was involved in mediation following extended bargaining. After the union's NEA-Alaska negotiator discussed the district's final offer with his team, he advised the mediator and myself privately of their decision. He said, "The District's offer is more than fair. However, the teach-

er's think that in October they may have five friends on the Board and be able to do better. Therefore, we are rejecting the offer." When this agreement was still not settled in December, the teachers threw out their NEA-Alaska affiliated bargaining agent and established a new non-affiliated local association. An agreement was then reached after a half day of discussion with the new bargaining agent.

Before the Legislature accepts the union's claim that protracted bargaining is usually the fault of school districts and that teachers are often forced to work for long periods without contracts, they should take care to ascertain whether the facts bear out such assertions.

NEA-Alaska also would have us believe that binding arbitration is necessary to terminate bargaining timely in order to avoid public unrest and low teacher morale. During the bargaining process, however, virtually all public concern and most morale problems are generated by the union itself. They are almost never satisfied simply to hash out the issues at the bargaining table. Instead they have well laid out strategies to prime the media and otherwise create public awareness for their so-called plight. In so doing they paint their own demands in the most modest and altruistic light, and they paint the district's positions in the most unreasonable and meanspirited light. Unfortunately, honesty often takes a back seat to their desire to obfiscate the issues in order to accrue public support for their positions.

They even use similar strategies through meetings and newsletters to hype up their own members. Often rank and file teachers are deliberately kept in the dark about the true issues and the actual positions of the parties in order to generate and maintain support for the union bargaining team. Whatever morale problems are incurred are more a function of the union's efforts than of the bargaining process itself.

At the last hearing on this bill the Committee heard testimony from the president of the teachers' union in a large rural school district. She reported that after protracted bargaining the district was finally forced to settle due to public pressure. When asked what the issues in dispute were, she was unable to identify them. If the unresolved matters were truly of such significance as to drag out bargaining, adversely affect teacher morale, and generate public pressure to settle, one would think that the union president, of all people, would know what they were. Since she did not, one can only speculate about how much less the public and the rank and file members knew about what was in dispute.

Furthermore, if the actual facts of this particular case were carefully examined, it would be learned that there was no discernable public pressure on the district for a settlement. Instead, what precipitated agreement was a request from the union to return to the bargaining table after advisory arbitration because, as they stated in their communication to the district, the union had sub-

stantial modications in their positions which they wished to present.

Also at the last hearing the president of NEA-Alaska cited the results of several surveys which purported to show that the people of Alaska favor binding interst arbitration in school district collective bargaining. This is a gross and deliberate distortion of the public will. When a forced choice survey is conducted giving just two undesirable options, the result will only be an expression of what people view as the less undesirable of the two. It certainly will not reflect what the respondents actually want. For instance, picture a survey that posed the question, "If you had to have one hand or the other amputated, which would you choose?" Under such a forced choice situation the likely overwhelming response would be that the left hand could better be done without since most people are right handed. However, one would have to be bereft of one's senses to infer that the survey proved that most people would like to have their left hand cut off.

A collective bargaining survey with a third option might produce dramatically different responses than the ones cited by NEA-Alaska. Assume if you will the following question being posed to the people of Alaska. "In an unresolved collective bargaining dispute between the school district and its teachers and other employees, which option would you prefer to bring about an end to the dispute? 1. Give teachers and other district employees the right to strike. 2. Have the final economic and policy decisions made by a third-party arbitrator who is not elected by the people or accountable to the people for the results of those decisions. 3. Continue to have the final economic and policy decisions made by the school board who is elected by the people and who is directly accountable to the people for the results of those decisions." As one can imagine, the responses to such a survey might well be significantly different than what NEA-Alaska purports to be the public will on this issue.

The Legislature must keep uppermost in their minds that the public schools are a creature of the people and intended to serve the people. Historically, therefore, they have been controlled by the people through elected representative school boards. A school board must view every issue that comes before it in the light of its effects on the provision of cost-effective education. Terms and conditions of employment for employees can not be addressed in isolation. With personnel costs making up 75%-85% of the typical school district budget, the fiscal implications of cost increases and decreases are far-reaching throughout virtually every aspect of the district's program and operation.

