

1 H.64

2 Introduced by Representatives Sweaney of Windsor, Davis of Washington,

3 McFaun of Barre Town, and Poirier of Barre City

4 Referred to Committee on

5 Date:

6 Subject: Labor; unions; fair-share fees

7 Statement of purpose of bill as introduced: This bill proposes to require that
8 employees in bargaining units organized under state law who exercise their
9 rights not to join a labor organization required to provide them certain services
10 shall pay to that labor organization a fair-share fee, representing that portion of
11 the labor organization's membership fees which are attributable to those
12 services.

13 An act relating to fair-share fees

14 It is hereby enacted by the General Assembly of the State of Vermont:

15 * * * Fair-Share Fees * * *

16 Sec. 1. POLICY

17 It is the policy of the State of Vermont that employees in bargaining units
18 organized under state law who exercise their rights not to join a labor
19 organization that has a duty to represent them shall pay a fair-share fee,

1 representing that portion of the labor organization's membership fees
2 attributable only to those services related to its duty of fair representation.

3 Sec. 2. FINDINGS

4 The General Assembly finds:

5 (1) The right of employees to organize and form a labor organization to
6 engage in collective bargaining is fundamental to both a free society and the
7 generation and maintenance of a strong middle class.

8 (2) The State has long favored the right of employees to organize for the
9 purpose of bargaining collectively with their employer.

10 (3) Vermont law recognizes that a labor organization democratically
11 selected by bargaining unit employees is the exclusive representative of all the
12 employees within the bargaining unit.

13 (4) A labor organization engages in both "chargeable" and
14 "nonchargeable" activities on behalf of bargaining unit members. In this
15 section, "chargeable" activities are generally those related to negotiating and
16 ensuring the enforcement of collective bargaining agreements on behalf of the
17 bargaining unit as a whole and for every employee within it. "Nonchargeable"
18 activities are generally those related to political activities and lobbying.

19 (5) With respect to "chargeable activities," a labor organization must
20 represent all the employees within its bargaining unit. It may not discriminate
21 between members of the labor organization who pay membership fees and

1 those who exercise their rights not to become members. This is called “the
2 duty of fair representation.” This duty does not extend to “nonchargeable”
3 activities.

4 (6) The “chargeable” activities undertaken by labor organizations on
5 behalf of all bargaining unit employees are in the interest of the public good.

6 (7) The fair-share fee is the portion of the labor organization’s
7 membership fees attributable to its chargeable activities.

8 (8) It is the policy of the State to require employees in bargaining units
9 organized under state law who do not become members of the labor
10 organization representing the unit to pay a “fair-share fee” for the chargeable
11 activities undertaken on their behalf.

12 (9) Current Vermont law prohibits a labor organization from charging
13 the fair-share fee unless the employer of the bargaining unit’s members agrees
14 to permit it.

15 (10) As an employer, the State has agreed to permit the fair-share fee for
16 members of its employee bargaining units. The University of Vermont and the
17 Vermont State Colleges have as well. Virtually all private sector employers
18 whose Vermont employees are in bargaining units permit the fair-share fee.
19 Most municipalities have also agreed to permit the fair-share fee. However, a
20 significant majority of school districts have not agreed to permit the
21 fair-share fee.

1 (11) It is inconsistent with state policy to continue to permit employers,
2 merely by not agreeing to fair-share fee provisions in collective bargaining
3 agreements, to enable their bargaining unit employees who are not members of
4 the labor organization to avoid paying their fair share of the organization’s
5 representation.

6 (12) Allowing employers to withhold consent to fair-share fees has
7 resulted in a patchwork of collective bargaining agreements, some of which
8 include fair-share provisions and some of which do not.

9 (13) By enacting a fair-share fee law, the State will allow employees not
10 to join the labor organizations representing them but will ensure equitable
11 treatment across bargaining units organized under state law. It will balance the
12 duty of fair representation with the duty to pay a fair-share fee.

