1	S.316
2	Introduced by Committee on Education
3	Date: January 9, 2014
4	Subject: Education; collective bargaining; early child care and education
5	providers
6	Statement of purpose of bill as introduced: This bill proposes to extend
7	collective bargaining rights to early child care providers to improve the quality
8	of early education in Vermont.
9	An act relating to child care providers
10	It is hereby enacted by the General Assembly of the State of Vermont:
11	Sec. 1. FINDINGS
12	The General Assembly finds:
13	(1) The early education a child receives before school age, particularly
14	before the age of three, has a profound effect on a child's development during
15	this critical stage of life. Investments in the consistency and quality of early
16	education lay a vital foundation for the future cognitive, social, and academic
17	success of Vermont children.
18	(2) Early education providers should have the opportunity to work
19	collectively with the State to enhance professional development and
20	educational opportunities for early educators, to increase child care subsidy

1	funding to enable more children to receive critical early education
2	opportunities, and to ensure the continual improvement of early education in
3	Vermont.
4	Sec. 2. 33 V.S.A. chapter 36 is added to read:
5	CHAPTER 36. EARLY CARE AND EDUCATION PROVIDERS
6	LABOR RELATIONS ACT
7	<u>§ 3601. PURPOSE</u>
8	(a) The General Assembly recognizes the right of all early care and
9	education providers to bargain collectively with the State over matters within
10	the State's control and identified as subjects of bargaining pursuant to
11	subsection 3603(b) of this chapter.
12	(b) The General Assembly intends to create an opportunity for early care
13	and education providers to choose to form a union and bargain with the State
14	over matters within the State's control and identified as subjects of bargaining
15	pursuant to subsection 3603(b) of this chapter.
16	(c) Specific terms and conditions of employment at individual child care
17	centers, which are the subject of traditional collective bargaining between
18	employers and employees, are outside the limited scope of this chapter.
19	(d) The matters subject to this chapter are those within the control of the
20	State of Vermont and relevant to all early care and education providers.

1	(e) Early care and education providers do not forfeit their rights under the
2	National Labor Relations Act, 29 U.S.C. §§ 151–169, or the Vermont State
3	Labor Relations Act, 21 V.S.A. §§ 1501–1624, by becoming members of an
4	organization that represents them in their dealings with the State. The terms
5	and conditions of employment with individual early care and education
6	providers, which are the subjects of traditional collective bargaining between
7	employers and employees and which are governed by federal law, fall outside
8	the limited scope of bargaining defined in this chapter.
9	§ 3602. DEFINITIONS
10	As used in this chapter:
11	(1) "Board" means the State Labor Relations Board established under
12	3 V.S.A. § 921.
13	(2) "Collective bargaining" or "bargaining collectively" means the
14	process by which the State and the exclusive representative of early care and
15	education providers negotiate terms or conditions related to the subjects of
16	collective bargaining identified in subsection 3603(b) of this chapter that when
17	reached and funded shall be legally binding.
	(3) "Early care and education provider" means a licensed child care
	home provider, a registered child care home provider, or a legally exempt child
	care home provider, which is defined by the Legally Exempt Child Care

<u>Provider Requirements set forth by the Vermont Department for Children and</u>

*Families, Child Development Division*, who provides child care services as defined in subdivision 3511(3) of this title.

1	(4) "Exclusive representative" means the labor organization that has
2	been elected or recognized and certified by the Board under this chapter and
3	consequently has the exclusive right under section 3608 of this chapter to
4	represent early care and education providers for the purpose of collective
5	bargaining and the enforcement of any contract provisions.
6	(5) "Grievance" means the exclusive representative's formal written
7	complaint regarding an improper application of one or more terms of the
8	collective bargaining agreement.
9	(6) "Subsidy payment" means any payment made by the State to assist
10	families in paying for child care services through the State's child care
11	financial assistance program.
12	§ 3603. ESTABLISHMENT OF COLLECTIVE BARGAINING
13	(a) Early care and education providers, through their exclusive
14	representative, shall have the right to bargain collectively with the State
15	through the Governor's designee.
16	(b) Mandatory subjects of bargaining are limited to child care subsidy
17	reimbursement rates and payment procedures, professional development, the
18	collection of dues or agency fees and disbursement to the exclusive
19	representative, and procedures for resolving grievances. The parties may also

