

To: House Committee on Education
From: Nicole L. Mace, General Counsel, VSBA
Re: H.76
Date: March 17, 2015

I appreciate the opportunity to come before the committee to discuss the VSBA's views on H.76. Let me start by saying that the VSBA is very supportive of collective bargaining as a means of getting to fair working conditions for teachers. Board members know that great teachers are the key to an excellent education. Our collective goal in this and any endeavor should be to attract and retain the highest quality teachers and to free them to be able to practice their craft in the most effective way possible.

Vermont's collective bargaining law for teachers was enacted in the late 1960's and has significantly improved compensation and benefits for teachers and support staff over the years. This statutory framework, essentially unchanged in decades, has its roots in industrial unionism.

Industrial-style collective bargaining has served an important role for teachers, giving them voice and influence when they had none, and substantially improving their economic conditions. But this model of bargaining has also resulted in rigid contracts that fail to recognize teachers' expertise as professionals, their ability to exercise professional judgment in the performance of their duties, and the interests they legitimately share with management.

Collective bargaining in its current form takes a very conservative approach to change - incrementalism is the norm. But we are at a point in time when education systems change cannot happen on an incremental basis.

We need to be able to adapt quickly to the needs of our students in the digital information age. Technology has changed how our children learn, the tools available for teaching, and the skills they will need for the future. Teachers are no longer purveyors of information and knowledge, but are curators, guides and facilitators. In a world where information is available 24/7, education need no longer be confined to the walls of a classroom, between the hours of 7:30 and 3:00.

In addition to the need to ensure greater flexibility in the time, place and location of learning, school boards across Vermont are under tremendous pressure to contain and reduce spending while continuing to provide excellent educational opportunities for their students.

Starting in 2018, the federal “Cadillac” tax will begin to hit school district’s health insurance plans, causing property tax rates to increase further in order to make those payments to the federal government. It is critical that we begin to transition our employees to health plans that are designed to avoid this federal tax.

In order for locally-elected boards to have a chance at negotiating much-needed changes to their collective bargaining agreements – including changes to health benefits plans and working conditions that support flexibility in the time and location of learning – we need to have a process that supports creativity and innovation.

H. 76 as originally drafted requires the parties who are unable to come to an agreement to use binding interest arbitration.

We know that Vermont is one of the few states that allow teachers strikes. We also know that in those states that do not allow strikes, there are a multitude of approaches to the dispute resolution process, the vast majority of which do not include binding interest arbitration.

The VSBA is strongly opposed to binding interest arbitration as a required means of resolving collective bargaining disputes. Binding interest arbitration tends to preserve the status quo, since arbitrators hesitate to recommend or mandate contractual changes, which will deter school districts from presenting innovative proposals.

Binding arbitration will also turn important decisions regarding wages/salaries, benefits and other contract issues over to neutral third parties that have no fiscal responsibility nor accountability. Often these individuals are from out-of-state and are generally unfamiliar with community issues and Vermont’s education finance system. Handing decisions that impact up to 80 percent of school budgets to these out-of-state neutrals is undemocratic and strikes at the heart of local control.

As you well know, school boards across Vermont are under tremendous pressure to cut costs. This committee is actively engaged in refining a proposal to cap education spending. You have also considered implementing penalties based on teacher-student ratios. These policy decisions have direct implications on collective bargaining agreements.

Telling school boards to cut spending while tying their hands in their efforts to do so through the collective bargaining process sends a contradictory message to school boards and will be strongly opposed by our members.

However, while we have serious concerns about arbitration, we are open to the elimination of strikes and the imposition of contracts. Under our current collective bargaining framework, labor relations can be contentious, with union and management vying for the upper hand in negotiations. This is particularly true in tough economic times. When the process breaks down, and the parties resort to imposition of a contract or a strike, the impacts on the community are significant.

All other New England states prohibit teacher strikes and imposition of contracts. Most use the mediation and fact finding processes to resolve labor disputes, leaving the decision to use binding arbitration to mutual agreement of the parties (see handout). Connecticut is the only exception - they are the only state in the country to require binding arbitration.

We support a process that would eliminate the right to strike and impose contracts and require the parties to use mediation and factfinding in order to arrive at an agreement. We recognize that – much like our New England neighbors have done – that process will have to include incentives and disincentives designed to bring about a timely resolution. Those could include a tax penalty on districts and a prohibition on retroactive pay if the parties fail to reach agreement within one year after the contract expires.

Thank You.