

THE CITY OF PROVIDENCE  
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

# RESOLUTION OF THE CITY COUNCIL

No. 187

Approved April 9, 2012

RESOLVED, That the Members of the Providence City Council  
hereby Endorse and Urge Passage by the General Assembly of House Bill 2012 –  
H 8006 and Senate Bill 2012 – S 2826, An Act Relating to Towns and Cities –  
Distressed Communities.

IN CITY COUNCIL

APR 05 2012

READ AND PASSED

M. Starn

PRES.

Angela M. Starn

CLERK

I HEREBY APPROVE.

Angel Taveras

Mayor

Date: 4/9/12

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2012

A N A C T

RELATING TO TOWNS AND CITIES -- DISTRESSED COMMUNITIES

Introduced By: Representatives Brien, and Newberry

Date Introduced: March 28, 2012

Referred To: House Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Title 45 of the General Laws entitled "TOWNS AND CITIES" is hereby  
2 amended by adding thereto the following chapter:

3                               CHAPTER 13.2

4                               HIGHLY DISTRESSED COMMUNITY INTERVENTION ACT

5           45-13.2-1. Short title. – This chapter shall be known and may be cited as the “Highly  
6 Distressed Community Intervention Act.”

7           45-13.2-2. Purpose. – It shall be the policy of the state to provide ongoing resources and  
8 tools for, and to intervene on behalf of, cities and towns undergoing extraordinary financial  
9 distress. The problems that municipalities with financial challenges experience threaten the fiscal  
10 well-being, public safety and welfare of such cities and towns as well as the state as a whole. The  
11 state has a right to involve itself in the fiscal affairs of any community that presents multiple  
12 symptoms of economic stress. The powers delegated by the general assembly in this chapter shall  
13 be carried out by municipalities in such a manner as will best preserve the safety and welfare of  
14 citizens of the state and their property and the access of the state and its municipalities to capital  
15 markets, all to the public benefit and good.

16           45-13.2-3. Legislative findings. – (a) The general assembly finds and declares that:

17           (1) Due to several factors, including, but not limited to, the extreme economic and  
18 financial pressures experienced on the state and local levels, reductions in the state’s ability to  
19 appropriate funds for municipal governments, certain structural changes to the manner in which

1 the state supports municipal governments, and large unfunded liabilities attributable to retirement  
2 benefits and other post-employment benefits, the state's cities and towns face unprecedented  
3 financial challenges.

4 (2) As of February 2012, several municipalities have perilously and disproportionately  
5 high property tax burdens relative to the wealth of their taxpayers. Without state intervention,  
6 financial instability will continue to pose grave problems for the citizens of those communities  
7 and could introduce additional fiscal problems for other communities as well as the state.

8 (3) It is in the best interests of municipalities, taxpayers, and the state itself to maintain  
9 the fiscal well-being, public safety, welfare and sovereignty of the municipalities. These  
10 compelling state interests include:

11 (i) Preserving, to the fullest extent practicable, the principle of home rule as it is  
12 enshrined in Article XIII of the Rhode Island Constitution, without jeopardizing the economic  
13 stability of the various municipalities and the state;

14 (ii) Empowering municipalities to utilize financial resources and tools that are reasonably  
15 necessary to allow them to achieve self-sufficiency within the shortest possible timeframe; and

16 (iii) Preventing the financial downgrade of municipalities by rating agencies, which  
17 would make it more difficult to access the capital markets and increase the costs of borrowing.

18 (b) For the foregoing reasons, the general assembly expressly finds and declares that the  
19 situation confronting several municipalities has reached a stage of emergency requiring state  
20 intervention and relief, and must be addressed without delay and the enactment of this chapter is  
21 reasonable and necessary to achieve and protect the compelling public interests listed herein.

22 **45-13.2-4. Eligibility.** – In order for a highly distressed community to be eligible for  
23 relief under this chapter, its municipal council shall have adopted an ordinance or charter  
24 amendment assuming any one, or more than one, of the relief provisions set forth in section 45-  
25 13.2-6, which ordinance or charter amendment shall be supported by:

26 (1) A finding that the ordinance or charter amendment is reasonable and necessary to  
27 ameliorate the municipality's property tax burden relative to its citizens' wealth, thereby  
28 supporting such municipality's fiscal stability and protecting its property, and the health, welfare  
29 and property of its citizens; and

30 (2) Findings demonstrating that alternatives to enacting the particular policies set forth in  
31 section 45-13.2-6 have been and/or are being implemented. For purposes of this chapter, "highly  
32 distressed community" means a municipality that falls into the lowest twenty percent (20%) of all  
33 four (4) indices established by section 45-13-12, as determined by the director of revenue on an  
34 annual basis pursuant to section 45-13-12.

1        45-13.2-5. Collective bargaining contracts. – During any fiscal year in which a  
2        municipality has been designated as a highly distressed community and until it is no longer taking  
3        advantage of the relief provisions enumerated under section 45-13.2-6, its municipal council shall  
4        be required to:

5                (1) Estimate the financial impact of any collective bargaining contract proposal on the  
6        taxpayers of that community;

7                (2) Balance such financial impact against the community's ability to pay; and

8                (3) Take such balance into account before deciding to approve or disapprove the  
9        collective bargaining contract.

10        45-13.2-6. Relief provisions. – During any fiscal year in which a municipality is  
11        designated as a highly distressed community pursuant to section 45-13.2-4 and for two (2) years  
12        after it is no longer so designated, its municipal council shall be authorized and empowered to  
13        adopt an ordinance or charter amendment specifying any of the following relief provisions (which  
14        relief provisions shall be automatically repealed, and shall have no legal force or effect, as of two  
15        (2) years after the date that the municipality is no longer designated as a highly distressed  
16        community):

17                (1) Purchasing. During any fiscal year that a municipality has been designated as a highly  
18        distressed community, its municipal council may adopt an ordinance or charter amendment that  
19        requires municipal purchasing to be conducted in accordance with sections 37-2-56 and/or 16-60-  
20        7.3.

21                (2) Continuance of contractual provisions. During any fiscal year that a municipality has  
22        been designated as a highly distressed community, its municipal council may adopt an ordinance  
23        or charter amendment that suspends sections 28-9.1-17 and/or 28-9.2-17.

24                (3) Retirement of sick or injured police officers and fire fighters. During any fiscal year  
25        that a municipality has been designated as a highly distressed community, its municipal council  
26        may adopt an ordinance or charter amendment that revises the disability retirement allowance  
27        provided under section 45-19-19 to between fifty percent (50%) and sixty-six and two-thirds  
28        percent (66 2/3%) of a retiree's annual salary at the time of retirement, subject to the provisions of  
29        section 45-21-31.

30                (4) Educational incentive pay. During any fiscal year that a municipality has been  
31        designated as a highly distressed community, its municipal council may adopt an ordinance or  
32        charter amendment that suspends chapter 28.1 of title 42.