13 * * * State Employees * * *

14 Sec. 3. 3 V.S.A. § 902 is amended to read:

15 § 902. DEFINITIONS

16 For the purposes of As used in this chapter:

17 * * *

18 (19) ~~“Collective bargaining service fee” means a fee deducted by an~~
19 ~~employer from the salary or wages of an employee who is not a member of an~~
20 ~~employee organization, which is paid to the employee organization which is~~
21 ~~the exclusive bargaining agent for the bargaining unit of the employee. The~~

1 ~~collective bargaining service fee shall not exceed 85 percent of the amount~~
2 ~~payable as dues by members of the employee organization, and shall be~~
3 ~~deducted in the same manner as dues are deducted from the salary or wages of~~
4 ~~members of the employee organization, and shall be used to defray the costs~~
5 ~~incurred by the employee organization in fulfilling its duty to represent the~~
6 ~~employees in their employment relations with the state~~ “Fair-share fee” means
7 the portion of an employee organization’s dues attributable to activities
8 stemming from its duty to represent all employees in a collective bargaining
9 unit without regard to membership in the employee organization, to be paid by
10 those employees in a collective bargaining unit who are not members of the
11 employee organization. It includes the cost of all activities germane to
12 collective bargaining, administering and enforcing collective bargaining
13 agreements, representing employees in their employment relations with the
14 State, professional development, and the employee organization’s governance
15 and administration. It does not include the cost of any political activities,
16 lobbying over matters that are not germane to either collective bargaining or
17 employer-employee relations, or community service activities undertaken by
18 the employee organization.

1 Sec. 4. 3 V.S.A. § 903 is amended to read:

2 § 903. EMPLOYEES' RIGHTS AND DUTIES; PROHIBITED ACTS

3 (a) Employees shall have the right to self-organization; to form, join, or
4 assist employee organizations; to bargain collectively through representatives
5 of their own choice, and to engage in concerted activities for the purpose of
6 collective bargaining or other mutual aid or protection, and shall also have the
7 right to refrain from any or all such activities, except as provided in
8 ~~subsection (b)~~ subsections (b) and (c) of this section, and to appeal grievances
9 as provided in this chapter.

10 (b) ~~No~~ A state employee may not strike or recognize a picket line of an
11 employee or labor organization while in the performance of his or her official
12 duties.

13 (c) An employee who exercises the right not to join the employee
14 organization representing the employee's collective bargaining unit shall pay
15 the fair-share fee to the representative of the bargaining unit in the same
16 manner as employees who pay membership fees to the representative.

17 (d) All employers, their officers, agents, and employees or representatives
18 shall exert every reasonable effort to make and maintain agreements
19 concerning matters allowable under section 904 of this title and to settle all
20 disputes, whether arising out of the application of those agreements; or
21 growing out of any dispute between the employer and the employees thereof.

1 Sec. 5. 3 V.S.A. § 904 is amended to read:

2 § 904. SUBJECTS FOR BARGAINING

3 (a) All matters relating to the relationship between the employer and
4 employees shall be the subject of collective bargaining except those matters
5 which are prescribed or controlled by statute. Such matters appropriate for
6 collective bargaining to the extent they are not prescribed or controlled by
7 statute include ~~but are not limited to:~~

8 * * *

9 (9) ~~Rules~~ rules and regulations for personnel administration, except the
10 following: rules and regulations relating to persons exempt from the classified
11 service under section 311 of this title and rules and regulations relating to
12 applicants for employment in state service and employees in an initial
13 probationary status, including any extension or extensions thereof provided
14 such rules and regulations are not discriminatory by reason of an applicant's
15 race, color, creed, sex, or national origin; and

16 (10) ~~A collective bargaining service fee~~ the manner in which to enforce
17 an employee's obligation to pay the fair-share fee.

