JOINT INFORMATIONAL BRIEF BY CALIFORNIA STATE ASSOCIATION OF COUNTIES AND LEAGUE OF

CALIFORNIA CITIES

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The League of California Cities (League) is an association of California city officials who work together to enhance their knowledge and skills, exchange information, and combine resources so that they may influence policy decisions that affect cities. The League's mission is to expand and protect local control for cities through education and advocacy. The League believes that local self-governance is the cornerstone of democracy. One of the League's top priorities is also to develop and strengthen long-term relationships and partnerships with new and returning state policy-makers and other stakeholders with common interests to better serve and enhance the quality of life for all Californians.

All counties and cities in California operate under the collective bargaining framework established by the Meyers-Milias-Brown Act ("MMBA") in 1968. Under the MMBA, counties and cities in California have the right to adopt reasonable rules and regulations governing the administration of employer-employee relations. (Gov. Code, §3507, 3507.1.) Among the rules and regulations that counties and cities may adopt are rules and regulations to determine appropriate bargaining units. (Gov. Code, §3507, 3507.1.) Utilizing the rights accorded by the MMBA, many of California's counties and cities have recognized appropriate bargaining unit(s) consisting of peace officers under Penal Code 830.1 and other employees. Such "mixed-units" have been in existence since the advent of the MMBA. Accordingly, the issue before the Public Employment Relations Board ("PERB" or "Board") is one of keen interest to the members of CSAC and the League. CSAC and the League jointly submit this informational brief to urge PERB to follow the plain language of the MMBA which provides that jurisdiction over peace officers is properly before the courts, and not PERB.

#### II. ISSUE BEFORE THE BOARD

As set forth in the notice of oral argument dated May 2, 2013, the issue to be considered by the Board during oral argument on June 13, 2013, is the following:

> In light of Government Code section 3511, does PERB have the authority to issue a remedial order applicable to a (mixed) bargaining unit that includes non-peace officer and peace officer classifications? If so, what is the source and scope of PERB's authority; and what is the relevance of the peace officer exclusion as set forth in Government Code section 3511 as it applies to mixed units?

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### III. **ARGUMENT**

#### PERB Does Not Have Jurisdiction Over Peace Officers in Mixed-Units A.

### 1. The MMBA Intentionally Excluded Peace Officers From PERB's Jurisdiction

The MMBA was enacted in 1968. (Gov. Code, §3500 et. seq.) As enacted, administration and enforcement of the MMBA was not ceded to PERB, but rather given to local entities and/or the courts. (See Coachella Valley Mosquito and Vector Control Dist. v. California Public Employment Relations Bd. (2005) 35 Cal.4th 1072, 1077.) In 2000, SB 739 was enacted which fundamentally changed the structure of the MMBA. Specifically, Government Code section 3509 was added which gave PERB jurisdiction to enforce and remedy unfair practices under the MMBA. (Gov. Code, § 3509, added by Stats.2000, ch. 901, § 8.)

Also adopted as part of SB 739 was Government Code section 3511, which provides that:

The changes made to Sections 3501, 3507.1, and 3509 of the Government Code by legislation enacted during the 1999–2000 Regular Session of the Legislature shall not apply to persons who are peace officers as defined in Section 830.1 of the Penal Code.

As initially introduced on February 24, 1999, SB 739 did not contain the language currently found in Government Code section 3511. (Exhibit A.)<sup>2</sup> It was not until August 30, 1999, that the language in Government Code section 3511 was added to the bill. (Exhibit B.) At that time, the Legislative Counsel's Digest described the change as follows:

> The provisions of this bill would not apply to any recognized employee organization representing peace officers, as defined in specified provisions of existing law. (Exhibit B.)

By its plain language, the term "recognized employee organization representing peace officers" covers a unit comprised of both peace officers and non-peace officers.

<sup>&</sup>lt;sup>2</sup> Pursuant to Evidence Code section 452, subdivision (c), petitioners request that the Board take judicial notice of the Legislative History of Legislative History of S.B. 739, 1999-2000 Legislative Session, including the original version of the bill introduced on February 24, 1999, and an amended version of the bill introduced on August 30, 1999. Copies of those documents are attached as Exhibit A and B, respectively, to this informational brief.