33                (5) Consolidation of administrative functions. During any fiscal year that a municipality  
34        has been designated as a highly distressed community, its municipal council may adopt an

1 ordinance or charter amendment that authorizes and empowers its chief executive officer or the  
2 town manager or town administrator to consolidate some or all responsibilities with respect to the  
3 following under a single person or a unified position, as may be most appropriate: municipal  
4 administrative functions and non-educational functions that are or may be included under chapter  
5 2 of title 16, including, but not limited to, human resources, information technology, budgetary  
6 and financial management, procurement, disbursement, and/or facilities management.

7 (6) Municipal budget and contract approvals. During any fiscal year that a municipality  
8 has been designated as a highly distressed community, its municipal council may adopt an  
9 ordinance or charter amendment that, notwithstanding the provisions of section 16-2-9, requires  
10 the approval of the municipality's chief executive officer or the town manager or town  
11 administrator with respect to: (i) Any school budget, with line item veto power in respect thereto;  
12 (ii) Any changes to the school budget during the course of the school year; and/or (iii) Any and  
13 all contractual arrangements entered into by the school committee.

14 (7) Teacher step increases. During any fiscal year that a municipality has been designated  
15 as a highly distressed community, its municipal council may adopt an ordinance or charter  
16 amendment that suspends section 16-7-29.

17 (8) Certified nurses. During any fiscal year that a municipality has been designated as a  
18 highly distressed community, its municipal council may adopt an ordinance or charter  
19 amendment that suspends section 16-21-8 and requires that the functions performed by such  
20 nurse-teachers be performed by certified nurses, consistent with policies, procedures and  
21 regulations promulgated by the board of regents for elementary and secondary education.

22 (9) School bus monitors. During any fiscal year that a municipality has been designated  
23 as a highly distressed community, its municipal council may adopt an ordinance or charter  
24 amendment that suspends section 16-21-1. Any such ordinance or charter amendment may  
25 require the functions performed by school bus monitors be fulfilled on a volunteer basis.

26 (10) Transportation to nonpublic schools. During any fiscal year that a municipality has  
27 been designated as a highly distressed community, its municipal council may adopt an ordinance  
28 or charter amendment that suspends any mandate pursuant to chapter 21.1 of title 16 to provide  
29 bus transportation to pupils who attend nonpublic nonprofit schools that are consolidated,  
30 regionalized, or otherwise established to serve residents of a specific area within the state.

31 (11) Health insurance cost sharing and plan design. During any fiscal year that a  
32 municipality has been designated as a highly distressed community, its municipal council may  
33 adopt an ordinance or charter amendment that requires future negotiated changes for active  
34 employees under chapters 9.1, 9.2, 9.3 and/or 9.4 of title 28, relating to cost sharing and plan

1 design of health insurance, be applicable to new and existing retirements under the same chapters.

2 (12) Public safety collective bargaining. During any fiscal year that a municipality has  
3 been designated as a highly distressed community, its municipal council may adopt an ordinance  
4 or charter amendment that amends sections of the general laws of Rhode Island as set forth in  
5 subdivisions (1) and/or (2) of this section related to fire fighters' or police officers' collective  
6 bargaining rights, respectively.

7 **45-13.2-7. Mandatory reinvestment; Annual certifications.** – (a) At least fifty percent  
8 (50%) of funds resulting from enacting an ordinance or charter amendment pursuant to this  
9 chapter shall be reinvested exclusively to reduce a highly distressed community's property tax  
10 burden or to limit growth of a highly distressed community's property tax burden, at least until  
11 such municipality is no longer designated as a highly distressed community and is no longer  
12 taking advantage of the relief provisions enumerated under section 45-13.2-6.

13 (b) Every highly distressed community shall submit a certification to the auditor general  
14 and the director of revenue no later than one year after the date of passage of the ordinance or  
15 charter amendment declaring that the municipality has assumed such designation, which  
16 certification shall contain budgetary and numerical data sufficient to substantiate the satisfaction  
17 of subsection (a) of this section. This certification requirement shall continue, on an annual basis  
18 as measured from the date of passage of the ordinance or charter amendment, until a municipality  
19 is no longer designated as a highly distressed community and is no longer taking advantage of the  
20 relief provisions enumerated under section 45-13.2-6.

21 **45-13.2-8. Failure to comply.** – With respect to any municipality that fails to comply  
22 with section 45-13.2-4 or 45-13.2-7:

23 (1) The general treasurer is authorized to withhold moneys due from the state for any  
24 purpose other than education, including, but not limited to, municipal aid and other aid provided  
25 under sections 45-13-5.1, 45-13-12, 44-34.1-2, 44-13-13, 44-18-18.1, 44-18-36.1(b) and 42-63.1-  
26 3; and

27 (2) The auditor general shall have the power to compel a performance audit in connection  
28 with such municipality, as provided under section 22-13-4.

29 **45-13.2-9. Supersession; Exclusivity.** – Notwithstanding any general or special law to  
30 the contrary, unless otherwise specified, the provisions of this chapter shall supersede any  
31 conflicting provisions of a local ordinance, collective bargaining agreement, interest arbitration  
32 award, or municipal charter; further, the inclusion of any particular provision in this chapter shall  
33 not be construed in a manner indicating that a municipality has no right to take action with  
34 respect to the substance of such provision but for this chapter.

1           SECTION 2. Sections 28-9.1-3, 28-9.1-9, 28-9.1-10 and 28-9.1-16 of the General Laws  
2 in Chapter 28-9.1 entitled "Firefighters' Arbitration" are hereby amended to read as follows:

3           **28-9.1-3. Definitions.** -- As used in this chapter the following terms, unless the context  
4 requires a different interpretation, shall have the following meanings:

5           (1) "Base salaries" means the annual salary pursuant to the salary schedule or salary  
6 chart contained in the collective bargaining agreement between the corporate authorities and the  
7 bargaining unit exclusive of any monies provided for length of service or longevity, overtime  
8 payments, incentive pay payments, special duty payments, detail payments and any non-salary  
9 economic issues such as pensions, health and medical insurance costs.

10           ~~(+)(2)~~ "Corporate authorities" means the proper officials within any city or town whose  
11 duty or duties it is to establish the wages, salaries, rates of pay, hours, working conditions, and  
12 other terms and conditions of employment of fire fighters, whether they are the mayor, city  
13 manager, town manager, town administrator, city council, town council, director of personnel,  
14 personnel board or commission, or by whatever other name or combination of names they may be  
15 designated.

16           ~~(2)(3)~~ "Fire fighter" means the permanent uniformed members, rescue service personnel  
17 of any city or town, emergency medical services personnel of any city or town, any fire  
18 dispatchers of any city or town, and all employees with the exception of fire chiefs of any paid  
19 fire department in any city or town within the state. No assistant chief, deputy chief, battalion  
20 chief, captain or lieutenant shall be excluded from the collective bargaining solely by virtue of his  
21 or her title or position.