18 * * *

1 Sec. 6. 3 V.S.A. § 941 is amended to read:

2 § 941. UNIT DETERMINATION, CERTIFICATION, AND
3 REPRESENTATION

4 * * *

5 (k) Nothing in this chapter requires an individual to seek the assistance of
6 his or her collective bargaining unit or its representative(s) in any grievance
7 proceeding. He or she may represent himself or herself or be represented by
8 counsel of his or her own choice. ~~Employees who are eligible for membership
9 in a collective bargaining unit who exercise their right not to join such unit
10 may upon agreement with the unit representative avail themselves of the
11 services of the unit representative(s) in grievance proceedings upon payment to
12 the unit of a fee established by the unit representative, provided that in the
13 event a collective bargaining service fee is negotiated, the unit representative
14 shall represent nonmember employees in grievance proceedings without
15 charge.~~

16 Sec. 7. 3 V.S.A. § 962 is amended to read:

17 § 962. EMPLOYEES

18 It shall be an unfair labor practice for an employee organization or its
19 agents:

20 * * *

1 (10) ~~To~~ to charge a collective bargaining fee negotiated pursuant to
2 ~~section 904 of this title~~ the fair-share fee unless such employee organization
3 has established and maintained a procedure to provide nonmembers with:

4 (A) an audited financial statement that identifies the major categories
5 of expenses; and divides them into chargeable and nonchargeable expenses;

6 (B) an opportunity to object to the amount of the ~~agency fee~~
7 fair-share fee sought, any amount reasonably in dispute to be placed in escrow;

8 (C) prompt arbitration by the board to resolve any objection over the
9 amount of the ~~collective bargaining fee~~ fair-share fee.

10 * * * Judiciary Employees * * *

11 Sec. 8. 3 V.S.A. § 1011 is amended to read:

12 § 1011. DEFINITIONS

13 ~~For the purposes of~~ As used in this chapter:

14 * * *

15 (4) ~~“Collective bargaining service fee,” means a fee deducted by an~~
16 ~~employer from the salary or wages of an employee who is not a member of an~~
17 ~~employee organization, and that fee is paid to the employee organization that is~~
18 ~~the exclusive bargaining agent for the bargaining unit of the employee. A~~
19 ~~collective bargaining service fee shall not exceed 85 percent of the amount~~
20 ~~payable as dues by members of the employee organization; shall be deducted~~
21 ~~in the same manner as dues are deducted from the salary or wages of members~~

1 ~~of the employee organization; and shall be used to defray the costs incurred by~~
2 ~~the employee organization in fulfilling its duty to represent the employees in~~
3 ~~their employment relations with the employer~~ “Fair-share fee” means the
4 portion of an employee organization’s dues attributable to activities stemming
5 from its duty to represent all employees in a collective bargaining unit without
6 regard to membership in the employee organization, to be paid by those
7 employees in a collective bargaining unit who are not members of the
8 employee organization. It includes the cost of all activities germane to
9 collective bargaining, administering and enforcing collective bargaining
10 agreements, representing employees in their employment relations with the
11 State, professional development, and the employee organization’s governance
12 and administration. It does not include the cost of any political activities,
13 lobbying over matters that are not germane to either collective bargaining or
14 employer-employee relations, or community service activities undertaken by
15 the employee organization.

16 * * *

17 Sec. 9. 3 V.S.A. § 1012 is amended to read:

18 § 1012. EMPLOYEES’ RIGHTS AND DUTIES; PROHIBITED ACTS

19 (a) Employees shall have the right to self-organization; to form, join, or
20 assist employee organizations; to bargain collectively through their chosen
21 representatives; to engage in concerted activities of collective bargaining or

1 other mutual aid or protection; to refrain from any or all those activities, except
2 as provided in ~~subsection (b)~~ subsections (b) and (c) of this section; and to
3 appeal grievances as provided in this chapter.

4 (b) ~~No~~ An employee may not strike or recognize a picket line of an
5 employee organization while performing the employee's official duties.

6 (c) An employee who exercises the right not to join the employee
7 organization representing the employee's certified unit pursuant to
8 section 1021 of this title shall pay a fair-share fee to the representative of the
9 bargaining unit in the same manner as employees who pay membership fees to
10 the representative.