1	negotiate on any mutually agreed matters that are not in conflict with State or
2	federal law.
	(b)(1) Mandatory subjects of bargaining are limited to:
	(A) child care subsidy reimbursement rates and payment procedures, excluding quality standards and payment schedules associated with the STep
	Ahead Recognition System (STARS);
	(B) professional development;
	(C) the collection of dues and disbursement to the exclusive representative;
	(D) agency fees and disbursement to the exclusive representative; and
	(E) procedures for resolving grievances.
	(2) The parties may also negotiate on any mutually agreed matters that are not in conflict with State or federal law.
3	(c) The State, acting through the Governor's designee, shall meet with the
4	exclusive representative for the purpose of entering into a written agreement.
5	(d) Early care and education providers shall be considered employees, and
6	the State shall be considered the employer, solely for the purpose of collective
7	bargaining under this chapter. Early care and education providers shall not be
8	considered State employees other than for purposes of collective bargaining,
9	including for purposes of vicarious liability in tort, and for purposes of
10	unemployment compensation or workers' compensation. Early care and
11	education providers shall not be eligible for participation in the State

Employees Retirement System or the health insurance plans available to

Executive Branch employees solely by virtue of bargaining under this chapter.

12

- (d) Early care and education providers shall be considered employees, and the State shall be considered the employer, solely for the purpose of collective bargaining under this chapter. Early care and education providers shall be considered State employees for purposes of collective bargaining. Early care and education providers shall not be considered State employees for any other reason, including for purposes of vicarious liability in tort, unemployment compensation, or workers' compensation. Early care and education providers shall not be eligible for participation in the State Employees Retirement System or the health insurance plans available to Executive Branch employees solely by virtue of bargaining under this chapter.
- 1 (e) Agency fees may be collected only from early care and education
- 2 providers who receive subsidy payments from the State. Any dispute raised by
- a nonmember concerning the amount of an agency fee, as provided for under
- 4 <u>subsection (b) of this section, may be grieved to the State Labor Relations</u>
- 5 Board which shall review and determine such matter promptly, in accordance
- 6 with the Board's rules.
  - (e) An early care and education providers' organization shall not charge the agency fee unless it has established and maintained a procedure to provide nonmembers with:
  - (1) an audited financial statement that identifies the major categories of expenses and divides them into chargeable and nonchargeable expenses;
  - (2) an opportunity to object to the amount of the agency fee sought, and to place in escrow any amount reasonably in dispute; and
  - (3) prompt arbitration by the Vermont Labor Board to resolve any objections over the agency fee.
  - (f) Agency fees, if successfully bargained, shall be based on the proportionate amount of subsidies an early care and education provider receives.
- 7 § 3604. RIGHTS OF EARLY CARE AND EDUCATION PROVIDERS
- 8 Early care and education providers shall have the right to:

2014
------

1	(1) organize, form, join, or assist any union or labor organization for the
2	purpose of collective bargaining without any interference, restraint, or
3	coercion;
4	(2) bargain collectively through a representative of their own choice;
5	(3) engage in concerted activities for the purpose of supporting or
6	engaging in collective bargaining;
7	(4) pursue grievances through the exclusive representative as negotiated
8	pursuant to this chapter; and
9	(5) refrain from any or all such activities.
10	§ 3605. RIGHTS OF THE STATE
11	Nothing in this chapter shall be construed to interfere with right of the
12	State to:
13	(1) carry out the statutory mandate and goals of the Agency of Human
14	Services and to use personnel, methods, and means in the most appropriate
15	manner possible;
16	(2) with the approval of the Governor, take whatever action may be
17	necessary to carry out the mission of the Agency of Human Services in an
18	emergency situation;
19	(3) comply with federal and State laws and regulations regarding child
20	care and child care subsidies;

