



General Assembly

February Session, 2012

**Raised Bill No. 5238**

LCO No. 949

\*00949\_\_\_\_\_LAB\*

Referred to Committee on Labor and Public Employees

Introduced by:  
(LAB)

***AN ACT CONCERNING MUNICIPAL ARBITRATIONS AND A MUNICIPALITY'S RESERVE FUND BALANCE.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (9) of subsection (d) of section 7-473c of the  
2 general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective October 1, 2012*):

4 (9) In arriving at a decision, the arbitration panel shall give priority  
5 to the public interest and the financial capability of the municipal  
6 employer, including consideration of other demands on the financial  
7 capability of the municipal employer. The arbitration panel shall not  
8 consider the municipality's reserve fund balance in determining the  
9 financial capability of the municipal employer, except to the extent that  
10 such reserve fund balance exceeds ten per cent of the municipality's  
11 total budget. The panel shall further consider the following factors in  
12 light of such financial capability: (A) The negotiations between the  
13 parties prior to arbitration; (B) the interests and welfare of the  
14 employee group; (C) changes in the cost of living; (D) the existing  
15 conditions of employment of the employee group and those of similar  
16 groups; and (E) the wages, salaries, fringe benefits, and other

- 17 conditions of employment prevailing in the labor market, including  
18 developments in private sector wages and benefits.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2012	7-473c(d)(9)

**Statement of Purpose:**

To prevent arbitration panels from considering the entirety of a municipality's reserve fund balance when determining a municipal employer's financial capability for the purpose of arbitration decisions.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*