| 1 | AN ACT |
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| 2 | relating to the right of certain municipalities to maintain local |
| 3 | control over wages, hours, and other terms and conditions of |
| 4 | employment. |
| 5 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: |
| 6 | SECTION 1. The heading of Chapter 143, Local Government |
| 7 | Code, is amended to read as follows: |
| 8 | CHAPTER 143. MUNICIPAL CIVIL SERVICE FOR FIREFIGHTERS AND POLICE |
| 9 | OFFICERS |
| 10 | SECTION 2. Subtitle A, Title 5, Local Government Code, is |
| 11 | amended by adding Chapter 146 to read as follows: |
| 12 | CHAPTER 146. LOCAL CONTROL OF MUNICIPAL EMPLOYMENT MATTERS IN |
| 13 | CERTAIN MUNICIPALITIES |
| 14 | Sec. 146.001. APPLICABILITY. (a) This chapter applies |
| 15 | only to a municipality with a population of 1.5 million or more. |
| 16 | (b) This chapter does not apply to: |
| 17 | (1) firefighters or police officers who are covered by |
| 18 | Subchapter H, I, or J of Chapter 143 or by Chapter 174; or |
| 19 | (2) an employee association in which those employees |
| 20 | participate. |
| 21 | Sec. 146.002. DEFINITIONS. In this chapter: |
| 22 | (1) "Covered employee" means an employee of a |
| 23 | municipality, other than a department head or a firefighter or |
| 24 | police officer who is covered by Subchapter H, I, or J of Chapter |

1 <u>143 or by Chapter 174.</u>

2 (2) "Employee association" means an organization in 3 which municipal employees participate and that exists for the 4 purpose, wholly or partly, of dealing with one or more employers, 5 whether public or private, concerning grievances, labor disputes, 6 wages, rates of pay, hours of employment, or conditions of work 7 affecting public employees and whose members pay dues by means of an 8 automatic payroll deduction.

9 (3) "Public employer" means any municipality or agency, board, commission, or political subdivision controlled by a 10 municipality that is required to establish the wages, salaries, 11 12 rates of pay, hours, working conditions, and other terms and conditions of employment of public employees. The term may 13 include, under appropriate circumstances, a mayor, manager, 14 15 administrator of a municipality, municipal governing body, director of personnel, personnel board, or one or more other 16 17 officials regardless of the name by which they are designated.

Sec. 146.003. GENERAL PROVISIONS RELATING TO AGREEMENTS AND 18 RECOGNITION. (a) A municipality may not be denied local control 19 over the wages, salaries, rates of pay, hours of work, other terms 20 21 and conditions of employment, or other state-mandated personnel issues. A public employer may enter into a mutual agreement 22 governing these issues with an employee association recognized 23 24 under this chapter as the sole and exclusive bargaining agent for all covered employees that does not advocate the illegal right to 25 26 strike by municipal employees. The applicable statutes, local ordinances, and civil service rules govern a term or condition of 27