1	(4) enforce child care regulations and regulatory processes, including
2	regulations regarding the qualifications of early care and education providers
3	and the prevention of abuse in connection with the provisions of child care
4	services;
5	(5) develop child care regulations and regulatory processes subject to
6	the rulemaking authority of the General Assembly and the Human Services
7	Board;
8	(6) establish and administer quality standards under the Step Ahead
9	Recognition system;
10	(7) solicit and accept for use any grant of money, services, or property
11	from the federal government, the State, or any political subdivision or agency
12	of the State, including federal matching funds, and to cooperate with the
13	federal government or any political subdivision or agency of the State in
14	making an application for any grant; and
15	(8) refuse to take any action that would diminish the quantity or quality
16	of child care provided under existing law.
17	§ 3606. BARGAINING UNIT
18	(a) The bargaining unit shall be composed of licensed home child care
19	providers, registered home child care providers, and legally exempt child care
20	providers as defined in this chapter
	(a) The bargaining unit shall be composed of licensed home child care

2014	
------	--

providers,	as	defined	in	this	chapter,	who	have	an	agreement	with	the
Departmer	ıt to	accept a	sul	bsidy.	<u>.</u>						

1	(b) Early care and education providers may select an exclusive
2	representative for the purpose of collective bargaining by using the procedures
3	in sections 3607 and 3608 of this chapter.
4	(c) The exclusive representative of the early care and education providers is
5	required to represent all of the providers in the unit without regard to
6	membership in the union.
7	§ 3607. PETITIONS FOR ELECTION; FILING; INVESTIGATIONS;
8	HEARINGS; DETERMINATIONS
9	(a) A petition may be filed with the Board in accordance with regulations
10	prescribed by the Board:
11	(1) By an early care and education provider or group of providers or any
12	individual or labor organization acting on the providers' behalf:
13	(A) alleging that not less than 30 percent of the providers in the
14	petitioned bargaining unit wish to be represented for collective bargaining and
15	that the State declines to recognize their representative as the representative
16	defined in this chapter; or
17	(B) asserting that the labor organization that has been certified as the
18	bargaining representative no longer represents a majority of early care and
19	education providers.

1	(2) By the State alleging that one or more individuals or labor
2	organizations have presented a claim to be recognized as the exclusive
3	representative defined in this chapter.
4	(b) The Board shall investigate the petition and, if it has reasonable cause
5	to believe that a question concerning representation exists, shall conduct a
6	hearing. The hearing shall be held before the Board, a member of the Board,
7	or its agents appointed for that purpose upon due notice. Written notice of the
8	hearing shall be mailed by certified mail to the parties named in the petition
9	not less than seven days before the hearing. If the Board finds upon the record
10	of the hearing that a question of representation exists, it shall conduct an
11	election by secret ballot and certify to the parties, in writing, the results of the
12	election.
13	(c) In determining whether or not a question of representation exists, the
14	Board shall apply the same regulations and rules of decision-making regardless
15	of the identity of the persons filing the petition or the kind of relief sought.
16	(d) Nothing in this chapter prohibits the waiving of hearings by stipulation
17	for a consent election in conformity with regulations and rules of the Board.
18	(e) For the purposes of this chapter, the State may voluntarily recognize the
19	exclusive representative of a unit of early care and education providers if the

labor organization demonstrates that it has the support of a majority of the

1	providers in the unit it seeks to represent and no other employee organization
2	seeks to represent the providers.
3	§ 3608. ELECTION; RUNOFF ELECTIONS
4	(a) If a question of representation exists, the Board shall conduct a secret
5	ballot election to determine the exclusive representative of the unit of early
6	care and education providers. The original ballot shall be prepared to permit a
7	vote against representation by anyone named on the ballot. The labor
8	organization receiving a majority of votes cast shall be certified by the Board
9	as the exclusive representative of the unit of early care and education
10	providers. In any election in which there are three or more choices, including
11	the choice of "no union," and none of the choices on the ballot receives a
12	majority, a runoff election shall be conducted by the Board. The ballot shall
13	provide for a selection between the two choices receiving the largest and
14	second largest number of valid votes cast in the election.
15	(b) An election shall not be directed if in the preceding 12 months a valid
16	election has been held.
17	§ 3609. POWERS OF REPRESENTATIVES
18	The exclusive representative shall be the exclusive representative of all the

early care and education providers in the unit for the purposes of collective

bargaining and the resolution of grievances.