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Contrary to the characterization of Lompoc Police Officers Association (LPOA), there is no basis to believe that the exclusion of peace officers from PERB's jurisdiction is an inadvertent flaw in the MMBA. While peace officers cannot go to PERB to enforce the MMBA, they have the right to go directly to the superior court. (See, e.g., Claremont Police Officers Ass'n v. City of Claremont (2006) 39 Cal.4th 623.) Any change to this structure must come from the Legislature where all stakeholders can participate.

### 2. The Demise of SB 656 Does Not Support LPOA's Position

In its exceptions, the LPOA places great weight on the introduction and demise of SB 656 in 2009. For example, LPOA asserts that the legislative history of SB 656 demonstrates that the Legislature understood that PERB has jurisdiction over mixed-units, but not over the individuals themselves. LPOA's reliance on SB 656 is misplaced.

First, caution should be exercised in considering the legislative history of SB 656 since the bill was vetoed by the Governor. However, to the extent the legislative history of SB 656 is considered, it actually supports the position of petitioners. (See Freedom Newspapers, Inc. v. Orange County Employees Retirement System (1993) 6 Cal.4th 821, 832-833 (Legislature's adoption of subsequent, amending legislation that is ultimately vetoed may be considered as evidence of the Legislature's understanding of the unamended, existing statute).) Specifically, the portion of the bill analysis cited by LPOA merely states that is has been "noted" that PERB has asserted jurisdiction over cases that affect a mixed-unit while individual peace officers may file grievances directly with the "California Supreme Courts." (See Exhibit C, attached to LPOA's exceptions.) The bill analysis cites no legal authority. More important, the bill analysis does not indicate that this statement constitutes the Legislature's understanding of current law. On that important issue, the bill analysis states:

> [I]it has been noted that there are certain bargaining units which are comprised of both miscellaneous employees and employees with peace officer status, and the existing statute is not clear as to the jurisdiction of those employees' disputes. (*Ibid.*)

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Indeed, the argument in support of the bill asserts:

A problem arises when a peace officer is a part of a "mixed unit", of both peace officers and miscellaneous employees (such Dispatchers, Community Services Officers and Crime Investigators). It is unclear in the writing of this who would have jurisdiction over these disputes. (*Ibid.*)

LPOA's exceptions completely ignore these statements in the bill analysis. Further, LPOA ignores the portion of the bill analysis setting forth the argument presented by CSAC in opposition to SB 656. CSAC asserted that the current structure "where peace officer members of a mixed bargaining unit resolve their disputes in court while miscellaneous employees go before PERB" does not pose a significant problem. (*Ibid.*)

Finally, LPOA's reliance on SB 656 ignores the Governor's veto message. The veto message from the Governor stated:

To the Members of the California State Senate:

I am returning Senate Bill 656 without my signature.

While I am supportive of employee rights, this bill would create an inconsistent treatment of non-peace officer employees in unions with peace officer majorities and similar non-peace officer employees that are in unions without a peace officer majority. I do not believe a sufficient case can be made why one group should circumvent the existing dispute resolution process that currently exists through the Public Employment Relations Board. For these reasons, I am unable to sign this bill.

The veto message clearly focused on the fact that SB 656 would treat bargaining units with a majority of peace officers differently from those without a majority. Thus, the focus of the Governor's veto was on the requirement of majority status, and not on other issues. For all these reasons, contrary to LPOA's assertions, the legislative history of SB 656 actually supports the petitioners' position that PERB does not have jurisdiction over peace officers in a mixed-unit.

### Public Policy Mandates Against Giving Peace Officers "Two Bites of the Apple" В.

As a matter of fundamental public policy, CSAC and the League urge the Board to reject the

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exceptions advanced by LPOA. While the current situation whereby peace officers must go to court while other employees must go to PERB may not be ideal, it is the structure created by the MMBA. Most important, it is fair. Each set of employees gets one "bite of the apple," whether in court or before PERB.

Under the position advanced by LPOA, peace officers in a mixed-unit would be in the unique situation of having "two bites of the apple." If the peace officers in the mixed-unit believe that they have a better chance before PERB, they can have the non-peace officer members of the mixed-unit advance an unfair practice charge. On the other hand, if the peace officers in a mixed-unit would rather be in court, they can pursue that avenue themselves. Such a situation is untenable and violates fundamental principles of fairness.