22           ~~(3)(4)~~ "Unresolved issues" means any and all contractual provisions specifically  
23 addressing base salaries which have not been agreed upon by the bargaining agent and the  
24 corporate authorities within the thirty (30) day period referred to in section 28-9.1-7. Any  
25 contractual provision not presented by either the bargaining agent or the corporate authority  
26 within the thirty (30) day period shall not be submitted to arbitration as an unresolved issue;  
27 provided, that if either party or both parties are unable to present their respective proposals to the  
28 other party during the thirty (30) day period, they shall have the opportunity to submit their  
29 proposals by registered mail by midnight of the 30th day from and including the date of their first  
30 meeting.

31           **28-9.1-9. Hearings.** -- (a) The arbitration board shall, acting through its chairperson, call  
32 a hearing to be held within ten (10) days after the date of the appointment of the chairperson, and  
33 shall, acting through its chairperson, give at least seven (7) days notice in writing to each of the  
34 other two (2) arbitrators, the bargaining agent, and the corporate authorities of the time and place

1 of the hearing. The hearing shall be informal, and the rules of evidence prevailing in judicial  
2 proceedings shall not be binding. Any documentary evidence and other data deemed relevant by  
3 the arbitrators may be received in evidence.

4 (b) The arbitrators shall have the power to administer oaths and to require by subpoena  
5 the attendance and testimony of witnesses, and the production of books, records, and other  
6 evidence relative or pertinent to the issues presented to them for determination.

7 (c) All parties to arbitration shall present, at the formal hearings before the issuance of the  
8 award, written estimates to the arbitration panel of the financial impact of their contract proposal  
9 on the taxpayers of the city or town that employs the members of the bargaining unit.

10 (d) Each arbitration decision shall be accompanied by a written report explaining how  
11 each of the statutory factors contained in section 28-9.1-10 played into the arbitrators'  
12 determination of the final award. The report shall certify that the arbitration board gave primary  
13 weight to the community's ability to pay and a comparison of the wages and other benefits of  
14 employment of employees with the economic conditions of residents of the community, and that  
15 it took into account the statutory limitations imposed on the local levy cap in making the award.

16 ~~(e)~~(e) The hearing conducted by the arbitrators shall be concluded within twenty (20)  
17 days of the time of commencement, and within ten (10) days after the conclusion of the hearings,  
18 the arbitrators shall make written findings and a written opinion upon the issues presented, a copy  
19 of which shall be mailed or otherwise delivered to the bargaining agent or its attorney or  
20 otherwise designated representative and the corporate authorities. The chairperson may require  
21 briefs of the parties, in which case the time for issuance of the award shall be extended by no  
22 more than ten (10) days.

23 (f) The chairperson of the arbitration board shall be required to render an arbitration  
24 award within the aforementioned timeframes and under no circumstances shall the timeframes  
25 provided for in this section be exceeded. Any chairperson who fails to render an award within the  
26 time requirements set forth in this section shall be fined one thousand dollars (\$1,000) by the  
27 courts for each day that the award is late.

28 ~~(d)~~(g) A majority decision of the arbitrators shall be binding upon both the bargaining  
29 agent and the corporate authorities.

30 (h) Any arbitration board created pursuant to this chapter shall not issue a decision which  
31 increases the aggregate base salaries of the employees in the bargaining unit in an amount greater  
32 than two percent (2%).

33 **28-9.1-10. Factors to be considered by arbitration board.** – The arbitrators shall  
34 conduct the hearings and render their decision upon the basis of a prompt, peaceful, and just



1 settlement of wage or hour disputes between the fire fighters and the city or town by which they  
2 are employed. The factors, among others, to be given weight by the arbitrators in arriving at a  
3 decision shall include:

4 (1) The overall compensation presently received by the employees, inclusive of direct  
5 wages, salary, vacations, holidays, excused leaves, insurance and pensions, medical and  
6 hospitalization benefits, and all other economic benefits received while in the employ of the city  
7 or town or from the city or town upon the retirement of any member of the bargaining unit as  
8 compared with the economic conditions of residents of the community.

9 ~~(1)(2)~~ Comparison of wage rates or hourly conditions of employment of the fire  
10 department in question with prevailing wage rates or hourly conditions of employment of skilled  
11 employees of the building trades and industry in the local operating area involved.

12 ~~(2)(3)~~ Comparison of wage rates or hourly conditions of employment of the fire  
13 department in question with wage rates or hourly conditions of employment maintained for the  
14 same or similar work of employees exhibiting like or similar skills under the same or similar  
15 working conditions in the local operating area involved.

16 ~~(3)(4)~~ Comparison of wage rates or hourly conditions of employment of the fire  
17 department in question with wage rates or hourly conditions of employment of fire departments in  
18 cities or towns of comparable size.

19 ~~(4)(5)~~ Interest and welfare of the public. Among the items the panel of arbitrators shall  
20 assess when considering this factor is the limitation imposed upon the employers by section 44-5-  
21 2.

22 ~~(5)(6)~~ Comparison of peculiarities of employment in regard to other trades or  
23 professions, specifically:

24 (i) Hazards of employment.

25 (ii) Physical qualifications.

26 (iii) Educational qualifications.

27 (iv) Mental qualifications.

28 (v) Job training and skills.

29 ~~(6)(7)~~ Comparison of community's ability to pay.

30 **28-9.1-16. Attorneys' fees -- Costs -- Interest. -- (a)** In the event either the bargaining  
31 agent or the corporate authorities files a petition for writ of certiorari to the supreme court of the  
32 state of Rhode Island for a review or modification of a majority decision of the arbitrators, which  
33 by the provisions of section 28-9.1-9 is binding upon both the bargaining agent and the corporate  
34 authorities, the party against whom the decision of the supreme court is adverse, if the supreme

1 court finds the appeal or petition to be frivolous, shall pay reasonable attorneys' fees and costs to  
2 the successful party as determined by the supreme court, and the supreme court shall in its final  
3 decision or judgment award costs and reasonable attorneys' fees. If the final decision affirms the  
4 award of money, the award, if retroactive, shall bear interest at the rate of eight percentum  
5 percent (8%) per annum from the effective retroactive date.

6 (b) In the event either the bargaining agent or the corporate authorities files a petition for  
7 writ of certiorari to the supreme court, said petition shall be filed within sixty (60) days from the  
8 date the parties were in receipt of the written decision of the arbitration board.

9 SECTION 3. Sections 28-9.2-3, 28-9.2-9, 28-9.2-10 and 28-9.2-16 of the General Laws  
10 in Chapter 28-9.2 entitled "Municipal Police Arbitration" are hereby amended to read as follows:

11 **28-9.2-3. Definitions.** -- As used in this chapter the following terms, unless the context  
12 requires a different interpretation, have the following meanings:

13 (1) "Base salaries" means the annual salary pursuant to the salary schedule or salary chart  
14 contained in the collective bargaining agreement between the corporate authorities and the  
15 bargaining unit exclusive of any monies provided for length of service or longevity, overtime  
16 payments, incentive pay payments, special duty payments, detail payments and any non-salary  
17 economic issues such as pensions, health and medical insurance costs.