11 ~~(e)~~(d) The employer and employees and the employee's representative shall
12 exert every reasonable effort to make and maintain agreements concerning
13 matters allowable under section 1013 of this title and to settle all disputes,
14 whether arising out of the application of those agreements or growing out of
15 any dispute between the employer and the employees.

16 Sec. 10. 3 V.S.A. § 1013 is amended to read:

17 § 1013. SUBJECTS FOR BARGAINING

18 All matters relating to the relationship between the employer and employees
19 are subject to collective bargaining, to the extent those matters are not
20 prescribed or controlled by law, including:

21 * * *

1 (10) ~~A collective bargaining service fee~~ the manner in which to enforce
2 an employee's obligation to pay the fair-share fee.

3 Sec. 11. 3 V.S.A. § 1027 is amended to read:

4 § 1027. EMPLOYEES

5 It shall be an unfair labor practice for an employee organization or its
6 agents:

7 * * *

8 (10) ~~To~~ to charge a negotiated collective bargaining the fair-share fee
9 unless the employee organization has established and maintained a procedure
10 to provide nonmembers with all the following:

11 (A) ~~An~~ an audited financial statement that identifies the major
12 categories of expenses and divides them into chargeable and nonchargeable
13 expenses;

14 (B) ~~An~~ an opportunity to object to the amount of the fair-share fee
15 requested and to place in escrow any amount reasonably in dispute; and

16 (C) ~~Prompt~~ prompt arbitration by the board to resolve any objection
17 over the amount of the ~~collective bargaining fee~~ fair-share fee.

1 Sec. 12. 3 V.S.A. § 1041 is amended to read:

2 § 1041. GRIEVANCES; APPLICANTS AND EXCLUDED PERSONNEL

3 * * *

4 (c) Any dispute concerning the amount of a ~~collective bargaining service~~
5 the fair-share fee may be grieved to the board in accordance with the rules of
6 the board.

7 * * * Teachers * * *

8 Sec. 13. 16 V.S.A. § 1981 is amended to read:

9 § 1981. DEFINITIONS

10 As used in this chapter unless the context requires otherwise:

11 * * *

12 (7) ~~“Agency fee” means a fee for representation in collective bargaining,~~
13 ~~not exceeding teachers’ or administrators’ organization dues, payable to the~~
14 ~~organization which is the exclusive bargaining agent for teachers or~~
15 ~~administrators in a bargaining unit, from individuals who are not members of~~
16 ~~the organization~~ “Fair-share fee” means the portion of an employee
17 organization’s dues attributable to activities stemming from its duty to
18 represent all employees in a negotiating unit without regard to membership in
19 the employee organization, to be paid by those employees in a collective
20 bargaining unit who are not members of the employee organization. It
21 includes the cost of all activities germane to collective bargaining.

1 administering and enforcing collective bargaining agreements, representing
2 employees in their employment relations with their employer, professional
3 development, and the employee organization's governance and administration.
4 It does not include the cost of any political activities, lobbying over matters
5 that are not germane to either collective bargaining or employer-employee
6 relations, or community service activities undertaken by the employee
7 organization.

8 * * *

9 Sec. 14. 16 V.S.A. § 1982 is amended to read:

10 § 1982. RIGHTS

11 (a) Teachers shall have the right to or not to join, assist, or participate in
12 any teachers' organization of their choosing. ~~However, teachers may be~~
13 ~~required to pay an agency fee~~ However, teachers who choose not to join the
14 teachers' organization, recognized as the exclusive representative pursuant to
15 an agreement negotiated under section 1992 of this chapter, shall pay the
16 fair- share fee in the same manner as teachers who choose to join the teachers'
17 organization pay membership fees.

18 (b) Principals, assistant principals, and administrators other than
19 superintendent and assistant superintendent shall have the right to or not to
20 join, assist, or participate in any administrators' organization or as a separate
21 unit of any teachers' organization of their choosing. However, subject to the

1 provisions of subsection (d) of this section, administrators other than the
2 superintendent and assistant superintendent ~~may be required to pay an agency~~
3 fee who choose not to join the administrators' organization, recognized as the
4 exclusive representative pursuant to an agreement negotiated under section
5 1992 of this chapter, shall pay the fair-share fee in the same manner as
6 administrators who choose to join the administrators' organization pay
7 membership fees.

