A bill to amend 1969 PA 312, entitled
"An act to provide for compulsory arbitration of labor disputes in municipal police and fire departments; to define such public departments; to provide for the selection of members of arbitration panels; to prescribe the procedures and authority thereof; and to provide for the enforcement and review of awards thereof,"
by amending sections 2, 5, 6, 8, and 9 (MCL 423.232, 423.235, 423.236, 423.238, and 423.239).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 2. (1) Public AS USED IN THIS ACT, "PUBLIC police and OR fire departments-DEPARTMENT EMPLOYEE" means any department-EMPLOYEE of a city, county, village, or township, having employees OR OF ANY AUTHORITY, DISTRICT, BOARD, OR ANY OTHER ENTITY CREATED IN WHOLE OR IN PART BY THE AUTHORIZATION OF 1 OR MORE CITIES, COUNTIES, VILLAGES, OR TOWNSHIPS, WHETHER CREATED BY STATUTE, ORDINANCE, CONTRACT, RESOLUTION, DELEGATION, OR ANY OTHER MECHANISM, WHO IS
enacted as policemen, a POLICE OFFICER, or in fire fighting or
subject to the hazards thereof; emergency medical service
personnel employed by a PUBLIC police or fire department; or an
emergency telephone operator, BUT ONLY IF DIRECTLY employed by a
PUBLIC police or fire department. PUBLIC POLICE AND FIRE DEPARTMENT
EMPLOYEE DOES NOT INCLUDE ANY OF THE FOLLOWING:

(A) AN EMPLOYEE OF A COMMUNITY COLLEGE.

(B) AN EMPLOYEE OF A METROPOLITAN DISTRICT CREATED UNDER 1939
PA 147, MCL 119.51 TO 119.62.

(C) AN EMERGENCY TELEPHONE OPERATOR EMPLOYED BY A 911
AUTHORITY OR CONSOLIDATED DISPATCH CENTER.

<<(D) AN EMPLOYEE OF AN AUTHORITY THAT IS IN EXISTENCE ON JUNE 1,
2011, UNLESS THE EMPLOYEE IS REPRESENTED BY A BARGAINING
REPRESENTATIVE ON THAT DATE OR A CONTRACT IN EFFECT ON THAT DATE
SPECIFICALLY PROVIDES THE EMPLOYEE WITH COVERAGE UNDER THIS ACT. AN
EXCLUSION UNDER THIS SUBDIVISION TERMINATES IF THE AUTHORITY
COMPOSITION CHANGES TO INCLUDE AN ADDITIONAL GOVERNMENTAL UNIT OR
PORTION OF A GOVERNMENTAL UNIT. THIS SUBDIVISION DOES NOT APPLY TO
TERMINATE AN EXCLUSION CREATED UNDER SUBDIVISIONS (A) TO (C).>>

(i) THE EMPLOYEE IS COVERED BY A COLLECTIVE BARGAINING
AGREEMENT, AS OF JUNE 1, 2011.

(ii) THE EMPLOYEE'S COLLECTIVE BARGAINING AGREEMENT
SPECIFICALLY INCLUDES A PROVISION PROVIDING FOR COVERAGE UNDER THIS
ACT AS OF JUNE 1, 2011.

(iii) THE AUTHORITY COMPOSITION CHANGES AFTER JUNE 1, 2011 TO
INCLUDE AN ADDITIONAL GOVERNMENTAL UNIT OR AN ADDITIONAL PORTION OF
A GOVERNMENTAL UNIT.

(2) "Emergency medical service personnel" for purposes of this
act includes a person who provides assistance at dispatched or
observed medical emergencies occurring outside a recognized medical
facility including instances of heart attack, stroke, injury
accidents, electrical accidents, drug overdoses, imminent
childbirth, and other instances where there is the possibility of
death or further injury; initiates stabilizing treatment or 
transportation of injured from the emergency site; and notifies 
police or interested departments of certain situations encountered 
including criminal matters, poisonings, and the report of 
contagious diseases. "Emergency telephone operator" for the purpose 
of this act includes a person employed by a police or fire 
department for the purpose of relaying emergency calls to police, 
fire, or emergency medical service personnel.