18 (+)(2) "Corporate authorities" means the proper officials within any city or town whose  
19 duty or duties it is to establish the wages, salaries, rates of pay, hours, working conditions, and  
20 other terms and conditions of employment of police officers, whether they are the mayor, city  
21 manager, town manager, town administrator, city council, town council, director of personnel,  
22 personnel board or commission, or by whatever other name they may be designated, or any  
23 combination thereof.

24 (2)(3) "Police officer" means a full-time police officer from the rank of patrolman up to  
25 and including the rank of chief, including policewomen, of any particular police department in  
26 any city or town within the state.

27 (4) "Unresolved issues" means any and all contractual provisions specifically addressing  
28 base salaries which have not been agreed upon by the bargaining agent and the corporate  
29 authorities within the thirty (30) day period referred to in section 28-9.2-7. Any contractual  
30 provision not presented by either the bargaining agent or the corporate authority within the thirty  
31 (30) day period shall not be submitted to arbitration as an unresolved issue; provided, that if  
32 either party or both parties are unable to present their respective proposals to the other party  
33 during the thirty (30) day period, they shall have the opportunity to submit their proposals by  
34 registered mail by midnight of the thirtieth (30<sup>th</sup>) day from and including the date of their first

1 meeting.

2 **28-9.2-9. Hearings.** -- (a) The arbitration board shall, acting through its chairperson, call  
3 a hearing to be held within ten (10) days after the date of the appointment of the chairperson, and  
4 shall, acting through its chairperson, give at least seven (7) days notice in writing to each of the  
5 other two (2) arbitrators, the bargaining agent, and the corporate authorities of the time and place  
6 of the hearing. The hearing shall be informal, and the rules of evidence prevailing in judicial  
7 proceedings shall not be binding. Any documentary evidence and other data deemed relevant by  
8 the arbitrators may be received in evidence.

9 (b) The arbitrators shall have the power to administer oaths and to require by subpoena  
10 the attendance and testimony of witnesses, and the production of books, records, and other  
11 evidence relative or pertinent to the issues presented to them for determination.

12 (c) All parties to arbitration shall present, at the formal hearings before the issuance of the  
13 award, written estimates to the arbitration panel of the financial impact of their contract proposal  
14 on the taxpayers of the city or town that employs the members of the bargaining unit.

15 (d) Each arbitration decision shall be accompanied by a written report explaining how  
16 each of the statutory factors contained in section 28-9.2-10 played into the arbitrators'  
17 determination of the final award. The report shall certify that the arbitration board gave primary  
18 weight to the community's ability to pay and a comparison of the wages and other benefits of  
19 employment of employees with the economic conditions of residents of the community, and that  
20 it took into account the statutory limitations imposed on the local levy cap in making the award.

21 ~~(e)~~(e) The hearing conducted by the arbitrators shall be concluded within twenty (20)  
22 days of the time of commencement, and within ten (10) days after the conclusion of the hearings,  
23 the arbitrators shall make written findings and a written opinion upon the issues presented, a copy  
24 of which shall be mailed or otherwise delivered to the bargaining agent or its attorney or  
25 otherwise delegated representative and to the corporate authorities. The chairperson may require  
26 briefs of the parties, in which case the time for issuance of the award shall be extended by no  
27 more than ten (10) days.

28 (f) The chairperson of the arbitration board shall be required to render an arbitration  
29 award within the aforementioned timeframes and under no circumstances shall the timeframes  
30 provided for in this section be exceeded. Any chairperson who fails to render an award within the  
31 time requirements set forth in this section shall be fined one thousand dollars (\$1,000) by the  
32 courts for each day that the award is late.

33 ~~(d)~~(g) A majority decision of the arbitrators is binding on both the bargaining agent and  
34 the corporate authorities.

1           (h) Any arbitration board created pursuant to this chapter shall not issue a decision which  
2   increases the aggregate base salaries of the employees in the bargaining unit in an amount greater  
3   than two percent (2%).

4           **28-9.2-10. Factors to be considered by arbitration board. --** The arbitrators shall  
5   conduct the hearings and render their decision on the basis of a prompt, peaceful, and just  
6   settlement of wage or hour disputes between the police officers and the city or town by which  
7   they are employed. The factors, among others, to be given weight by the arbitrators in arriving at  
8   a decision shall include:

9           (1) The overall compensation presently received by the employees, inclusive of direct  
10   wages, salary, vacations, holidays, excused leaves, insurance and pensions, medical and  
11   hospitalization benefits, and all other economic benefits received while in the employ of the city  
12   or town or from the city or town upon the retirement of any member of the bargaining unit as  
13   compared with the economic conditions of residents of the community.

14          ~~(1)~~(2) Comparison of wage rates or hourly conditions of employment of the police  
15   department in question with prevailing wage rates or hourly conditions of employment of skilled  
16   employees of the building trades and industry in the local operating area involved.

17          ~~(2)~~(3) Comparison of wage rates or hourly conditions of employment of the police  
18   department in question with wage rates or hourly conditions of employment of police  
19   departments in cities or towns of comparable size.

20          ~~(3)~~(4) Interest and welfare of the public. Among items the panel of arbitrators shall  
21   assess when considering this factor is the limitation imposed upon the employer by section 44-5-  
22   2.

23          ~~(4)~~(5) Comparison of peculiarities of employment in regard to other trades or  
24   professions, specifically:

25           (i) Hazards of employment.

26           (ii) Physical qualifications.

27           (iii) Educational qualifications.

28           (iv) Mental qualifications.

29           (v) Job training and skills.

30          ~~(5)~~(6) Comparison of community's ability to pay.

31          **28-9.2-16. Attorney's fees -- Costs -- Interest. --** (a) If either the bargaining agent or the  
32   corporate authorities files a petition for writ of certiorari to the supreme court of the state of  
33   Rhode Island for a review or modification of a majority decision of the arbitrators, which by the  
34   provisions of section 28-9.2-9 is binding upon both the bargaining agent and the corporate

1 authorities, the party against whom the decision of the supreme court is adverse, if the supreme  
2 court finds the appeal or petition to be frivolous, shall pay reasonable attorney's fees and costs to  
3 the successful party as determined by the supreme court, and the supreme court shall in its final  
4 decision or judgment award costs and reasonable attorney's fees. If the final decision affirms the  
5 award of money, the award, if retroactive, shall bear interest at the rate of eight percent (8%) per  
6 annum from the effective retroactive date.

7 (b) In the event either the bargaining agent or the corporate authorities files a petition for  
8 writ of certiorari to the supreme court, said petition shall be filed within sixty (60) days from the  
9 date the parties were in receipt of the written decision of the arbitration board.

10 SECTION 4. Severability. If any provision of this act or the application thereof to any  
11 person or circumstances is held invalid, such invalidity shall not affect other provisions or  
12 applications of the act, which can be given effect without the invalid provision or applications,  
13 and to this end the provisions of this act are declared to be severable.

