



FOR IMMEDIATE RELEASE

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Chambersburg Borough Officials Ask For Act 111 Reform

Borough is latest municipality to receive costly binding arbitration ruling

HARRISBURG, PA – Following an adverse and costly binding arbitration decision for Chambersburg’s paid fire department, Borough Council President William McLaughlin led a delegation of borough officials to Harrisburg today to ask state policy makers to reform and modernize Act 111 of 1968, the state law governing uniformed union binding arbitration. McLaughlin was welcomed by Sen. John Eichelberger (R-Blair), Majority Chairman of the Senate Local Government Committee, Sen. Rich Alloway (R-Chambersburg), Rep. Rob Kaufman (R-Chambersburg), and statewide business and municipal leaders, all members of the Coalition for Sustainable Communities (CSC).

“After a 19 month Act 111 process paid for by Chambersburg taxpayers, a neutral arbitrator with no ties to our community has rendered a ruling that will force Chambersburg to hike taxes and prohibit our locally elected council from managing our paid fire department,” said McLaughlin. “Considering volunteer firefighters make up the bulk of fire responses in Chambersburg, this flies in the face of common sense and is just the latest example of why a flawed, 45-year-old law needs to be reformed.”

McLaughlin was introduced by Eichelberger, who is the prime sponsor of legislation which would reform Act 111.

“Communities of all sizes across Pennsylvania are grappling with costs tied to Act 111 and that is why I’m announcing the official introduction of SB 1111. My legislation would amend Act 111 for the first time in nearly a half century. It would inject fairness into the process by balancing the influence of the arbitration board, opening proceedings to the very public expected to foot the bill, splitting the cost of the neutral arbitrator equally between employer and union, and requiring that arbitration decisions are based on factors relevant to each community, including their ability to pay,” said Eichelberger.

“All sizes of communities from all corners of our Commonwealth suffer from varying levels of fiscal distress, driven by outdated, inflexible and uncompetitive state laws such as Act 111 that undermine even the best managed municipalities,” added Ellen Horan, President and CEO of the Greater Reading Chamber of Commerce. “Without these common-sense reforms offered by Sen. Eichelberger, our communities will find it more difficult to attract and retain the family-sustaining jobs needed to improve our local and state economy. No business owner wants to open or expand in an over-taxed, underserved community.”

“I thank Sen. Eichelberger for his leadership in not only bringing together a broad coalition of supporters, but also showing that Republicans and Democrats can work together on sound public policy that

improves the lives of residents in both small and large communities alike,” said Lancaster Mayor Rick Gray. “When it comes to Act 111 and binding arbitration for uniformed unions, townships, boroughs and cities all face steep and sometimes insurmountable challenges.”

Highlights of SB 1111 reforms include:

- Penalize either party for failing to engage in good faith bargaining;
- Must show ability to pay through justification and consideration of new costs;
- Start arbitrator selection process between both parties by coin toss;
- Expand the list from which a neutral arbitrator is selected from 3 to 7;
- Require the cost of arbitration be shared equally between both parties;
- Start collective bargaining earlier in the year and require arbitration be requested earlier;
- Require evidentiary hearings to be open to the public (sunshine law);
- Clarify avenue for appeal process and municipal relief;
- Prohibit post-retirement health care and pension benefits from being subjects of collective bargaining.

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Sen. John Eichelberger is serving his second term in the State Senate, representing the 30th District which includes the counties of Bedford, Blair, Fulton, Huntingdon and Mifflin. Sen. Eichelberger is chairman of the Local Government Committee and serves on five other senate committees: appointed to be the Vice-Chair of the Banking and Insurance, Transportation, Finance, Communication & Technology, and Judiciary Committees.

The Coalition for Sustainable Communities (CSC) is a growing alliance of over 35 organizations, including chambers of commerce, professional and community development groups, the Pennsylvania Municipal League, the Pennsylvania State Association of Township Commissioners, the Pennsylvania State Association of Township Supervisors and the County Commissioners Association of Pennsylvania. The CSC was formed in 2011 to help the Commonwealth’s urban, suburban and rural communities address growing economic and budgetary challenges. For more information, as well as a complete listing of Coalition members, visit the website at www.coalitionforsustainablecommunities.org or Facebook at www.facebook.com/CoalitionforSustainableCommunities.

A Sen. Eichelberger press button will be available on the CSC website at www.coalitionforsustainablecommunities.org to conveniently download pension related graphics/data for your coverage use.