(3) This act **shall** DOES not apply to persons employed by a 
private emergency medical service company who work under a contract 
with a governmental unit or personnel working in an emergency 
service organization whose duties are solely of an administrative 
or supporting nature and who are not otherwise qualified under 
subsection (2).

Sec. 5. (1) Within 7 days of a request from 1 or both parties, 
the employment relations commission shall select from its panel of 
arbitrators, as provided in subsection (2), 3 persons as nominees 
for impartial arbitrator or chairman of the arbitration panel. 
Within 5 days after the selection each party may peremptorily 
strike the name of 1 of the nominees. Within 7 days after this 5-

day period, the commission shall designate 1 of the remaining 
nominees as the impartial arbitrator or chairman of the arbitration 
panel.

(2) The employment relations commission shall establish and 
appoint a panel of arbitrators, who shall be known as the Michigan 
employment relations commission panel of arbitrators. The 
commission shall appoint members for indefinite terms. Members
shall be impartial, competent, and reputable citizens of the United States and residents of the state, and shall qualify by taking and subscribing the constitutional oath or affirmation of office. The commission may at any time appoint additional members to the panel of arbitrators, and may remove existing members without cause.

(3) THE EMPLOYMENT RELATIONS COMMISSION SHALL ESTABLISH THE QUALIFICATIONS AND TRAINING THAT ARE NECESSARY FOR AN INDIVIDUAL TO SERVE AS THE CHAIR OF AN ARBITRATION PANEL UNDER THIS ACT. THE COMMISSION MAY WAIVE THE QUALIFICATIONS AND TRAINING REQUIREMENTS FOR AN INDIVIDUAL WHO HAS SERVED AS A COMMISSION-APPOINTED CHAIR OF AN ARBITRATION PANEL IN AN ARBITRATION PROCEEDING UNDER THIS ACT BEFORE THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION.

Sec. 6. Upon the appointment of the arbitrator, he shall proceed to act as chairman of the panel of arbitration, call a hearing, to begin within 15 days after appointment, and give reasonable notice of the time and place of the hearing. The chairman shall preside over the hearing and shall take testimony. Upon application and for good cause shown, and upon such terms and conditions as are just, the arbitration panel may grant leave to intervene to a person, labor organization, or governmental unit having a substantial interest therein may be granted leave to intervene by the arbitration panel. Any oral or documentary evidence and other data deemed relevant by the arbitration panel may be received in evidence. It considers relevant. The proceedings shall be informal. Technical rules of
evidence shall not apply and DO NOT IMPAIR the competency of the evidence. shall not thereby be deemed impaired. A verbatim record of the proceedings shall be made, and the arbitrator shall arrange for the necessary recording service. Transcripts may be ordered at the expense of the party ordering them but the transcripts shall ARE not be necessary for a decision by the arbitration panel. The expense of the proceedings, including a fee to the chairman, CHAIR, established in advance by the labor mediation board MICHIGAN EMPLOYMENT RELATIONS COMMISSION shall be borne equally by each of the parties to the dispute. and the state. The delegates, if public officers or employees, shall continue on the payroll of the public employer at their usual rate of pay. The hearing conducted by the arbitration panel may be adjourned from time to time, but unless otherwise agreed by the parties, shall be concluded within 30 AND ANY POSTHEARING BRIEFS FILED WITHIN 180 days of the time of its commencement. AFTER IT COMMENCES. Its majority actions and rulings shall constitute the actions and rulings of the arbitration panel. Sec. 8. At or before the conclusion of the hearing held pursuant to section 6, the THE arbitration panel shall identify the economic issues in dispute — and direct each of the parties to submit, within such time limit as the panel shall prescribe, to the arbitration panel and to each other its last offer of settlement on each economic issue BEFORE THE BEGINNING OF THE HEARING. The determination of the arbitration panel as to the issues in dispute and as to which of these issues are economic shall be IS conclusive. The arbitration panel, within 30 days after the conclusion of the hearing, or such further additional periods.
to which the parties may agree, WITHIN UP TO 60 ADDITIONAL DAYS AT
THE DISCRETION OF THE CHAIR, shall make written findings of fact
and promulgate a written opinion and order. upon the issues
presented to it and upon the record made before it, and shall mail
or otherwise deliver a true copy thereof to the parties and their
representatives and to the employment relations commission. As to
each economic issue, the arbitration panel shall adopt the last
offer of settlement which, in the opinion of the arbitration panel,
more nearly complies with the applicable factors prescribed in
section 9. The findings, opinions and order as to all other issues
shall be based upon the applicable factors prescribed in section 9.
This section as amended shall be applicable only to arbitration
proceedings initiated under section 3 on or after January 1, 1973.