14 SECTION 5. This act shall take effect upon passage; provided, however, that the  
15 provisions and amendments to the general laws contained in Sections 2 and 3 of this act shall  
16 only apply to municipalities that are highly distressed, as defined under sections 45-13-12 and 45-  
17 13.2-4 of the general laws and that have invoked the provisions of chapter 45-13.2 of the general  
18 laws by the adoption of an ordinance or charter amendment.

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LC02226  
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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO TOWNS AND CITIES -- DISTRESSED COMMUNITIES

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1           This act would extend to communities which have been determined to be “highly  
2 distressed communities” by reference to section 45-13-12 of the general laws additional  
3 authorization to act in modification of police and fire labor contracts.

4           This act would take effect upon passage, provided; however, that the provisions and  
5 amendments to the general laws contained in Sections 2 and 3 of this act would only apply to  
6 municipalities that are highly distressed, as defined under sections 45-13-12 and 45-13.2-4 of the  
7 general laws and that have invoked the provisions of chapter 45-13.2 of the general laws by the  
8 adoption of an ordinance or charter amendment.

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(1) Due to several factors, including, but not limited to, the extreme economic and financial pressures experienced on the state and local levels, reductions in the state's ability to appropriate funds for municipal governments, certain structural changes to the manner in which

1 the state supports municipal governments, and large unfunded liabilities attributable to retirement  
2 benefits and other post-employment benefits, the state's cities and towns face unprecedented  
3 financial challenges.

4 (2) As of February 2012, several municipalities have perilously and disproportionately  
5 high property tax burdens relative to the wealth of their taxpayers. Without state intervention,  
6 financial instability will continue to pose grave problems for the citizens of those communities  
7 and could introduce additional fiscal problems for other communities as well as the state.

8 (3) It is in the best interests of municipalities, taxpayers, and the state itself to maintain  
9 the fiscal well-being, public safety, welfare and sovereignty of the municipalities. These  
10 compelling state interests include:

11 (i) Preserving, to the fullest extent practicable, the principle of home rule as it is  
12 enshrined in Article XIII of the Rhode Island Constitution, without jeopardizing the economic  
13 stability of the various municipalities and the state;

14 (ii) Empowering municipalities to utilize financial resources and tools that are reasonably  
15 necessary to allow them to achieve self-sufficiency within the shortest possible timeframe; and

16 (iii) Preventing the financial downgrade of municipalities by rating agencies, which  
17 would make it more difficult to access the capital markets and increase the costs of borrowing.

18 (b) For the foregoing reasons, the general assembly expressly finds and declares that the  
19 situation confronting several municipalities has reached a stage of emergency requiring state  
20 intervention and relief, and must be addressed without delay and the enactment of this chapter is  
21 reasonable and necessary to achieve and protect the compelling public interests listed herein.

22 **45-13.2-4. Eligibility.** – In order for a highly distressed community to be eligible for  
23 relief under this chapter, its municipal council shall have adopted an ordinance or charter  
24 amendment assuming any one, or more than one, of the relief provisions set forth in section 45-  
25 13.2-6, which ordinance or charter amendment shall be supported by:

26 (1) A finding that the ordinance or charter amendment is reasonable and necessary to  
27 ameliorate the municipality's property tax burden relative to its citizens' wealth, thereby  
28 supporting such municipality's fiscal stability and protecting its property, and the health, welfare  
29 and property of its citizens; and

30 (2) Findings demonstrating that alternatives to enacting the particular policies set forth in  
31 section 45-13.2-6 have been and/or are being implemented. For purposes of this chapter, "highly  
32 distressed community" means a municipality that falls into the lowest twenty percent (20%) of all  
33 four (4) indices established by section 45-13-12, as determined by the director of revenue on an  
34 annual basis pursuant to section 45-13-12.



1        45-13.2-5. Collective bargaining contracts. – During any fiscal year in which a  
2        municipality has been designated as a highly distressed community and until it is no longer taking  
3        advantage of the relief provisions enumerated under section 45-13.2-6, its municipal council shall  
4        be required to:

5                (1) Estimate the financial impact of any collective bargaining contract proposal on the  
6        taxpayers of that community;

7                (2) Balance such financial impact against the community's ability to pay; and

8                (3) Take such balance into account before deciding to approve or disapprove the  
9        collective bargaining contract.

10        45-13.2-6. Relief provisions. – During any fiscal year in which a municipality is  
11        designated as a highly distressed community pursuant to section 45-13.2-4 and for two (2) years  
12        after it is no longer so designated, its municipal council shall be authorized and empowered to  
13        adopt an ordinance or charter amendment specifying any of the following relief provisions (which  
14        relief provisions shall be automatically repealed, and shall have no legal force or effect, as of two  
15        (2) years after the date that the municipality is no longer designated as a highly distressed  
16        community):

17                (1) Purchasing. During any fiscal year that a municipality has been designated as a highly  
18        distressed community, its municipal council may adopt an ordinance or charter amendment that  
19        requires municipal purchasing to be conducted in accordance with sections 37-2-56 and/or 16-60-  
20        7.3.

21                (2) Continuance of contractual provisions. During any fiscal year that a municipality has  
22        been designated as a highly distressed community, its municipal council may adopt an ordinance  
23        or charter amendment that suspends sections 28-9.1-17 and/or 28-9.2-17.

24                (3) Retirement of sick or injured police officers and fire fighters. During any fiscal year  
25        that a municipality has been designated as a highly distressed community, its municipal council  
26        may adopt an ordinance or charter amendment that revises the disability retirement allowance  
27        provided under section 45-19-19 to between fifty percent (50%) and sixty-six and two-thirds  
28        percent (66 2/3%) of a retiree's annual salary at the time of retirement, subject to the provisions of  
29        section 45-21-31.

30                (4) Educational incentive pay. During any fiscal year that a municipality has been  
31        designated as a highly distressed community, its municipal council may adopt an ordinance or  
32        charter amendment that suspends chapter 28.1 of title 42.

33                (5) Consolidation of administrative functions. During any fiscal year that a municipality  
34        has been designated as a highly distressed community, its municipal council may adopt an

1 ordinance or charter amendment that authorizes and empowers its chief executive officer or the  
2 town manager or town administrator to consolidate some or all responsibilities with respect to the  
3 following under a single person or a unified position, as may be most appropriate: municipal  
4 administrative functions and non-educational functions that are or may be included under chapter  
5 2 of title 16, including, but not limited to, human resources, information technology, budgetary  
6 and financial management, procurement, disbursement, and/or facilities management.

7 (6) Municipal budget and contract approvals. During any fiscal year that a municipality  
8 has been designated as a highly distressed community, its municipal council may adopt an  
9 ordinance or charter amendment that, notwithstanding the provisions of section 16-2-9, requires  
10 the approval of the municipality's chief executive officer or the town manager or town  
11 administrator with respect to: (i) Any school budget, with line item veto power in respect thereto;  
12 (ii) Any changes to the school budget during the course of the school year; and/or (iii) Any and  
13 all contractual arrangements entered into by the school committee.