8 (c) ~~Neither the~~ The school board ~~nor~~ or any employee of the school board
9 serving in any capacity, ~~nor~~ or any other person or organization shall not
10 interfere with, restrain, coerce, or discriminate in any way against or for any
11 teacher or administrator engaged in activities protected by this legislation.

12 (d) A teachers' or administrators' organization shall not charge the
13 fair-share fee unless it has established and maintained a procedure to provide
14 nonmembers with:

15 (1) an audited financial statement that identifies the major categories
16 of expenses and divides them into chargeable and nonchargeable expenses;

17 (2) an opportunity to object to the amount of the fair-share fee
18 sought, and to place in escrow any amount reasonably in dispute;

19 (3) prompt arbitration by an arbitrator selected jointly by the
20 objecting fee payer and the teachers' or administrators' organization or

1 pursuant to the rules of the American Arbitration Association to resolve any
2 objection over the amount of the fair-share fee.

3 Sec. 15. 16 V.S.A. § 2004 is amended to read:

4 § 2004. AGENDA

5 The school board, through its negotiations council, shall, upon request,
6 negotiate with representatives of the teachers' or administrators' organization
7 negotiations council on matters of salary, related economic conditions of
8 employment, ~~an agency service fee~~ the manner in which it will enforce an
9 employee's obligation to pay the fair-share fee, procedures for processing
10 complaints and grievances relating to employment, and any mutually agreed
11 upon matters not in conflict with the statutes and laws of the ~~state~~ State of
12 Vermont.

13 * * * Certain Private Sector Employees * * *

14 Sec. 16. 21 V.S.A. § 1502 is amended to read:

15 § 1502. DEFINITIONS

16 ~~In~~ As used in this chapter the following words shall have the following
17 meaning:

18 * * *

19 (14) "Fair-share fee" means the portion of an employee organization's
20 dues attributable to activities stemming from its duty to represent all
21 employees in a collective bargaining unit without regard to membership in the

1 employee organization, to be paid by those employees in a collective
2 bargaining unit who are not members of the employee organization. It
3 includes the cost of all activities germane to collective bargaining,
4 administering and enforcing collective bargaining agreements, representing
5 employees in their employment relations with their employer, professional
6 development, and the employee organization's governance and administration.
7 It does not include the cost of any political activities, lobbying over matters
8 that are not germane to either collective bargaining or employer-employee
9 relations, or community service activities undertaken by the employee
10 organization.

11 Sec. 17. 21 V.S.A. § 1503 is amended to read:

12 § 1503. RIGHTS OF EMPLOYEES; MUTUAL DUTY TO BARGAIN

13 (a) Employees shall have the right to self-organization; to form, join, or
14 assist labor organizations; to bargain collectively through representatives of
15 their own choice, and to engage in concerted activities for the purpose of
16 collective bargaining or other mutual aid or protection, and shall also have the
17 right to refrain from any or all such activities, except to the extent that such
18 right may be affected by an agreement requiring membership in a labor
19 organization as a condition of employment as authorized in ~~section~~ subsection
20 1621(a) of this title. An employee who exercises the right not to join the labor
21 organization representing the employee's certified unit pursuant to section

1 1581 of this title, shall, subject to subsection (b) of this section, pay the
2 fair-share fee to the representative of the bargaining unit in the same manner as
3 employees who pay membership fees to the representative.

4 (b) A labor organization shall not charge the fair-share fee unless it has
5 established and maintained a procedure to provide nonmembers with:

6 (1) an audited financial statement that identifies the major categories
7 of expenses and divides them into chargeable and nonchargeable expenses;

8 (2) an opportunity to object to the amount of the fair-share fee
9 sought, and to place in escrow any amount reasonably in dispute;

10 (3) prompt arbitration by an arbitrator selected jointly by the
11 objecting fee payer and the teachers' or administrators' organization or
12 pursuant to the rules of the American Arbitration Association to resolve any
13 objection over the amount of the fair-share fee.