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| 1 | employment on which the public employer and the association do not |
| 2 | agree. |
| 3 | (b) An agreement under this chapter must be written. |
| 4 | (c) This chapter does not require the public employer and |
| 5 | the recognized employee association to meet and confer or reach an |
| 6 | agreement on any issue. |
| 7 | (d) This chapter does not authorize an agreement regarding |
| 8 | pension or pension-related matters governed by Chapter 358, Acts of |
| 9 | the 48th Legislature, Regular Session, 1943 (Article 6243g, |
| 10 | Vernon's Texas Civil Statues), or a successor statute. |
| 11 | Sec. 146.004. PETITION FOR RECOGNITION: ELECTION OR ACTION |
| 12 | BY GOVERNING BODY. (a) Not later than the 30th day after the date |
| 13 | the governing body of a municipality receives from an employee |
| 14 | association a petition signed by the majority of all covered |
| 15 | employees that requests recognition of the association as the sole |
| 16 | and exclusive bargaining agent for all the covered employees, the |
| 17 | governing body shall: |
| 18 | (1) grant recognition of the association as requested |
| 19 | in the petition and find that a public employer may meet and confer |
| 20 | under this chapter without conducting an election by the voters in |
| 21 | the municipality under Section 146.006; |
| 22 | (2) defer granting recognition of the association and |
| 23 | order an election by the voters in the municipality under Section |
| 24 | 146.006 regarding whether a public employer may meet and confer |
| 25 | under this chapter; or |
| 26 | (3) order a certification election under Section |
| 27 | 146.005 to determine whether the association represents a majority |
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| 1 | of the covered employees. |
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| 2 | (b) If the governing body of a municipality orders a |
| 3 | certification election under Subsection (a)(3) and the association |
| 4 | named in the petition is certified to represent a majority of the |
| 5 | covered employees, the governing body shall, not later than the |
| 6 | 30th day after the date that results of that election are certified: |
| 7 | (1) grant recognition of the association as requested |
| 8 | in the petition for recognition and find that a public employer may |
| 9 | meet and confer under this chapter without conducting an election |
| 10 | by the voters in the municipality under Section 146.006; or |
| 11 | (2) defer granting recognition of the association and |
| 12 | order an election by the voters in the municipality under Section |
| 13 | 146.006 regarding whether a public employer may meet and confer |
| 14 | under this chapter. |
| 15 | Sec. 146.005. CERTIFICATION ELECTION. (a) Except as |
| 16 | provided by Subsection (b), a certification election ordered under |
| 17 | Section 146.004(a)(3) to determine whether an employee association |
| 18 | represents a majority of the covered employees shall be conducted |
| 19 | according to procedures agreeable to the parties. |
| 20 | (b) If the parties are unable to agree on procedures for the |
| 21 | certification election, either party may request the American |
| 22 | Arbitration Association to conduct the election and to certify the |
| 23 | results of the election. |
| 24 | (c) Certification of the results of an election under this |
| 25 | section resolves the question concerning representation. |
| 26 | (d) The association is liable for the expenses of the |
| 27 | certification election. except that if two or more associations |

seeking recognition as the sole and exclusive bargaining agent 1 2 submit a petition signed by at least 30 percent of the employees eligible to sign the petition for recognition, all the associations 3 4 named in any petition shall share equally the costs of the election. Sec. 146.006. ELECTION TO AUTHORIZE OPERATING UNDER THIS 5 6 CHAPTER. (a) The governing body of a municipality that receives a 7 petition for recognition under Section 146.004 may order an 8 election to determine whether a public employer may meet and confer under this chapter. 9 (b) An election ordered under this section must be held as 10 part of the next regularly scheduled general election for municipal 11 12 officials that is held after the date the governing body of the municipality orders the election and that allows sufficient time to 13 14 prepare the ballot in compliance with other requirements of law. 15 (c) The ballot for an election ordered under this section shall be printed to permit voting for or against the proposition: 16 17 "Authorizing (name of the municipality) to operate under the state law allowing a municipality to meet and confer and make 18 19 agreements with the association representing municipal employees as provided by state law, preserving the prohibition against 20 21 strikes and organized work stoppages, and providing penalties for strikes and organized work stoppages." 22 (d) An election calle<u>d under this section must be held and</u> 23 24 the returns prepared and canvassed in conformity with the Election 25 Code.

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(e) If an election authorized under this section is held,
 the municipality may operate under the other provisions of this

chapter only if a majority of the votes cast at the election favor 1 2 the proposition. 3 (f) If an election authorized under this section is held, an 4 association may not submit a petition for recognition to the 5 governing body of the municipality under Section 146.004 before the 6 second anniversary of the date of the election. Sec. 146.007. CHANGE OR MODIFICATION OF RECOGNITION. (a) 7 8 The municipal employees may modify or change the recognition of the 9 employee association granted under this chapter by filing with the 10 governing body of the municipality a petition signed by a majority 11 of all covered employees. 12 (b) The governing body of the municipality may: (1) recognize the change or modification as provided 13 14 by the petition; or (2) order a certification election in accordance with 15 16 Section 146.005 regarding whether to do so. 17 Sec. 146.008. STRIKES PROHIBITED. (a) A municipal employee may not engage in a strike or organized work stoppage 18 19 against this state or the municipality. (b) A municipal employee who participates in a strike 20 21 forfeits any civil service rights, reemployment rights, and other 22 rights, benefits, or privileges the employee may have as a result of the employee's employment or prior employment with the 23 24 municipality. 25 (c) This section does not affect the right of a person to 26 cease work if the person is not acting in concert with others in an 27 organized work stoppage.