19

# § 3610. NEGOTIATED AGREEMENT; FUNDING

(a) If the State and the exclusive representative reach an agreement, the
Governor shall request from the General Assembly an appropriation sufficient
to fund the agreement in the next operating budget. If the General Assembly
appropriates sufficient funds, the negotiated agreement shall become effective
and binding at the beginning of the next fiscal year. If the General Assembly
appropriates a different amount of funds, the terms of the agreement affected
by that appropriation shall be renegotiated based on the amount of funds
actually appropriated by the General Assembly and shall become effective and
legally binding in the next fiscal year.
(b) Collective bargaining agreements shall be for a maximum term of two
years and shall not be subject to cancellation or renegotiation during the term
except with the mutual consent in writing of both parties, which consent shall
be filed with the Board. Upon the filing of such consent, an agreement may be
supplemented, cancelled, or renegotiated.
(c) The agreement shall terminate at the expiration of its specified term.
Negotiations for a new agreement to take effect upon the expiration of the
preceding agreement shall be commenced at any time within one year next
preceding the expiration date upon the request of either party and may be
commenced at any time previous thereto with the consent of both parties.

1	(d) In the event the State of Vermont and the collective bargaining unit are
2	unable to arrive at an agreement and there is not an existing agreement in
3	effect, the existing contract shall remain in force until a new contract is ratified
4	by the parties. However, nothing in this subsection shall prohibit the parties
5	from agreeing to a modification of certain provisions of the existing contract
6	that, as amended, shall remain in effect until a new contract is finalized and
7	funded by the General Assembly.
8	(e) The Board is authorized to enforce compliance with all provisions of a
9	collective bargaining agreement upon complaint of either party. In the event a
10	complaint is made by either party to an agreement, the Board shall proceed in
11	the manner prescribed in section 3612 of this chapter relating to the prevention
12	of unfair labor practices.
13	§ 3611. MEDIATION; FACT-FINDING; LAST BEST OFFER
14	(a) If after a reasonable period of negotiation, the exclusive representative
15	and the State reach an impasse, the Board upon petition of either party may
16	authorize the parties to submit their differences to mediation. Within five days
17	after receipt of the petition, the Board shall appoint a mediator who shall
18	communicate with the parties and attempt to mediate an amicable settlement.
19	A mediator shall be of high standing and not affiliated with either labor or

20

management.

1	(b) If after a minimum of 15 days after the appointment of a mediator, the
2	impasse is not resolved, the mediator shall certify to the Board that the impasse
3	continues.
4	(c) Upon the request of either party, the Board shall appoint a fact finder
5	who has been mutually agreed upon by the parties. If the parties fail to agree
6	on a fact finder within five days, the Board shall appoint a fact finder who shall
7	be a person of high standing and shall not be affiliated with either labor or
8	management. A member of the Board or any individual who has actively
9	participated in mediation proceedings for which fact-finding has been called
10	shall not be eligible to serve as a fact finder under this section unless agreed
11	upon by the parties.
12	(d) The fact finder shall conduct hearings pursuant to rules of the Board.
13	Upon request of either party or of the fact finder, the Board may issue
14	subpoenas of persons and documents for the hearings and the fact finder may
15	require that testimony be given under oath and may administer oaths.
16	(e) Nothing in this section shall prohibit the fact finder from mediating the
17	dispute at any time prior to issuing recommendations.
18	(f) In making a recommendation, the fact finder shall consider whether the
19	proposal increases the amount and quality of care provided to children and
20	families in a manner that is more affordable for Vermont families and citizens
21	and whether the subsidies provided are consistent with federal guidance.

1	(g) Upon completion of the hearings, the fact finder shall file written
2	findings and recommendations with both parties.
3	(h) The costs of witnesses and other expenses incurred by either party in
4	fact-finding proceedings shall be paid directly by the parties incurring them,
5	and the costs and expenses of the fact finder shall be paid equally by the
6	parties. The fact finder shall be paid a rate mutually agreed upon by the parties
7	for each day or any part of a day while performing fact-finding duties and shall
8	be reimbursed for all reasonable and necessary expenses incurred in the
9	performance of his or her duties. A statement of fact-finding per diem and
10	expenses shall be certified by the fact finder and submitted to the Board for
11	approval. The Board shall provide a copy of approved fact-finding costs to
12	each party with its order apportioning one-half of the total to each party for
13	payment. Each party shall pay its half of the total within 15 days after receipt
14	of the order. Approval by the Board of the fact finder's costs and expenses and
15	its order for payment shall be final as to the parties.
16	(i) If the dispute remains unresolved 15 days after transmittal of findings
17	and recommendations, each party shall submit to the Board its last best offer
18	on all disputed issues as a single package. Each party's last best offer shall be
19	filed with the Board under seal and shall be unsealed and placed in the public
20	record only when both parties' last best offers are filed with the Board. The
21	Board may hold hearings and consider the recommendations of the fact finder.