In addition to the purely economic issues, there are many policy matters that are laid on the bargaining table. Provisions that deal with teacher selection, assignment, transfer, evaluation, discipline, lay off, and discharge affect the ability of the district to employ and supervise its human resources in such a way as to optimize quality education. Academic freedom clauses impact the

determination of what students will be taught. Provisions dealing with parent complaints and classroom visitations affect parents' rights to be meaningfully involved in their children's education. Student discipline clauses impact the rights of students to a free and appropriate education. Without belaboring the point, it should be clear that besides the economic matters, there are many policy matters that simply should not be turned over to arbitrators who might make decisions on an incomplete understanding of the importance or complexity of an issue or on the basis of which negotiator can more cleverly obfiscate the facts.

It must be remembered that what is at stake is one of our most sacred and important socio-governmental institutions. We are not dealing with a widget manufacturer who, in the case of an adverse arbitration decision, can simply raise widget prices, increase automation, close a plant, or reduce dividends to stockholders. School districts have no such options. Furthermore, they have no independent means of increasing revenues. Thus, in the event of an adverse award, the district will be forced to modify its program or operation in a way that may not serve the best interests of the students and the public. Such a situation is undesirable and inappropriate and should not be tolerated.

NEA-Alaska has, over the past ten years, created a problem simply by claiming that a problem exists. In order to bolster their position, they have asserted altruistic motives, have distorted the facts, and have misplaced blame for the so-called problem. With all due respect to its sponsors, this proposed legislation has been promoted by a special interest group which simply wants to add yet another advantage to the long list of statutory advantages it already enjoys. It is naive to believe that NEA-Alaska, a labor union, would spend ten years promoting binding arbitration legislation because they truly believe it is in the best interests of education or because it produces fairness and equity. Instead, they see it as a means of enhancing the likihood of securing more beneficial terms and conditions of employment for their members. It is, of course, their job to do just that; however, it is time to call a spade a spade and recognize this for what it is, a special interest proposal.

Ironically, as a labor relations consultant for school districts, I might well be the principal financial beneficiary of this proposed legislation, as its passage would likely create a dramatic increase in the demand for my services. However, as a citizen, as a parent, as a practitioner in public education, as a proponent of public control of public schools, and as a advocate for our representative form of government, I must vigorously oppose this legislation. It's passage would not serve the interests of education, would not serve the interests of the general public, and would be an inappropriate, if not illegal, delegation of critical powers from elected public officials to third parties. Therefore, I strongly urge you to defeat any attempt to mandate binding interest arbitration for teachers and other public school employees.

There may indeed be some significant problems with our school district employment and collective bargaining statutes. However, before piece-meal or simplistic "solutions" are applied, a comprehensive and objective review of all of the issues should be undertaken so as to definitively determine what significant problems exist, if any, and what their magnitude may be. Stepping in with a binding arbitration fix, a right to strike fix, or a Title 23 fix prior to a full, complete, and dispassionate examination of all of the interrelated issues would be both unwarranted and unwise.

Thank you very much for the opportunity to testify on this important issue.

B.A. Weinberg

G

STATE OF ALASKA

DEPARTMENT OF EDUCATION

STEVE COWPER, GOVERNOR

GOLDBELT PLACE
801 WEST 10TH STREET
P.O. BOX F
JUNEAU, ALASKA 99811-0500

Position Paper on SB 15

First Session
16th Alaska Legislature

Neither the State Board of Education nor the Department of Education has a position on this issue.

for Steve Hale

William G. Demmert
Commissioner

3-6-89

Date

05-E13L-4

SB

29

Dear Paul,

APR 0 3 1989

Please pass note Bill # 79

Thank-You

Robin Lavoie

Lavoie
P.O. Box 242031
nchorage, AK 99508

America the Beautiful USA 15

Hon. Paul Fischer
P. O. Box V
Juneau, AK 99811

ten
Ct
AK 99504

ANCHORAGE, AK
1 PM
31 MAR
1989

Senator Paul Fischer
P. O. Box V
Juneau, AK 99811

er: 3/31/89

APR 0 4 1989

te in regards to Senate Bill 29 which
te Registered/Licensed Psychologist
irectly.

be able to make a choice as to which
see. Their freedom of choice is non-
ly under current procedures - at least

is one of the basic human rights we
the most. Please expedite the passage

Thank you.

Dennis Tweeten
907-333-0379

O. Clark
330 Princeton Dr
Anchorage, AK
99508

Done

File with

Sen. Pra Bill - No

P.C response needed

Su

Dear Paul, 3/29/89.

Please pass Senate
Bill #29.