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Sec. 146.009. RECOGNITION OF EMPLOYEE ASSOCIATION. (a) A
public employer in a municipality that chooses to meet and confer
under this chapter shall recognize an association that is
recognized under Section 146.004 or 146.005 as the sole and
exclusive bargaining agent for the covered employees.

6 (b) The public employer shall recognize the employee 7 association until recognition of the association is withdrawn, in 8 accordance with Section 146.007, by a majority of the municipal 9 employees eligible to sign a petition for recognition.

10 <u>Sec. 146.010. SELECTION OF BARGAINING AGENT; BARGAINING</u>
11 <u>UNIT. (a) The public employer's chief executive officer or the</u>
12 <u>chief executive officer's designee shall select one or more persons</u>
13 <u>to represent the public employer as its sole and exclusive</u>
14 <u>bargaining agent to meet and confer on issues related to the wages,</u>
15 <u>hours of employment, and other terms and conditions of employment</u>
16 <u>of municipal employees.</u>

17 (b) An employee association may designate one or more
 18 persons to negotiate or bargain on the association's behalf.

19 (c) A municipality's bargaining unit is composed of all the 20 <u>covered employees.</u>

21 <u>Sec. 146.011. PROTECTED RIGHTS OF EMPLOYEES. A meet and</u> 22 <u>confer agreement ratified under this chapter may not interfere with</u> 23 <u>the right of a member of a bargaining unit to pursue allegations of</u> 24 <u>discrimination based on race, creed, color, national origin,</u> 25 <u>religion, age, sex, or disability with the Texas Workforce</u> 26 <u>Commission civil rights division or the federal Equal Employment</u> 27 Opportunity Commission or to pursue affirmative action litigation.

Sec. 146.012. OPEN RECORDS. (a) A proposed meet and confer agreement and a document prepared and used by the municipality, including a public employer, in connection with the proposed agreement are available to the public under Chapter 552, Government Code, only after the agreement is ready to be ratified by the governing body of the municipality.

7 (b) This section does not affect the application of
8 Subchapter C, Chapter 552, Government Code, to a document prepared
9 and used in connection with the agreement.

10 <u>Sec. 146.013. OPEN DELIBERATIONS. (a) Deliberations</u> 11 <u>relating to a meet and confer agreement or proposed agreement under</u> 12 <u>this chapter between representatives of the public employer and</u> 13 <u>representatives of the employee association recognized under this</u> 14 <u>chapter as the sole and exclusive bargaining agent for the covered</u> 15 <u>employees must be open to the public and comply with state law.</u>

16 <u>(b)</u> Subsection (a) may not be construed to prohibit the 17 representatives of the public employer or the representatives of 18 the recognized employee association from conducting private 19 caucuses that are not open to the public during meet and confer 20 negotiations.

21 <u>Sec. 146.014. RATIFICATION AND ENFORCEABILITY OF</u> 22 <u>AGREEMENT. (a) An agreement under this chapter is enforceable and</u> 23 <u>binding on the public employer, the recognized employee</u> 24 <u>association, and the employees covered by the meet and confer</u> 25 <u>agreement only if:</u>

26 (1) the governing body of the municipality ratified 27 the agreement by a majority vote; and

(2) the recognized employee association ratified the 1 2 agreement by conducting a secret ballot election at which the majority of the covered employees who are members of the 3 4 association favored ratifying the agreement. (b) A meet and confer agreement ratified as described by 5 6 Subsection (a) may establish a procedure by which the parties agree 7 to resolve disputes related to a right, duty, or obligation provided by the agreement, including binding arbitration on a 8 9 question involving interpretation of the agreement.

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(c) A state district court of a judicial district in which 10 the municipality is located has jurisdiction to hear and resolve a 11 dispute under the ratified meet and confer agreement on the 12 application of a party to the agreement aggrieved by an action or 13 14 omission of the other party when the action or omission is related 15 to a right, duty, or obligation provided by the agreement. The court may issue proper restraining orders, temporary and permanent 16 17 injunctions, or any other writ, order, or process, including contempt orders, that are appropriate to enforcing the agreement. 18