1	Within 30 days of the certifications, the Board shall select between the last best
2	offers of the parties, considered in their entirety without amendment, and shall
3	determine that selection's cost. The Board shall not issue an order under this
4	subsection that is in conflict with any law or rule or that relates to an issue that
5	is not a mandatory subject of collective bargaining. The Board shall determine
6	the cost of the agreement selected and recommend to the General Assembly its
7	choice with a request for appropriation. If the General Assembly appropriates
8	sufficient funds, the agreement shall become effective and legally binding at
9	the beginning of the next fiscal year. If the General Assembly appropriates a
10	different amount of funds, the terms of the agreement affected by that
11	appropriation shall be renegotiated based on the amount of funds actually
12	appropriated by the General Assembly, and the agreement with the negotiated
13	changes shall become effective and binding at the beginning of the next
14	fiscal year.
15	§ 3612. GENERAL DUTIES AND PROHIBITED CONDUCT
16	(a) The State and all early care and education providers and their
17	representatives shall exert every reasonable effort to make and maintain
18	agreements concerning matters allowable under this chapter and to settle all
19	disputes, whether arising out of the application of those agreements or growing
20	out of any disputes concerning those agreements. However, this obligation

does not compel either party to agree to a proposal or make a concession.

1	(b) It shall be an unfair labor practice for the State to:
2	(1) interfere with, restrain, or coerce early care and education providers
3	in the exercise of their rights under this chapter or by any other law, rule, or
4	regulation;
5	(2) dominate or interfere with the formation or administration of any
6	labor organization or contribute financial or other support to it;
7	(3) discriminate against an early care and education provider because of
8	the provider's affiliation with a labor organization or because a provider has
9	filed charges or complaints or has given testimony under this chapter;
	(4) take negative action discriminate against an early care and
	education provider because the provider has taken actions such as signing a
	petition, grievance, or affidavit that demonstrates the provider's support for a
	labor organization;
10	(5) refuse to bargain collectively in good faith with the exclusive
11	representative;
12	(6) discriminate against an early care and education provider based on
13	race, color, religion, ancestry, age, sex, sexual orientation, gender identity,
14	national origin, place of birth, or marital status, or against a qualified disabled
15	individual; or

1	(7) request or require an early care and education provider to have an
2	HIV-related blood test or discriminate against a provider on the basis of HIV
3	status of the provider.
4	(c) It shall be an unfair labor practice for the exclusive representative to:
5	(1) Restrain or coerce early care and education providers in the exercise
6	of the rights guaranteed to them under this chapter or by law, rule, or
7	regulation. However, a labor organization may prescribe its own rules with
8	respect to the acquisition or retention of membership provided such rules are
9	not discriminatory.
10	(2) Cause or attempt to cause the State to discriminate against an early
11	care and education provider or to discriminate against a provider.
12	(3) Refuse to bargain collectively in good faith with the State.
13	(4) Threaten to or cause a provider to strike or curtail the provider's
14	services in recognition of a picket line of any employee or labor organization.
	(d) Early care and education providers shall not strike or curtail their
	services for which they receive State payment in recognition of a picket line of
	any employee or labor organization.
15	(e) Complaints related to this section shall be made and resolved in
16	accordance with procedures set forth in 3 V.S.A. § 965.