To the extent the focus is on the remedial powers of the Board, the same principles of fairness dictate that PERB cannot apply a remedial order to peace officers in a mixed-unit. Such a holding would circumvent the restrictions of Government Code section 3511 and render that section meaningless. Again, while it may seem incongruent to require peace officer members in a mixed-unit to seek remedies in a different forum than other employees in the same unit, that is the structure adopted by the Legislature. Any change to that structure should come from the Legislature through the legislative process in which all stakeholders can participate.

Accordingly, CSAC and the League jointly urge the Board to hold that PERB does not have jurisdiction to issue a remedial order applicable to peace officers in a mixed-unit.

Dated: May 24, 2013 RENNE SLOAN HOLTZMAN SAKAI LLP

> By:\_ Timothy G. Yeung Erich W. Shiners

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## CERTIFICATE OF SERVICE

# STATE OF CALIFORNIA, COUNTY OF SACRAMENTO

I, the undersigned, am a resident of the State of California, over the age of eighteen years, and not a party to the within action. My business address is 428 J Street, Suite 400, Sacramento, California, 95814.

On May 24, 2013, I served the following documents(s) by the method indicated below:

# JOINT INFORMATIONAL BRIEF BY CALIFORNIA STATE ASSOCIATION OF COUNTIES AND LEAGUE OF CALIFORNIA CITIES

	delivery of the envelope(s) to the person(s) at	e sealed envelope(s) and by causing messenger the address(es) set forth below. I am readily e of employment with respect to the collection and notices for hand delivery.
	by placing ALL document(s) listed above in express mail service for guaranteed delivery consignment to the address(es) set forth below.	a sealed envelope(s) and consigning it to an on the next business day following the date of
	by placing the document(s) listed above in a sealed envelope(s) with postage thereon fully prepaid, in the United States mail at Sacramento, California addressed as set forth below. I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited in the U.S. Postal Service on that same day with postage thereon fully prepaid in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if the postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.	
	by transmitting via facsimile on this date from the fax number (916) 258-8801 the document(s) listed above to the fax number(s) set forth below. The transmission was reported complete and without error. The transmitting fax machine complies with Cal. R. Ct. 2003(3)	
Michael A. McGill, Esq.		Adrianna E. Guzman, Esq.
Michael A. Morguess, Esq.		Liebert, Cassidy & Wittmore

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I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on May 24, 2013, at Sacramento, California.

Melina R. Wolf Melissa R. Wolf

CERTIFICATE OF SERVICE – JOINT INFORMATIONAL BRIEF BY CALIFORNIA STATE ASSOCIATION OF COUNTIES AND LEAGUE OF CALIFORNIA CITIES

# Exhibit A

# **Introduced by Senator Solis**

February 24, 1999

An act to add Sections 3505.4 and 3507.6 to the Government Code, relating to public employment.

### LEGISLATIVE COUNSEL'S DIGEST

SB 739, as introduced, Solis. Local Government Labor Relations Improvement Act of 1999.

(1) The Meyers-Milias-Brown Act provides that a public agency may adopt reasonable rules and regulations after consultation in good faith with representatives of employee organization for the administration employer-employee relations under the act and that the rules and regulations may include provisions for procedures for the resolution of disputes involving wages, hours, and other terms and conditions of employment. Pursuant to this provision of various public existing law. agencies have adopted employee relations ordinance.

This bill would authorize a public agency and a recognized organization that enters into a memorandum of understanding covering matters within the scope of representation to include in the memorandum of understanding procedures for final and binding arbitration of disputes that may arise involving the interpretation. application, violation of the or memorandum understanding. This bill would provide that if the written memorandum of understanding does not include binding arbitration procedures, both parties to the memorandum of SB 739 

understanding may agree to submit these disputes to final and binding arbitration pursuant to the rules of the board.

This bill would require complaints alleging violations of the Meyers-Milias-Brown Act or of any rules and regulations for the administration of employer-employee relations adopted by a public agency to be processed as an unfair practice charge by the board. This bill would require any dispute as to the selection of appropriate an recognized organization under the act or any rules and regulations adopted by a public agency to be submitted to the board for resolution. This bill would provide that a decision of the board rendered pursuant to these provisions shall be subject to judicial review, as specified. To the extent that this bill would impose new requirements on local agency employers, this bill would impose a state-mandated local program.