14 (7) Teacher step increases. During any fiscal year that a municipality has been designated  
15 as a highly distressed community, its municipal council may adopt an ordinance or charter  
16 amendment that suspends section 16-7-29.

17 (8) Certified nurses. During any fiscal year that a municipality has been designated as a  
18 highly distressed community, its municipal council may adopt an ordinance or charter  
19 amendment that suspends section 16-21-8 and requires that the functions performed by such  
20 nurse-teachers be performed by certified nurses, consistent with policies, procedures and  
21 regulations promulgated by the board of regents for elementary and secondary education.

22 (9) School bus monitors. During any fiscal year that a municipality has been designated  
23 as a highly distressed community, its municipal council may adopt an ordinance or charter  
24 amendment that suspends section 16-21-1. Any such ordinance or charter amendment may  
25 require the functions performed by school bus monitors be fulfilled on a volunteer basis.

26 (10) Transportation to nonpublic schools. During any fiscal year that a municipality has  
27 been designated as a highly distressed community, its municipal council may adopt an ordinance  
28 or charter amendment that suspends any mandate pursuant to chapter 21.1 of title 16 to provide  
29 bus transportation to pupils who attend nonpublic nonprofit schools that are consolidated,  
30 regionalized, or otherwise established to serve residents of a specific area within the state.

31 (11) Health insurance cost sharing and plan design. During any fiscal year that a  
32 municipality has been designated as a highly distressed community, its municipal council may  
33 adopt an ordinance or charter amendment that requires future negotiated changes for active  
34 employees under chapters 9.1, 9.2, 9.3 and/or 9.4 of title 28, relating to cost sharing and plan

1 design of health insurance, be applicable to new and existing retirements under the same chapters.

2 (12) Public safety collective bargaining. During any fiscal year that a municipality has  
3 been designated as a highly distressed community, its municipal council may adopt an ordinance  
4 or charter amendment that amends sections of the general laws of Rhode Island as set forth in  
5 subdivisions (1) and/or (2) of this section related to fire fighters' or police officers' collective  
6 bargaining rights, respectively.

7 **45-13.2-7. Mandatory reinvestment; Annual certifications.** – (a) At least fifty percent  
8 (50%) of funds resulting from enacting an ordinance or charter amendment pursuant to this  
9 chapter shall be reinvested exclusively to reduce a highly distressed community's property tax  
10 burden or to limit growth of a highly distressed community's property tax burden, at least until  
11 such municipality is no longer designated as a highly distressed community and is no longer  
12 taking advantage of the relief provisions enumerated under section 45-13.2-6.

13 (b) Every highly distressed community shall submit a certification to the auditor general  
14 and the director of revenue no later than one year after the date of passage of the ordinance or  
15 charter amendment declaring that the municipality has assumed such designation, which  
16 certification shall contain budgetary and numerical data sufficient to substantiate the satisfaction  
17 of subsection (a) of this section. This certification requirement shall continue, on an annual basis  
18 as measured from the date of passage of the ordinance or charter amendment, until a municipality  
19 is no longer designated as a highly distressed community and is no longer taking advantage of the  
20 relief provisions enumerated under section 45-13.2-6.

21 **45-13.2-8. Failure to comply.** – With respect to any municipality that fails to comply  
22 with section 45-13.2-4 or 45-13.2-7:

23 (1) The general treasurer is authorized to withhold moneys due from the state for any  
24 purpose other than education, including, but not limited to, municipal aid and other aid provided  
25 under sections 45-13-5.1, 45-13-12, 44-34.1-2, 44-13-13, 44-18-18.1, 44-18-36.1(b) and 42-63.1-  
26 3; and

27 (2) The auditor general shall have the power to compel a performance audit in connection  
28 with such municipality, as provided under section 22-13-4.

29 **45-13.2-9. Supersession; Exclusivity.** – Notwithstanding any general or special law to  
30 the contrary, unless otherwise specified, the provisions of this chapter shall supersede any  
31 conflicting provisions of a local ordinance, collective bargaining agreement, interest arbitration  
32 award, or municipal charter; further, the inclusion of any particular provision in this chapter shall  
33 not be construed in a manner indicating that a municipality has no right to take action with  
34 respect to the substance of such provision but for this chapter.

1           SECTION 2. Sections 28-9.1-3, 28-9.1-9, 28-9.1-10 and 28-9.1-16 of the General Laws  
2 in Chapter 28-9.1 entitled "Firefighters' Arbitration" are hereby amended to read as follows:

3           **28-9.1-3. Definitions.** -- As used in this chapter the following terms, unless the context  
4 requires a different interpretation, shall have the following meanings:

5           (1) "Base salaries" means the annual salary pursuant to the salary schedule or salary  
6 chart contained in the collective bargaining agreement between the corporate authorities and the  
7 bargaining unit exclusive of any monies provided for length of service or longevity, overtime  
8 payments, incentive pay payments, special duty payments, detail payments and any non-salary  
9 economic issues such as pensions, health and medical insurance costs.

10           ~~(1)~~(2) "Corporate authorities" means the proper officials within any city or town whose  
11 duty or duties it is to establish the wages, salaries, rates of pay, hours, working conditions, and  
12 other terms and conditions of employment of fire fighters, whether they are the mayor, city  
13 manager, town manager, town administrator, city council, town council, director of personnel,  
14 personnel board or commission, or by whatever other name or combination of names they may be  
15 designated.

16           ~~(2)~~(3) "Fire fighter" means the permanent uniformed members, rescue service personnel  
17 of any city or town, emergency medical services personnel of any city or town, any fire  
18 dispatchers of any city or town, and all employees with the exception of fire chiefs of any paid  
19 fire department in any city or town within the state. No assistant chief, deputy chief, battalion  
20 chief, captain or lieutenant shall be excluded from the collective bargaining solely by virtue of his  
21 or her title or position.

22           ~~(3)~~(4) "Unresolved issues" means any and all contractual provisions specifically  
23 addressing base salaries which have not been agreed upon by the bargaining agent and the  
24 corporate authorities within the thirty (30) day period referred to in section 28-9.1-7. Any  
25 contractual provision not presented by either the bargaining agent or the corporate authority  
26 within the thirty (30) day period shall not be submitted to arbitration as an unresolved issue;  
27 provided, that if either party or both parties are unable to present their respective proposals to the  
28 other party during the thirty (30) day period, they shall have the opportunity to submit their  
29 proposals by registered mail by midnight of the 30th day from and including the date of their first  
30 meeting.

31           **28-9.1-9. Hearings.** -- (a) The arbitration board shall, acting through its chairperson, call  
32 a hearing to be held within ten (10) days after the date of the appointment of the chairperson, and  
33 shall, acting through its chairperson, give at least seven (7) days notice in writing to each of the  
34 other two (2) arbitrators, the bargaining agent, and the corporate authorities of the time and place

1 of the hearing. The hearing shall be informal, and the rules of evidence prevailing in judicial  
2 proceedings shall not be binding. Any documentary evidence and other data deemed relevant by  
3 the arbitrators may be received in evidence.