17

§ 3613. ANTITRUST EXEMPTION

1	The activities of early care and education providers and their exclusive
2	representatives that are necessary for the exercise of their rights under this
3	chapter shall be afforded State action immunity under applicable federal and
4	State antitrust laws. The State intends that the "State action" exemption to
5	federal antitrust laws be available only to the State, to early care and education
6	providers, and to their exclusive representative in connection with these
7	necessary activities. Exempt activities shall be actively supervised by the
8	State.
9	§ 3614. RIGHTS UNALTERED
10	(a) This chapter does not alter or infringe upon the rights of:
11	(1) a parent or legal guardian to select and discontinue child care
12	services of any early care and education provider;
13	(2) an early care and education provider to choose, direct, and terminate
14	the services of any employee that provides care in that home; or
15	(3) the Judiciary and General Assembly to make programmatic
16	modifications to the delivery of State services through child care subsidy
17	programs, including standards of eligibility for families, legal guardians, and
18	providers participating in child care subsidy programs, and to the nature of
19	services provided.
20	(b) Nothing in this chapter shall affect the rights and obligations of private

sector employers and employees under the National Labor Relations Act,

1	29 U.S.C. §§ 151–169, or the Vermont State Labor Relations Act, 21 V.S.A.
2	§§ 1501–1624. The terms and conditions of employment with individual early
3	care and education providers, which are the subjects of traditional collective
4	bargaining between employers and their employees and which are governed by
5	federal laws, fall outside the limited scope of bargaining defined in this
6	chapter.
7	§ 3615. RULES AND REGULATIONS
8	The Board shall make and may amend and rescind and adopt such rules and
9	regulations consistent with this chapter as may be necessary to carry out the
10	provisions of this chapter.
11	§ 3616. APPEAL
12	(a) Any person aggrieved by an order or decision of the Board issued under
13	the authority of this chapter may appeal on questions of law to the Supreme
14	Court.
15	(b) An order of the Board shall not automatically be stayed pending appeal
16	A stay must first be requested from the Board. The Board may stay the order
17	or any part of it. If the Board denies a stay, then a stay may be requested from
18	the Supreme Court. The Supreme Court or a single justice may stay the order
19	or any part of it and may order additional interim relief.

# § 3617. ENFORCEMENT

(a) Orders of the Board issued under this chapter may be enforced by any
party or by the Board by filing a petition with the Civil Division of the
Superior Court of Washington County or in the Civil Division of the Superior
Court in the county in which the action before the Board originated. The
petition shall be served on the adverse party as provided for service of process
under the Vermont Rules of Civil Procedure. If, after hearing, the Court
determines that the Board had jurisdiction over the matter and that a timely
appeal was not filed or that an appeal was timely filed and a stay of the Board
order or any part of it was not granted or that a Board order was affirmed on
appeal in pertinent part by the Supreme Court, the Court shall incorporate the
order of the Board as a judgment of the Court. There is no appeal from that
judgment except that a judgment reversing a Board decision on jurisdiction
may be appealed to the Supreme Court.
(b) Upon filing of a petition by a party or the Board, the Court may grant
such temporary relief, including a restraining order, as it deems proper pending
formal hearing.
(c) Orders and decisions of the Board shall apply only to the particular case
under appeal, but any number of appeals presenting similar issues may be
consolidated for bearing with the consent of the Roard. The Roard shall not

- 1 modify, add to, or detract from a collective bargaining agreement by any order
- 2 or decision.
- 3 S. 3. NEGOTIATIONS, EARLY CARE AND EDUCATION PROVIDERS
- The State's costs of negotiating an agreement pursuant to 33 V.S.A.
- 5 chapter 36 shall be borne by the State out of existing appropriations made to it
- 6 by the General Assembly.

#### Sec. 3. NEGOTIATIONS; EARLY CARE AND EDUCATION PROVIDERS

The State's cost of negotiating an agreement pursuant to 33 V.S.A. chapter 36 shall be borne by the State out of existing appropriations made to it for administrative expenditures by the General Assembly. These costs shall not be funded by appropriations made for benefit payments.

- 7 Sec. 4. EFFECTIVE DATE
- 8 This act shall take effect on passage.

### Sec. 4. SEVERABILITY OF PROVISIONS

If any provision of this chapter or the application of such provision to any person or circumstances shall be held invalid, the remainder of the chapter and the application of such provisions to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

### Sec. 5. EFFECTIVE DATES

This act shall take effect on passage, except for Sec. 2(b)(1)(D) Sec. 2, 33 V.S.A. § 3603(b)(1)(D) (bargaining for agency fees) which shall take effect on February 15, 2015.