19 <u>Sec. 146.015. ACTION OR ELECTION TO REPEAL AUTHORIZATION TO</u>
20 <u>OPERATE UNDER THIS CHAPTER. (a) The governing body of a</u>
21 <u>municipality that granted recognition of an employee association</u>
22 <u>under Section 146.004 without conducting an election under Section</u>
23 <u>146.006 may withdraw recognition of the association by providing to</u>
24 <u>the association not less than 90 days' written notice that:</u>

25 (1) the governing body is withdrawing recognition of 26 the association; and

27

(2) any agreement between the governing body and the

H.B. No. 2866 1 association will not be renewed. 2 (b) The governing body of a municipality that granted recognition of an employee association after conducting an election 3 4 under Section 146.006 may order an election to determine whether a 5 public employer may continue to meet and confer under this chapter. 6 The governing body may not order an election under this subsection until the second anniversary of the date of the election under 7 8 Section 146.006. 9 (c) An election ordered under Subsection (b) must be held as part of the next regularly scheduled general election for 10 municipal officers that occurs after the date the governing body of 11 the municipality orders the election and that allows sufficient 12 time to prepare the ballot in compliance with other requirements of 13 14 law. 15 (d) The ballot for an election ordered under Subsection (b) shall be printed to allow voting for or against the proposition: 16 17 "Authorizing (name of the municipality) to continue to operate under the state law allowing a municipality to meet and 18 confer and make agreements with the association representing 19 municipal employees as provided by state law, preserving the 20 21 prohibition against strikes and organized work stoppages, and providing penalties for strikes and organized work stoppages." 22 (e) An election ordered under Subsection (b) must be held 23 24 and the returns prepared and canvassed in conformity with the 25 Election Code.

(f) If an election ordered under Subsection (b) is held, the
 municipality may continue to operate under this chapter only if a

| 1 | majority of the votes cast at the election favor the proposition. |
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| 2 | (g) If an election ordered under Subsection (b) is held, an |
| 3 | association may not submit a petition for recognition to the |
| 4 | governing body of the municipality under Section 146.004 before the |
| 5 | second anniversary of the date of the election. |
| 6 | Sec. 146.016. ELECTION TO REPEAL AGREEMENT. (a) Not later |
| 7 | than the 45th day after the date a meet and confer agreement is |
| 8 | ratified by the governing body of the municipality and the |
| 9 | recognized employee association, a petition calling for the repeal |
| 10 | of the agreement signed by at least 10 percent of the qualified |
| 11 | voters residing in the municipality may be presented to the person |
| 12 | charged with ordering an election under Section 3.004, Election |
| 13 | Code. |
| 14 | (b) If a petition is presented under Subsection (a), the |
| 15 | governing body of the municipality shall: |
| 16 | (1) repeal the meet and confer agreement; or |
| 17 | (2) certify that it is not repealing the agreement and |
| 18 | call an election to determine whether to repeal the agreement. |
| 19 | (c) An election called under Subsection (b)(2) may be held |
| 20 | as part of the next regularly scheduled general election for the |
| 21 | municipality or a special election called by the governing body for |
| 22 | that purpose. The ballot shall be printed to provide for voting for |
| 23 | or against the proposition: "Repeal the meet and confer agreement |
| 24 | ratified on (date agreement was ratified) by the |
| 25 | (name of the governing body of the municipality) and the |
| 26 | (recognized municipal employee association) concerning wages, |
| 27 | salaries, rates of pay, hours of work, and other terms of |

employment." 1 2 (d) If a majority of the votes cast at the election favor the repeal of the agreement, the agreement is void. 3 4 Sec. 146.017. AGREEME<u>NT SUPERSEDES CONFLICTING PROVISIONS.</u> A written meet and confer agreement ratified under this chapter 5 6 preempts, during the term of the agreement and to the extent of any conflict, all contrary state statutes, local ordinances, executive 7 orders, civil service provisions, or rules adopted by this state or 8 a political subdivision or agent of this state, including a 9 personnel board, civil service commission, or home-rule 10 municipality, other than a statute, ordinance, executive order, 11 civil service provision, or rule regarding pensions or 12 pension-related matters. 13

SECTION 3. This Act takes effect September 1, 2005.

President of the Senate

Speaker of the House

I certify that H.B. No. 2866 was passed by the House on May 12, 2005, by a non-record vote.

Chief Clerk of the House

I certify that H.B. No. 2866 was passed by the Senate on May 25, 2005, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED:

Date

Governor