(2) The California Constitution requires the state reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

# The people of the State of California do enact as follows:

- 1 SECTION 1. This act shall be known and may be cited
- 2 as the Local Government Labor Relations Improvement
- 3 Act of 1999.
- 4 SEC. 2. Section 3505.4 is added to the Government
- 5 Code, to read:
- 3505.4. (a) A 6 public agency and recognized a
- employee organization that enters into
- memorandum of understanding covering matters within

<del>-- 3 --</del> SB 739

the scope representation may of include in the memorandum of understanding procedures for final and binding arbitration of disputes that may arise involving 4 the interpretation, application, or violation the 5 agreement. If the written memorandum understanding does not include binding arbitration 7 procedures, both parties to the memorandum 8 understanding may agree to submit any dispute involving 9 the interpretation, application, or violation of 10 memorandum of understanding to final and binding 11 arbitration pursuant the to rules of the **Public** 12 Employment Relations Board. 13

- (b) Any party to a binding arbitration agreement 14 described in subdivision (a) may file suit to compel 15 arbitration, to enforce an arbitration award, or to set aside 16 an arbitration award under the procedures set forth in Sections 3548.5 to 3548.8, inclusive.
- SEC. 3. Section 3507.6 is added to the Government 18 19 Code, to read:

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- 3507.6. (a) Each complaint alleging one 20 or more 21 violations of this chapter or of any rules and regulations 22 adopted by a public agency pursuant to Section 3507 shall 23 be processed as an unfair practice charge by the Public 24 Employment Relations Board. The initial determination 25 as to whether the charge of unfair practice is justified and, 26 if so, the appropriate remedy necessary to effectuate the 27 purposes of this chapter, shall be a matter within the 28 exclusive jurisdiction of the board.
- 29 (b) Any dispute as to the selection of an appropriate 30 recognized employee organization under this chapter or 31 any rules and regulations adopted by a public agency 32 pursuant to Section 3507 shall be submitted to the board 33 for resolution.
- 34 adjudicating (c) In any dispute submitted 35 subdivisions (a) and (b), the board shall have all of the 36 powers set forth in Section 3541.3.
- 37 (d) Any decision of the board rendered pursuant to 38 subdivisions (a) and (b) shall be subject to judicial review under the procedures set forth in Section 3520.

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SEC. 4. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.

AMENDED IN ASSEMBLY AUGUST 30, 1999
AMENDED IN ASSEMBLY AUGUST 16, 1999
AMENDED IN SENATE MAY 24, 1999
AMENDED IN SENATE MAY 13, 1999
AMENDED IN SENATE MAY 6, 1999

## SENATE BILL

No. 739

# Introduced by Senator Solis (Coauthor: Senator Murray)

(Principal coauthor: Assembly Member Wildman)

February 24, 1999

An act to amend Sections 3501, 3502.5, 3505.2, and 3508.5 of, to amend, renumber, and add Section 3509 of, to amend and renumber Section 3510 of, to add Section 3505.4 Sections 3505.4 and 3511 to, and to repeal and add Section 3507.1 of, the Government Code, relating to public employment.

### LEGISLATIVE COUNSEL'S DIGEST

- SB 739, as amended, Solis. Local public employees: agency shop arrangement, binding arbitration, and the Public Employment Relations Board.
- (1) Under the Meyers-Milias-Brown Act, an agency shop agreement may be negotiated between a public agency and a recognized public employee organization.

This bill would additionally authorize an agency shop arrangement without a negotiated agreement upon a signed petition by 30% of the employees in the applicable bargaining

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unit requesting an agency shop agreement and majority approval of the employees voting on the issue. The bill would provide that the petition may be filed only after good faith negotiations, not to exceed 30 days, have taken place between the parties in an effort to reach an agreement. The bill would require the Division of Conciliation of the Department of Industrial Relations to conduct the election if the parties cannot agree within a prescribed time period on the selection of a neutral person or entity to conduct the election.

(2) Under the act, if after a reasonable period of time, representatives of the public agency and the recognized employee organization fail to reach agreement, the public agency and the recognized employee organization together may agree upon the appointment of a mediator mutually agreeable to the parties. The costs of the mediation are borne equally by the public agency and the recognized employee organization.

This bill would authorize either the public agency or recognized employee organization to request mediation under these circumstances, in which case the parties are to agree to the appointment of a mediator or request a mediator from the Division of Conciliation of the Department of Industrial Relations and the cost of private mediation would be borne equally by the parties. The bill would authorize, as an alternative to mediation, the public agency and the recognized employee organizations to mutually agree and implement rules adopted by the public agency on resolving an impasse on negotiating an agreement. To the extent that the bill would require local agencies to mediate and that the costs of the mediation borne by public employers would be increased, this bill would impose a state-mandated local program.

