

To: Senate Committee on Education  
From: Nicole L. Mace, General Counsel, Vermont School Boards Association  
Re: S.74  
Date: February 26, 2015

I appreciate the opportunity to come before the committee to discuss the VSBA's views on S.74. 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.

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.

S. 74 seems designed to lead to fewer teacher strikes and widespread use of binding interest arbitration. I am not sure how many communities will actually vote to allow teachers to strike. This bill would require voters to do so in order to avoid sending disputes to binding interest arbitration. If eliminating the right to strike and impose contracts is the goal, we see another path to get there.

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, many 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.

School boards across Vermont are under tremendous pressure to cut costs. 80% of school budgets are comprised of salary and benefits, which are established in collective bargaining agreements. With so much pressure on school districts in the areas of cost containment, school boards do not need to have their options limited by a process that by design discourages creativity.

Proposals are currently underway in the House to impose spending caps or 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.

Binding arbitration will turn important decisions regarding wages/salaries, benefits and other contract issues over to neutral third parties that have no fiscal responsibility nor accountability and are generally unfamiliar with community issues.

The only state in the country that requires binding interest arbitration is Connecticut. All other New England states 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).

We support a thoughtful analysis of the alternatives to binding interest arbitration employed by other states in order to see if we can arrive at a process that eliminates the ability to strike and impose contract terms while addressing the concerns we have about binding interest arbitration.

Thank You.