14 Sec. 18. 21 V.S.A. § 1621 is amended to read:

15 § 1621. UNFAIR LABOR PRACTICES

16 (a) It shall be an unfair labor practice for an employer:

17 * * *

18 (6) Nothing in this chapter or any other statute of this state shall
19 preclude an employer from making an agreement with a labor organization
20 (not established, maintained or assisted by any action defined in this
21 subsection (a) as an unfair labor practice) to require the fair-share fee to be

1 paid as a condition of employment, or to require as a condition of employment
2 membership in such labor organization on or after the 30th day following the
3 beginning of such employment or the effective date of such agreement,
4 whichever is the later, (i) if such labor organization is the representative of the
5 employees as provided in section 1583 of this chapter, in the appropriate
6 collective bargaining unit covered by such agreement when made and (ii)
7 unless following an election held as provided in section 1584 of this chapter
8 within one year preceding the effective date of such agreement, the ~~board~~
9 Board shall have certified that at least a majority of the employees eligible to
10 vote in such election have voted to rescind the authority of such labor
11 organization to make
12 such an agreement. ~~No~~ An employer shall not justify any discrimination
13 against an employee for nonmembership in a labor organization:

14 (A) ~~If~~ if the employer has reasonable grounds for believing that
15 membership was not available to the employee on the same terms and
16 conditions generally applicable to other members; or

17 (B) ~~If~~ if the employer has reasonable grounds for believing that
18 membership was denied or terminated for reasons other than the failure of the
19 employee to tender the periodic dues and the initiation fees uniformly required
20 as a condition of acquiring or retaining membership.

21 * * *

1 (b) It shall be an unfair labor practice for a labor organization or its agents:

2 * * *

3 (5) To require employees covered by a the fair-share requirement or
4 other union security agreement authorized under subsection (a) of this section
5 to pay, as a condition precedent to becoming a member of such organization, a
6 fee in an amount which the ~~board~~ Board finds excessive or discriminatory
7 under all the circumstances. In making such a finding, the ~~board~~ Board shall
8 consider, among other relevant factors, the practices and customs of labor
9 organizations in the particular industry, and the wages currently paid to the
10 employees affected.

11 * * *

12 * * * Municipal Employees * * *

13 Sec. 19. 21 V.S.A. § 1722 is amended to read:

14 § 1722. DEFINITIONS

15 ~~For the purposes of~~ As used in this chapter:

16 (1) ~~“Agency service fee” means a fee for representation in collective~~
17 ~~bargaining not exceeding employee organization dues, payable to an employee~~
18 ~~organization which is the exclusive bargaining agent for employees in a~~
19 ~~bargaining unit from individuals who are not members of the employee~~
20 ~~organization~~ “Fair-share fee” means the portion of an employee organization’s
21 dues attributable to activities stemming from its duty to represent all

1 employees in a collective bargaining unit without regard to membership in the
2 employee organization, to be paid by those employees in a collective
3 bargaining unit who are not members of the employee organization. It
4 includes the cost of all activities germane to collective bargaining,
5 administering and enforcing collective bargaining agreements, representing
6 employees in their employment relations with their employer, professional
7 development, and the employee organization's governance and administration.
8 It does not include the cost of any political activities, lobbying over matters
9 that are not germane to either collective bargaining or employer-employee
10 relations, or community service activities undertaken by the employee
11 organization.