4 (b) The arbitrators shall have the power to administer oaths and to require by subpoena  
5 the attendance and testimony of witnesses, and the production of books, records, and other  
6 evidence relative or pertinent to the issues presented to them for determination.

7 (c) All parties to arbitration shall present, at the formal hearings before the issuance of the  
8 award, written estimates to the arbitration panel of the financial impact of their contract proposal  
9 on the taxpayers of the city or town that employs the members of the bargaining unit.

10 (d) Each arbitration decision shall be accompanied by a written report explaining how  
11 each of the statutory factors contained in section 28-9.1-10 played into the arbitrators'  
12 determination of the final award. The report shall certify that the arbitration board gave primary  
13 weight to the community's ability to pay and a comparison of the wages and other benefits of  
14 employment of employees with the economic conditions of residents of the community, and that  
15 it took into account the statutory limitations imposed on the local levy cap in making the award.

16 ~~(e)~~(c) The hearing conducted by the arbitrators shall be concluded within twenty (20)  
17 days of the time of commencement, and within ten (10) days after the conclusion of the hearings,  
18 the arbitrators shall make written findings and a written opinion upon the issues presented, a copy  
19 of which shall be mailed or otherwise delivered to the bargaining agent or its attorney or  
20 otherwise designated representative and the corporate authorities. The chairperson may require  
21 briefs of the parties, in which case the time for issuance of the award shall be extended by no  
22 more than ten (10) days.

23 (f) The chairperson of the arbitration board shall be required to render an arbitration  
24 award within the aforementioned timeframes and under no circumstances shall the timeframes  
25 provided for in this section be exceeded. Any chairperson who fails to render an award within the  
26 time requirements set forth in this section shall be fined one thousand dollars (\$1,000) by the  
27 courts for each day that the award is late.

28 ~~(d)~~(g) A majority decision of the arbitrators shall be binding upon both the bargaining  
29 agent and the corporate authorities.

30 (h) Any arbitration board created pursuant to this chapter shall not issue a decision which  
31 increases the aggregate base salaries of the employees in the bargaining unit in an amount greater  
32 than two percent (2%).

33 **28-9.1-10. Factors to be considered by arbitration board. –** The arbitrators shall  
34 conduct the hearings and render their decision upon the basis of a prompt, peaceful, and just

1 settlement of wage or hour disputes between the fire fighters and the city or town by which they  
2 are employed. The factors, among others, to be given weight by the arbitrators in arriving at a  
3 decision shall include:

4 (1) The overall compensation presently received by the employees, inclusive of direct  
5 wages, salary, vacations, holidays, excused leaves, insurance and pensions, medical and  
6 hospitalization benefits, and all other economic benefits received while in the employ of the city  
7 or town or from the city or town upon the retirement of any member of the bargaining unit as  
8 compared with the economic conditions of residents of the community.

9 ~~(1)(2)~~ Comparison of wage rates or hourly conditions of employment of the fire  
10 department in question with prevailing wage rates or hourly conditions of employment of skilled  
11 employees of the building trades and industry in the local operating area involved.

12 ~~(2)(3)~~ Comparison of wage rates or hourly conditions of employment of the fire  
13 department in question with wage rates or hourly conditions of employment maintained for the  
14 same or similar work of employees exhibiting like or similar skills under the same or similar  
15 working conditions in the local operating area involved.

16 ~~(3)(4)~~ Comparison of wage rates or hourly conditions of employment of the fire  
17 department in question with wage rates or hourly conditions of employment of fire departments in  
18 cities or towns of comparable size.

19 ~~(4)(5)~~ Interest and welfare of the public. Among the items the panel of arbitrators shall  
20 assess when considering this factor is the limitation imposed upon the employers by section 44-5-  
21 2.

22 ~~(5)(6)~~ Comparison of peculiarities of employment in regard to other trades or  
23 professions, specifically:

24 (i) Hazards of employment.

25 (ii) Physical qualifications.

26 (iii) Educational qualifications.

27 (iv) Mental qualifications.

28 (v) Job training and skills.

29 ~~(6)(7)~~ Comparison of community's ability to pay.

30 **28-9.1-16. Attorneys' fees -- Costs -- Interest. -- (a)** In the event either the bargaining  
31 agent or the corporate authorities files a petition for writ of certiorari to the supreme court of the  
32 state of Rhode Island for a review or modification of a majority decision of the arbitrators, which  
33 by the provisions of section 28-9.1-9 is binding upon both the bargaining agent and the corporate  
34 authorities, the party against whom the decision of the supreme court is adverse, if the supreme

1 court finds the appeal or petition to be frivolous, shall pay reasonable attorneys' fees and costs to  
2 the successful party as determined by the supreme court, and the supreme court shall in its final  
3 decision or judgment award costs and reasonable attorneys' fees. If the final decision affirms the  
4 award of money, the award, if retroactive, shall bear interest at the rate of eight percentum  
5 percent (8%) per annum from the effective retroactive date.

6 (b) In the event either the bargaining agent or the corporate authorities files a petition for  
7 writ of certiorari to the supreme court, said petition shall be filed within sixty (60) days from the  
8 date the parties were in receipt of the written decision of the arbitration board.

9 SECTION 3. Sections 28-9.2-3, 28-9.2-9, 28-9.2-10 and 28-9.2-16 of the General Laws  
10 in Chapter 28-9.2 entitled "Municipal Police Arbitration" are hereby amended to read as follows:

11 **28-9.2-3. Definitions.** -- As used in this chapter the following terms, unless the context  
12 requires a different interpretation, have the following meanings:

13 (1) "Base salaries" means the annual salary pursuant to the salary schedule or salary chart  
14 contained in the collective bargaining agreement between the corporate authorities and the  
15 bargaining unit exclusive of any monies provided for length of service or longevity, overtime  
16 payments, incentive pay payments, special duty payments, detail payments and any non-salary  
17 economic issues such as pensions, health and medical insurance costs.

18 (1)(2) "Corporate authorities" means the proper officials within any city or town whose  
19 duty or duties it is to establish the wages, salaries, rates of pay, hours, working conditions, and  
20 other terms and conditions of employment of police officers, whether they are the mayor, city  
21 manager, town manager, town administrator, city council, town council, director of personnel,  
22 personnel board or commission, or by whatever other name they may be designated, or any  
23 combination thereof.

24 (2)(3) "Police officer" means a full-time police officer from the rank of patrolman up to  
25 and including the rank of chief, including policewomen, of any particular police department in  
26 any city or town within the state.

27 (4) "Unresolved issues" means any and all contractual provisions specifically addressing  
28 base salaries which have not been agreed upon by the bargaining agent and the corporate  
29 authorities within the thirty (30) day period referred to in section 28-9.2-7. Any contractual  
30 provision not presented by either the bargaining agent or the corporate authority within the thirty  
31 (30) day period shall not be submitted to arbitration as an unresolved issue; provided, that if  
32 either party or both parties are unable to present their respective proposals to the other party  
33 during the thirty (30) day period, they shall have the opportunity to submit their proposals by  
34 registered mail by midnight of the thirtieth (30<sup>th</sup>) day from and including the date of their first

1 meeting.