(3) Existing law provides that if agreement is reached by the representatives of the public agency and a recognized employee organization, they are to jointly prepare a written memorandum of understanding.

This bill would authorize a public agency and a recognized employee organization to include in the agreement procedures for final and binding arbitration of disputes involving the interpretation, application, or violation of the —3— SB 739

agreement. If the agreement does not include final and binding arbitration procedures for all grievances under the agreement, each party would be authorized to submit the grievances not covered to an impartial arbitrator selected as specified. This bill would specify that where a party fails or refuses to proceed to arbitration, the aggrieved party may initiate proceedings pursuant to specified provisions of existing law for a court order directing that arbitration proceed.

(4) Existing law establishes the Public **Employment** Relations Board in state government as a means of resolving disputes and enforcing the statutory duties and rights of employers and employees under the Educational **Employment** Relations Act, the Higher Education Employer-Employee Relations Act, and the Ralph C. Dills

This bill would expand the jurisdiction of the Public Employment Relations Board to include resolving disputes and enforcing the statutory duties and rights of employers and employees under the Meyers-Milias-Brown Act and would specifically include resolving disputes alleging violation of rules and regulations adopted by a public agency, other than the County of Los Angeles and the City of Los Angeles, pursuant to the Meyers-Milias-Brown Act that are consistent with the act concerning unit determinations, representations, recognition, and elections.

(5) The California Supreme Court held in the case of County Sanitation No. 2 v. Los Angeles County Employees' Assn. (1985) 38 Cal.3d 564 that the common law prohibition against public sector strikes should not be recognized, that it is not unlawful for public employees to engage in a concerted work stoppage for the purposes of improving their wages or conditions of employment, unless it has been determined that the work stoppage poses an imminent threat to public health or safety.

This bill would expressly adopt the holding of the California Supreme Court and apply it for the purposes of the Meyers-Milias-Brown Act.

(6) Existing law provides that in the absence of local procedures for resolving disputes on the appropriateness of a

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unit of representation, upon the request of any of the parties, the dispute is to be submitted to the Division of Conciliation of the Department of Industrial Relations.

This bill would require any dispute under rules adopted by a public agency on the appropriateness of a unit, exclusive or majority representation, and election procedures, upon request of a party, to be submitted to the board for resolution. The board would make its determinations based on the rules adopted by the public agency. The bill would establish procedures under which exclusive recognition to an employee organization would be granted.

(7) The act specifies that nothing in its provisions affects the rights of a public employee to authorize a dues deduction from his or her salary or wages pursuant to specified provisions of law.

This bill would additionally require a public employer to deduct the payment of dues or service fees to a recognized employee organization as required by an agency shop arrangement between the recognized employee organization and the public employer. It would also provide that agency fee obligations shall continue in effect as long as the employee organization the recognized bargaining representative, notwithstanding the expiration of any agreement between employer public and the recognized emplovee organization.

- (8) The provisions of this bill would not apply to any recognized employee organization representing peace officers, as defined in specified provisions of existing law.
- California Constitution requires (9) The state reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

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Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 3501 of the Government Code is 2 amended to read:
  - 3501. As used in this chapter:
- 4 (a) "Employee organization" means any organization 5 which includes employees of a public agency and which 6 has as one of its primary purposes representing those 7 employees in their relations with that public agency.
- 8 (b) "Recognized employee organization" means an 9 employee organization which has been formally 10 acknowledged by the public agency as an employee 11 organization that represents employees of the public 12 agency.
- (c) Except as otherwise provided in this subdivision, "public agency" means every governmental subdivision, every district, every public and quasi-public corporation, every public agency and public service corporation and every town, city, county, city and county and municipal corporation, whether incorporated or not and whether chartered or not. As used in this chapter, "public agency" does not mean a school district or a county board of education or a county superintendent of schools or a personnel commission in a school district having a merit system as provided in Chapter 5 (commencing with Section 45100) of Part 25 and Chapter 4 (commencing with Section 88000) of Part 51 of the Education Code or the State of California.
- 27 (d) "Public employee" means any person employed 28 by any public agency, including employees of the fire 29 departments and fire services of counties, cities, cities and 30 counties, districts, and other political subdivisions of the 31 state, excepting those persons elected by popular vote or 32 appointed to office by the Governor of this state.
- 33 (e) "Mediation" means effort by an impartial third 34 party to assist in reconciling a dispute regarding wages, 35 hours and other terms and conditions of employment