12 * * *

13 Sec. 20. 21 V.S.A. § 1726 is amended to read:

14 § 1726. UNFAIR LABOR PRACTICES

15 (a) It shall be an unfair labor practice for an employer:

16 * * *

17 (8) ~~Nothing in this chapter or any other statute of this state shall~~
18 ~~preclude a municipal employer from making an agreement with the exclusive~~
19 ~~bargaining agent to require an agency service fee~~ A municipal employer and
20 the exclusive bargaining agent may agree to require the fair-share fee to be
21 paid as a condition of employment, or to require as a condition of employment

1 membership in such employee organization on or after the 30th day following
2 the beginning of such employment or the effective date of such agreement,
3 whichever is the later. ~~No~~ A municipal employer shall not discharge or
4 discriminate against any employee for nonpayment of ~~an agency service fee~~
5 the fair-share fee or for nonmembership in an employee organization:

6 (A) ~~If~~ if the employer has reasonable grounds for believing that
7 membership was not available to the employee on the same terms and
8 conditions generally applicable to other members; or

9 (B) ~~If~~ if the employer has reasonable grounds for believing that
10 membership was denied or terminated for reasons other than the failure of the
11 employee to tender the periodic dues and the initiation fees uniformly required
12 as a condition of acquiring or retaining membership.

13 (b) It shall be an unfair labor practice for an employee organization or its
14 agents:

15 * * *

16 (6) ~~To~~ to require employees covered by ~~an agency service fee agreement~~
17 the fair-share fee requirement or other union security agreement authorized
18 under subsection (a) of this section to pay an initiation fee which the board
19 finds excessive or discriminatory under all the circumstances, including the
20 practices and customs of employee organizations representing municipal
21 employees; and the wages paid to the employees affected.

1 * * *

2 (12) to charge the fair-share fee unless the employee organization has
3 established and maintained a procedure to provide nonmembers with all the
4 following:

5 (A) an audited financial statement that identifies the major categories
6 of expenses and divides them into chargeable and nonchargeable expenses;

7 (B) an opportunity to object to the amount of the fee requested and to
8 place in escrow any amount reasonably in dispute; and

9 (C) prompt arbitration by an arbitrator selected jointly by the
10 objecting fee payer and the labor organization or pursuant to the rules of the
11 American Arbitration Association to resolve any objection over the amount of
12 the agency service fee.

13 Sec. 21. 21 V.S.A. § 1734 is amended to read:

14 § 1734. MISCELLANEOUS

15 (a) Municipal employees and exclusive bargaining agents are authorized to
16 negotiate provisions in a collective bargaining agreement calling for:

17 (1) ~~Payroll~~ payroll deduction of employee organization dues and
18 initiation fees, ~~or an agency service fee;~~

19 (2) ~~Binding~~ binding arbitration of grievances involving the
20 interpretation or application of a written collective bargaining agreement. The
21 cost of arbitration shall be shared equally by the parties.

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* * *

(d) In the absence of an agreement requiring an employee to be a member of the employee organization, an employee choosing not to be a member of the employee organization shall pay the fair-share fee in the same manner as employees who choose to join the employee organization pay dues.

* * * Effective Dates * * *

Sec. 22. EFFECTIVE DATES

(a) Secs. 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 (relating to state and judiciary employees) of this act shall take effect on July 2, 2013 and apply to new successor collective bargaining agreements subject to the provisions of 3 V.S.A. chapters 27 and 28.

(b) Secs. 13, 14, 15, 16, 17, 18, 19, 20, and 21 (relating to teachers, municipal employees, and certain private employers) of this act shall take effect on June 30, 2013 and apply to employees subject to 16 V.S.A. chapter 57 and 21 V.S.A. chapters 19 and 22 on the date following the expiration date stated in the collective bargaining agreement, if any, then in effect, but in no event shall an employee be required to pay a fair-share fee under this act for any period prior to July 1, 2013 unless an existing collective bargaining agreement requires payment of the fee. In the event that no collective bargaining agreement is in effect on June 30, 2013, Secs. 5, 6, and 7 of this act

- 1 shall take effect on June 30, 2013 and apply to employees subject to
- 2 16 V.S.A. chapter 57 and 21 V.S.A. chapters 19 and 22 on July 1, 2013.
- 3 (c) This section and Secs. 1 and 2 of this act shall take effect on passage.