Thank you
Victoria Clark

Thomas L. Jewitt MD
4001 Dale St., #101
Anchorage, AK 99508

America the Beautiful USA 15

Sen. Paul Fischer
P.O. Box V
Juneau
Alaska 99811

29 Mar 89

Dear Mr Fischer,

I respectfully request that you refer Senate Bill 29 expeditiously to the House-Senate committee, and support its passage. As a psychiatrist, I have good faith in the professional caliber of doctoral level clinical psychologists, and firmly believe that as a group they are entitled to the same reasonable reimbursements as physicians.

Sincerely, Thomas J Jewett M.D.

Tim Kaderman
1548 Summit View St
Anchorage, AK
99504

America the Beautiful USA 15

Sen. Paul Fischer
PO Box V
Juneau, Ak
99811

Senator Fischer,

It has come to my attention that you are at this time sitting on Senate Bill 29 - that which would allow Psychologists to accept Medicaid payments, and thus not allowing it to come to the floor. I feel that this is not a wise stance and urge you to reconsider. Please get this bill moving so that individuals of lower income can get the valuable services of a Psychologist as needed. Sincerely, Tim Kastens

America the Beautiful USA 15

Sen. Paul Fisher
P.O. Box Y
Juneau AK 99811

3-29-09

Dear Sen Fisher

I respectively request that Sen Bill 29 be passed through committee & request your support.

Randall G. Jones a.k.a.
4001 Date st #101
Anchorage AK 99508

America the Beautiful USA 15

Paul Fisher
P.O. Box V
Juneau, AK 99811

I support SB 29.

I see a lot of foster parents working with many foster youth in Anchorage, Kenai, & Palmer. Many of these are Medicaid reimbursed. I specialize with delinquent youth. I am an expert in this. No M.D. is necessary to supervise one in this.

M. Mathops, Ph. D. Anchorage, AK

America the Beautiful USA 15

Paul Fisher
P.O. Box V
Juneau, AK 99811

Dear Senator Fisher,

Please support Senate Bill # 29. Thank you.

Janet W. Converse
Box 3223
Palmer, AK 99645

D Haden, PhD
4001 Dale St. Ste 101
Anchorage, AK 99520

America the Beautiful USA 15

Paul Fisher
P.O. Box V
Juneau, AK 99811

3/29/89

Dear Senator Fisher:

This is to inform you that I strongly support the opportunity for individuals with limited income to receive needed & appropriate mental health services.

Please pass Senate Bill 29 through your committee and help our needy citizens.

Deborah A. Bolen, Ph.D
Anchorage

America the Beautiful USA 15

Hon. Sen Paul Fisher
P.O Box V
Juneau, AK 99811

Dear Sen Fuller,

I understand S.B 29 needs to be sent next to The House-Senate Committee from your Committee. I support this bill & hope it will soon be enacted into law.

Donald Pearson
2050 Woodrow
Anchorage AK
99507

Tamagdelena
1311 W. 72nd Cir
Anchorage
99518

ANCHORAGE, AK
PM
MAR
1989

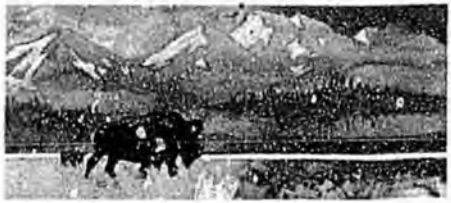
America the Beautiful USA 15

Paul Fischer
Box V
Juneau AK 99811

I support the passage
of S. 29.

Debra
Lamaqdel
VT

Dr. Madigan
550 E. Tudor Rd
Anch AK 99508



America the Beautiful USA 15

PAUL FISCHER
BOX V
JUNEAU AK 99811

I support passage of S.B. #29, to allow medicaid coverage for treatment by psychologists.

Thank You

James Madigan DC

2703 Aspen Drive
Anchorage AK 99517

ANCHORAGE, AK 995
5 PM
31 MAR
1989

America the Beautiful USA 15

Paul Fisher
Box V
Juneau AK
99811

I Support passage of
S 29 for medicade
payment, to phychaologist

Linda Little
2703 ASpen Drive
Anchorage AK 995[illegible]7

M Terrell
3432 Loussac
Anch AK 99

America the Beautiful USA 15

Paul Fischer
Box V
Juneau, AK.
99811

Dear. Mr Fischer,

I support passage of F-29 for Psychologists.

-Melissa Tirrell

America the Beautiful USA 25

Senator Paul Fischer
P.O. Box V
Juneau, AK 99811