Sec. 9. (1) Where there is no agreement between the parties,
or where there is an agreement but IF THE PARTIES HAVE NO
COLLECTIVE BARGAINING AGREEMENT OR the parties HAVE AN AGREEMENT
AND have begun negotiations or discussions looking to a new
agreement or amendment of the existing agreement, and wage rates or
other conditions of employment under the proposed new or amended
agreement are in dispute, the arbitration panel shall base its
findings, opinions, and order upon the following factors: as
applicable:

(A) THE FINANCIAL ABILITY OF THE UNIT OF GOVERNMENT TO PAY.

ALL OF THE FOLLOWING SHALL APPLY TO THE ARBITRATION PANEL'S
DETERMINATION OF THE ABILITY OF THE UNIT OF GOVERNMENT TO PAY:

(i) THE FINANCIAL IMPACT ON THE COMMUNITY OF ANY AWARD MADE BY
THE ARBITRATION PANEL.
(ii) THE INTERESTS AND WELFARE OF THE PUBLIC.

(iii) ALL LIABILITIES, WHETHER OR NOT THEY APPEAR ON THE BALANCE SHEET OF THE UNIT OF GOVERNMENT.

(iv) ANY LAW OF THIS STATE OR ANY DIRECTIVE ISSUED UNDER THE LOCAL GOVERNMENT AND SCHOOL DISTRICT FISCAL ACCOUNTABILITY ACT, 2011 PA 4, MCL 141.1501 TO 141.1531, THAT PLACES LIMITATIONS ON A UNIT OF GOVERNMENT'S EXPENDITURES OR REVENUE COLLECTION.

(B) (a) The lawful authority of the employer.

(C) (b) Stipulations of the parties.

(c) The interests and welfare of the public and the financial ability of the unit of government to meet those costs.

(d) Comparison of the wages, hours, and conditions of employment of the employees involved in the arbitration proceeding with the wages, hours, and conditions of employment of other employees performing similar services and with other employees generally IN BOTH OF THE FOLLOWING:

(i) In public employment in comparable communities.

(ii) In private employment in comparable communities.

(E) COMPARISON OF THE WAGES, HOURS, AND CONDITIONS OF EMPLOYMENT OF OTHER EMPLOYEES OF THE UNIT OF GOVERNMENT OUTSIDE OF THE BARGAINING UNIT IN QUESTION.

(F) (e) The average consumer prices for goods and services, commonly known as the cost of living.

(G) (f) The overall compensation presently received by the employees, including direct wage compensation, vacations, holidays, and other excused time, insurance and pensions, medical and hospitalization benefits, the continuity and stability of
employment, and all other benefits received.

(H) (g) Changes in any of the foregoing circumstances during the pendency of WHILE the arbitration proceedings ARE PENDING.

(I) (h) Such other factors, not confined to the foregoing, which OTHER FACTORS THAT are normally or traditionally taken into consideration in the determination of wages, hours, and conditions of employment through voluntary collective bargaining, mediation, fact-finding, arbitration, or otherwise between the parties, in the public service, or in private employment.

(2) THE ARBITRATION PANEL SHALL GIVE THE FINANCIAL ABILITY OF THE UNIT OF GOVERNMENT TO PAY THE MOST SIGNIFICANCE, IF THE DETERMINATION IS SUPPORTED BY COMPETENT, MATERIAL, AND SUBSTANTIAL EVIDENCE.