2 **28-9.2-9. Hearings.** -- (a) The arbitration board shall, acting through its chairperson, call  
3 a hearing to be held within ten (10) days after the date of the appointment of the chairperson, and  
4 shall, acting through its chairperson, give at least seven (7) days notice in writing to each of the  
5 other two (2) arbitrators, the bargaining agent, and the corporate authorities of the time and place  
6 of the hearing. The hearing shall be informal, and the rules of evidence prevailing in judicial  
7 proceedings shall not be binding. Any documentary evidence and other data deemed relevant by  
8 the arbitrators may be received in evidence.

9 (b) The arbitrators shall have the power to administer oaths and to require by subpoena  
10 the attendance and testimony of witnesses, and the production of books, records, and other  
11 evidence relative or pertinent to the issues presented to them for determination.

12 (c) All parties to arbitration shall present, at the formal hearings before the issuance of the  
13 award, written estimates to the arbitration panel of the financial impact of their contract proposal  
14 on the taxpayers of the city or town that employs the members of the bargaining unit.

15 (d) Each arbitration decision shall be accompanied by a written report explaining how  
16 each of the statutory factors contained in section 28-9.2-10 played into the arbitrators'  
17 determination of the final award. The report shall certify that the arbitration board gave primary  
18 weight to the community's ability to pay and a comparison of the wages and other benefits of  
19 employment of employees with the economic conditions of residents of the community, and that  
20 it took into account the statutory limitations imposed on the local levy cap in making the award.

21 ~~(e)~~(e) The hearing conducted by the arbitrators shall be concluded within twenty (20)  
22 days of the time of commencement, and within ten (10) days after the conclusion of the hearings,  
23 the arbitrators shall make written findings and a written opinion upon the issues presented, a copy  
24 of which shall be mailed or otherwise delivered to the bargaining agent or its attorney or  
25 otherwise delegated representative and to the corporate authorities. The chairperson may require  
26 briefs of the parties, in which case the time for issuance of the award shall be extended by no  
27 more than ten (10) days.

28 (f) The chairperson of the arbitration board shall be required to render an arbitration  
29 award within the aforementioned timeframes and under no circumstances shall the timeframes  
30 provided for in this section be exceeded. Any chairperson who fails to render an award within the  
31 time requirements set forth in this section shall be fined one thousand dollars (\$1,000) by the  
32 courts for each day that the award is late.

33 ~~(d)~~(g) A majority decision of the arbitrators is binding on both the bargaining agent and  
34 the corporate authorities.



1           (h) Any arbitration board created pursuant to this chapter shall not issue a decision which  
2           increases the aggregate base salaries of the employees in the bargaining unit in an amount greater  
3           than two percent (2%).

4           **28-9.2-10. Factors to be considered by arbitration board. --** The arbitrators shall  
5           conduct the hearings and render their decision on the basis of a prompt, peaceful, and just  
6           settlement of wage or hour disputes between the police officers and the city or town by which  
7           they are employed. The factors, among others, to be given weight by the arbitrators in arriving at  
8           a decision shall include:

9           (1) The overall compensation presently received by the employees, inclusive of direct  
10          wages, salary, vacations, holidays, excused leaves, insurance and pensions, medical and  
11          hospitalization benefits, and all other economic benefits received while in the employ of the city  
12          or town or from the city or town upon the retirement of any member of the bargaining unit as  
13          compared with the economic conditions of residents of the community.

14          ~~(1)(2)~~ Comparison of wage rates or hourly conditions of employment of the police  
15          department in question with prevailing wage rates or hourly conditions of employment of skilled  
16          employees of the building trades and industry in the local operating area involved.

17          ~~(2)(3)~~ Comparison of wage rates or hourly conditions of employment of the police  
18          department in question with wage rates or hourly conditions of employment of police  
19          departments in cities or towns of comparable size.

20          ~~(3)(4)~~ Interest and welfare of the public. Among items the panel of arbitrators shall  
21          assess when considering this factor is the limitation imposed upon the employer by section 44-5-  
22          2.

23          ~~(4)(5)~~ Comparison of peculiarities of employment in regard to other trades or  
24          professions, specifically:

25               (i) Hazards of employment.

26               (ii) Physical qualifications.

27               (iii) Educational qualifications.

28               (iv) Mental qualifications.

29               (v) Job training and skills.

30          ~~(5)(6)~~ Comparison of community's ability to pay.

31          **28-9.2-16. Attorney's fees -- Costs -- Interest. --** (a) If either the bargaining agent or the  
32          corporate authorities files a petition for writ of certiorari to the supreme court of the state of  
33          Rhode Island for a review or modification of a majority decision of the arbitrators, which by the  
34          provisions of section 28-9.2-9 is binding upon both the bargaining agent and the corporate

1 authorities, the party against whom the decision of the supreme court is adverse, if the supreme  
2 court finds the appeal or petition to be frivolous, shall pay reasonable attorney's fees and costs to  
3 the successful party as determined by the supreme court, and the supreme court shall in its final  
4 decision or judgment award costs and reasonable attorney's fees. If the final decision affirms the  
5 award of money, the award, if retroactive, shall bear interest at the rate of eight percent (8%) per  
6 annum from the effective retroactive date.

7 (b) In the event either the bargaining agent or the corporate authorities files a petition for  
8 writ of certiorari to the supreme court, said petition shall be filed within sixty (60) days from the  
9 date the parties were in receipt of the written decision of the arbitration board.

10 SECTION 4. Severability. If any provision of this act or the application thereof to any  
11 person or circumstances is held invalid, such invalidity shall not affect other provisions or  
12 applications of the act, which can be given effect without the invalid provision or applications,  
13 and to this end the provisions of this act are declared to be severable.

14 SECTION 5. This act shall take effect upon passage; provided, however, that the  
15 provisions and amendments to the general laws contained in Sections 2 and 3 of this act shall  
16 only apply to municipalities that are highly distressed, as defined under sections 45-13-12 and 45-  
17 13.2-4 of the general laws and that have invoked the provisions of chapter 45-13.2 of the general  
18 laws by the adoption of an ordinance or charter amendment.

LC02250

EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO TOWNS AND CITIES -- DISTRESSED COMMUNITIES

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1        This act would extend to communities which have been determined to be "highly  
2        distressed communities" by reference to section 45-13-12 of the general laws additional  
3        authorization to act in modification of police and fire labor contracts.

4        This act would take effect upon passage, provided; however, that the provisions and  
5        amendments to the general laws contained in Sections 2 and 3 of this act would only apply to  
6        municipalities that are highly distressed, as defined under sections 45-13-12 and 45-13.2-4 of the  
7        general laws and that have invoked the provisions of chapter 45-13.2 of the general laws by the  
8        adoption of an ordinance or charter amendment.

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