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1 between representatives of the public agency and the 2 recognized employee organization or recognized 3 employee organizations through interpretation, 4 suggestion and advice. 5 (f) "Board" means the Public Employment Relations

- (f) "Board" means the Public Employment Relations Board established pursuant to Section 3541.
- 7 SEC. 2. Section 3502.5 of the Government Code is 8 amended to read:
- 9 3502.5. (a) Notwithstanding Section 3502, or 10 other provision of this chapter, or any other law, rule, or 11 regulation, an agency shop agreement may be negotiated 12 between a public agency and a recognized public 13 employee organization which has been recognized as the 14 exclusive or majority bargaining agent pursuant 15 reasonable regulations, rules and ordinances, 16 enactments, in accordance with this chapter. As used in 17 this chapter, "agency shop" means an arrangement that 18 requires an employee, as a condition of continued 19 employment, either to join the recognized employee 20 organization, or to pay the organization a service fee in 21 an amount not to exceed the standard initiation fee, 22 periodic dues. and general assessments the 23 organization.
- 24 (b) In addition to the procedure prescribed 25 subdivision (a), an agency shop arrangement between 26 the public agency and a recognized 27 organization that has been recognized as the exclusive or 28 majority bargaining agent shall be placed in effect, 29 without a negotiated agreement, upon (1) a signed 30 petition of 30 percent of the employees in the applicable 31 bargaining unit requesting an agency shop agreement 32 and election to implement an agency 33 arrangement, and (2) the approval of a majority of 34 employees who cast ballots and vote in favor of the 35 agency shop agreement. The petition may only be filed 36 after good faith negotiations, not to exceed 30 days, have 37 taken place between the parties in an effort to reach 38 agreement. The election shall be conducted by 39 Division of Conciliation of the Department of Industrial 40 Relations in the event that the public agency and the

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1 recognized employee organization cannot agree within 2 10 days from the filing of the petition to select jointly a 3 neutral person or entity to conduct the election.

- (c) Any employee who is a member of a bona fide 5 religion, body, sect that has historically held or 6 conscientious objections joining to or financially 7 supporting public employee organizations shall not be 8 required to join or financially support 9 employee organization as a condition of employment. 10 The employee may be required, in lieu of periodic dues, 11 initiation fees, or agency shop fees, to pay sums equal to 12 the dues, initiation fees, or agency shop fees to a 13 nonreligious, nonlabor charitable fund exempt 14 taxation under Section 501(c)(3) of the Internal Revenue 15 Code, chosen by the employee from a list of at least three 16 of these funds, designated in a memorandum 17 understanding between the public agency and the public 18 employee organization, or if the memorandum 19 understanding fails to designate the funds, then to any 20 such fund chosen by the employee. Proof of the payments 21 shall be made on a monthly basis to the public agency as 22 a condition of continued exemption from 23 requirement of financial support to the public employee 24 organization.
- 25 (d) An agency shop provision in a memorandum of 26 understanding that is in effect may be rescinded by a 27 majority vote of all the employees in the unit covered by 28 the memorandum of understanding, provided that: (1) a 29 request for such a vote is supported by a petition 30 containing the signatures of at least 30 percent of the 31 employees in the unit; (2) the vote is by secret ballot; (3) 32 the vote may be taken at any time during the term of the 33 memorandum of understanding, but in no event shall 34 there be more than one vote taken during that term. 35 Notwithstanding the above, the public agency and the 36 recognized employee organization may negotiate, and by 37 mutual agreement provide for, an alternative procedure 38 or procedures regarding a vote on an agency shop agreement. The procedures in this subdivision are also

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applicable to an agency shop agreement placed in effect pursuant to subdivision (b).

