



Content provided by MIRS News.
Visit us on the web at www.mirsnews.com.

MIRS Capitol Capsule, Tuesday, December 8, 2009

Municipal Leaders Call for Arbitration Reform

Arbitrators deciding contracts between municipalities and public safety unions that represent police officers and firefighters would be required to take the municipality's ability to pay wages into account before making their awards, under legislation sponsored by Rep. Joe **HAVEMAN** (R-Holland).

The legislation was promoted by the Michigan Municipal League (MML) in a press conference today, with league CEO Dan **GILMARTIN** speaking in support. He said the bill would amend PA 312 of 1969 which sets the arbitration rules so that excessive awards are discouraged and municipalities would actually be able to pay all of their officers.

"When we tell people that we have 2,000 less cops on the street than we had on 9/11, people are shocked," said Gilmartin, adding that 2,400 firefighters have also been lost since 2001. The figures are proof, he said, that a more modern solution is needed so that municipalities would not have to layoff officers due to excessive arbitration awards.

"This is a 40-year-old law whose time has come to change," Haveman said. "The current law has resulted in excessive costs to municipalities under these rules."

The House member also gave his concern that allowing arbitrators to unilaterally decide these awards takes elected officials out of the equation, and, in effect, hurts democracy.

Haveman's concerns were echoed by MML President Jeff **JENKS**, who also serves as the Mayor pro tem of Huntington Woods. He said that layoffs would continue without this legislation, and said that it would help control costs.

"The amendment wouldn't cost the state a dime," assured Jenks.

The press conference ended with Howell Police Chief George **BASAR** calling for this legislation in order to keep police officers on the streets protecting public safety.

In a statement released by the Small Business Association of Michigan, CEO Rob **FOWLER** shared criticism of PA 312, but stated that it should be completely repealed, not reformed.

"PA 312 raises the price of government by mandating unaffordable labor costs for police and fire. High labor costs mean municipalities can find it more difficult to provide an entrepreneurial environment that's friendly to small business formation and growth," said Fowler.

The bill is sitting in the House Labor Committee.