- (e) An agency shop arrangement shall not apply to management, confidential, or supervisory employees.
- 5 (f) Every recognized employee organization that has agreed to an agency shop provision or is a party to an 7 shop arrangement shall keep an 8 itemized record of its financial transactions and shall 9 make available annually, to the public agency with which 10 the agency shop provision was negotiated, and to the 11 employees who are members of the organization, within 12 60 days after the end of its fiscal year, a detailed written 13 financial report thereof in the form of a balance sheet and 14 an operating statement, certified as to accuracy by its 15 president and treasurer or corresponding 16 officer, or by a certified public accountant. An employee 17 organization required to file financial reports under the 18 Labor-Management Disclosure Act of 1959 19 employees governed by this chapter, or required to file 20 financial reports under Section 3546.5, may satisfy the 21 financial reporting requirement of this section providing the public agency with a copy of the financial 23 reports.
- 24 SEC. 3. Section 3505.2 of the Government Code is 25 amended to read:
- 3505.2. (a) If after a reasonable period of time, 26 representatives of the public agency and the recognized 27 organization fail to reach agreement, public agency or the recognized employee organization 30 or recognized employee organizations may mediation. In that event, the parties shall agree to the appointment of a mediator mutually agreeable to the parties, or request a mediator from the Division of Conciliation of the Department of Industrial Relations. 35 Costs of private mediation shall be divided one-half to the public agency and one-half to the recognized employee 37 organization or recognized employee organizations.
- 38 (b) Notwithstanding subdivision (a), the public 39 agency and the recognized employee organization may 40 mutually agree and implement rules adopted by the

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1 public agency on resolving an impasse on negotiating an 2 agreement. Nothing contained in this section shall be 3 deemed to supersede or preempt the provisions of local 4 charters or ordinances or rules adopted by a public 5 agency providing for interest arbitration as a method of 6 resolving impasses in contract negotiations.

SEC. 4. Section 3505.4 is added to the Government Code, to read:

9 3505.4. (a) A public agency and recognized 10 employee organization may include in the agreement 11 procedures for final and binding arbitration of disputes 12 that may arise involving the interpretation, application, 13 or violation of the agreement. If the agreement does not 14 include final and binding arbitration procedures for all 15 grievances under the agreement, the public agency or 16 employee organization that is a party to the agreement 17 may submit the grievances not covered by a final and 18 binding arbitration provision of the agreement to 19 impartial arbitrator selected under rules of the board for 20 final and binding arbitration. The request for arbitration 21 may only be made by the party filing the grievance and 22 only after good faith efforts by both parties, not to exceed 23 30 days, have taken place to resolve the dispute. If the 24 parties cannot mutually agree on an arbitrator, 25 impartial arbitrator shall be jointly selected by the public 26 agency and the recognized employee organization 27 striking names from a list of impartial arbitrators 28 experienced in labor-management relations submitted 29 by the board.

30 (b) Where a party fails or refuses to proceed to arbitration as provided in subdivision (a), the aggrieved party may initiate proceedings pursuant to Title 9 33 (commencing with Section 1280) of Part 3 of the Code of 34 Civil Procedure for a court order directing that the arbitration proceed pursuant to the procedures provided 36 in this section. An arbitration award made pursuant to this section, either under an agreement or under the rules of 38 the board, shall be final and binding upon the parties and 39 may be enforced by a court pursuant to Title 9 40 (commencing with Section 1280) of Part 3 of the Code of

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Civil Procedure. Any court proceeding involving a superior court or municipal court as an employer or party shall be filed with the Court of Appeal.

4 SEC. 5. Section 3507.1 of the Government Code is 5 repealed.

6 SEC. 6. Section 3507.1 is added to the Government 7 Code, to read:

3507.1. (a) Exclusive recognition to an organization based on a signed petition or authorization 10 cards shall be granted by the public employer upon a 11 showing by an employee organization that a majority of 12 the employees in the appropriate bargaining unit desires 13 this representation. unless another employee 14 organization has been previously recognized as 15 exclusive or a majority representative. Exclusive 16 majority representation shall be determined by signed 17 petition or authorization cards. In the event that the 18 public agency and the employee organization cannot 19 agree on a neutral party, the Division of Conciliation of 20 the Department of Industrial Relations shall verify 21 exclusive or majority status of the employee organization. 22

- 22 (b) Unit determinations and representation elections 23 shall be determined and processed in accordance with 24 rules adopted by a public agency in accordance with this 25 chapter. In a representation election, a majority of the 26 votes cast by the employees in the appropriate bargaining 27 unit shall be required.
- 28 (c) Any dispute under rules adopted by a public 29 agency on the appropriateness of a unit, exclusive or 30 majority representation, and elections procedures shall, 31 upon the petition of the public employer or the employee organization, be submitted to the board for resolution. 33 The board shall make its determinations based on rules 34 adopted by the public agency in accordance with this chapter. The board shall adopt rules as to procedures on 36 implementing this section and applying rules adopted by 37 a public agency in accordance with this chapter.
- 38 (d) Notwithstanding subdivisions (a) to (c), inclusive, 39 and rules adopted by a public agency pursuant to Section 40 3507, a bargaining unit in effect as of the effective date of

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this section shall continue in effect unless changed under the rules adopted by a public agency pursuant to Section 3 3507.

- 4 SEC. 7. Section 3508.5 of the Government Code is amended to read:
- 6 3508.5. (a) Nothing in this chapter shall affect the 7 right of a public employee to authorize a dues or service fees deduction from his or her salary or wages pursuant to Section 1157.1, 1157.2, 1157.3, 1157.4, 1157.5, or 1157.7.
- 10 (b) A public employer shall deduct the payment of 11 dues or service fees to recognized a 12 organization as required by an agency shop arrangement 13 between the recognized employee organization and the 14 public employer. 15
- (c) Agency fee obligations, including, but not limited 16 to, dues or agency fee deductions on behalf of a 17 recognized employee organization, shall continue 18 effect as long as the employee organization is the 19 recognized bargaining representative, notwithstanding 20 the expiration of any agreement between the public 21 employer and the recognized employee organization.
- 22 SEC. 8. Section 3509 of the Government Code is 23 amended and renumbered to read:
- 24 3510. (a) The provisions of this chapter shall be 25 interpreted and applied by the board in a manner 26 consistent with and in accordance with judicial 27 interpretations of this chapter.
- 28 (b) The enactment of this chapter shall not 29 construed as making the provisions of Section 923 of the 30 Labor Code applicable to public employees. The holding 31 of County Sanitation Dist. No. 2 v. Los Angeles County 32 Employees' Assn. (1985) 38 Cal.3d 564 is hereby adopted and shall be applied for the purposes of this chapter.
- 34 SEC. 9. Section 3509 is added to the Government 35 Code, to read:
- 36 3509. (a) The powers and duties of the board 37 Section 3541.3 in shall also apply, appropriate, to this chapter 38 and shall include

- (b) A complaint alleging any violation of this chapter or of any rules and regulations adopted by a public agency pursuant to Section 3507 shall be processed as an unfair practice charge by the board. The initial determination as to whether the charge of unfair practice is justified and, if so, the appropriate remedy necessary to effectuate the purposes of this chapter, shall be a matter within the exclusive jurisdiction of the board. The board shall apply and interpret unfair labor practices consistent with existing judicial interpretations of this chapter.
- 11 (c) The board shall enforce and apply rules adopted by 12 a public agency that are consistent with the provisions of 13 this chapter concerning unit determinations, 14 representation, recognition, and elections.
- 15 (d) Notwithstanding subdivisions (a) to (c), inclusive, 16 the employee relations commissions established by, and 17 in effect for, the County of Los Angeles and the City of 18 Los Angeles pursuant to Section 3507 shall have the 19 power and responsibility to take actions on recognition, 20 unit determinations, elections, and unfair practices, and 10 to issue determinations and orders as the employee 11 review applicable to a superior court or municipal court 12 shall be filed directly with the Court of Appeal.
- 26 SEC. 10. Section 3510 of the Government Code is 27 amended and renumbered to read:

28 <del>3511.</del> —

- 29 3512. This chapter shall be known and may be cited 30 as the "Meyers-Milias-Brown Act."
- 31 SEC. 11. Section 3511 is added to the Government 32 Code, to read:
- 33 3511. The changes made to Sections 3501, 3502.5,
- 34 *3505.2, 3505.4, 3507.1, 3508.5, and 3509 of the Government* 35 *Code by legislation enacted during the 1999 portion of the*
- 36 1999–2000 Regular Session of the Legislature shall not
- 37 apply to any recognized employee organization
- 38 representing persons who are peace officers as defined in
- 39 Chapter 4.5 (commencing with Section 830) of Title 3 of
- 40 Part 2 of the Penal Code.

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1 SEC. 12. Notwithstanding Section 17610 of the Government Code, if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code. If the statewide cost of the claim for reimbursement does not exceed one million dollars (\$1,000,000), reimbursement shall be made from the State Mandates Claims Fund.