

CH-60398

UNITED STATES OF AMERICA

**FEDERAL LABOR RELATIONS AUTHORITY**

Office of Administrative Law Judges

WASHINGTON, D.C. 20424-0001

U.S. DEPARTMENT OF THE AIR FORCE  
AIR FORCE MATERIEL COMMAND  
Respondent

and  
AMERICAN FEDERATION OF GOVERNMENT  
EMPLOYEES, COUNCIL 214, AFL-CIO  
Charging Party

Case Nos. CH-CA-60398  
CH-CO-60608

Susanne S. Matlin, Esquire For the General Counsel  
Major Michael A. Fleming, Esquire William P. Krueger, Esquire For  
Respondent/Agency in Case No. CH-CA-60398 (Charging Party in Case No.  
CH-CO-60608)

President Jim Davis For Respondent/Union in Case No. CH-CO-60608  
(Charging Party in Case No. CH-CA-60398)

Before: JESSE ETELSON Administrative Law Judge

**DECISION**

These cases present, in different guises, the issue of whether a union, after its membership fails to ratify a negotiated collective bargaining agreement, has a right to renegotiate contract provisions that were ordered to be included in the parties' agreement under the authority of the Federal Service Impasses Panel (Impasses Panel or Panel). The complaint in Case No. CH-CA-60398 alleges that Respondent/Agency (AFMC) violated sections 7116(a)(1) and (5) of the Federal Service Labor-Management Relations Statute (the Statute) by refusing to negotiate over the matters covered by the provisions ordered by the Impasses Panel's designee. The complaint in Case No. CH-CO-60608 alleges that Respondent/Union (Council 214) violated sections 7116(b)(5), (6), and (8) of the Statute when it insisted that AFMC negotiate over the matters covered by the provisions ordered by the Panel's designee. The General Counsel of the Federal Labor Relations Authority thus presents alternative positions on the underlying issue and recognizes that sustaining the allegations in either case will require dismissal of the complaint in the other.

A hearing was held in Dayton, Ohio. Counsel for each of the parties filed a post-hearing brief. Counsel for the General Counsel presented arguments supporting each of the alternative dispositions of the cases and also moved to correct several minor errors in the transcript of the hearing. The motion is granted and the transcript is corrected

accordingly. The following findings are based on the record, the briefs, and my evaluation of the evidence. The material facts are undisputed, and my findings essentially adopt the statement of facts presented in the brief of Counsel for the General Counsel. In agreement with Counsel for the General Counsel, I do not find the testimony of the witnesses regarding the bargaining history leading to the ground rules under which the parties conducted their contract negotiations to be dispositive.

### **Findings of Fact**

Council 214 represents a nationwide unit of AFMC employees. In 1992, Council 214 and AFMC began negotiations for a new master labor agreement (MLA) to replace their expiring MLA. On May 20, 1993, Council 214 and AFMC signed a ground rules agreement for their MLA negotiations. The May 20, 1993, ground rules agreement provided, among other things, that "[l]anguage arrived at through the use of the FSIP procedures will be incorporated into the new agreement prior to execution by the parties" and "[t]he ratification process of the Union is recognized by management to be internal Union business and Management will not assume any union costs incurred by or resulting from this process. The ratification process will not exceed 30 days." The parties included identical language in subsequent ground rules agreements they signed during their MLA negotiations.

In November 1994, Council 214 filed a request with the Impasses Panel for assistance in the negotiations. By then the parties had agreed on 26 articles but were unable to progress on 18 other articles. The Panel accepted jurisdiction and directed the parties to resume negotiations over the unresolved articles with assistance from the Federal Mediation and Conciliation Service (FMCS). On February 3, 1995, the parties signed another ground rules agreement for their MLA negotiations. These ground rules incorporated the language from the May 1993 ground rules on the use of Impasses Panel procedures and on ratification. With the assistance of an FMCS mediator, the parties reached agreement on four more articles. In March 1995, Council 214 notified the Impasses Panel that the negotiations with FMCS assistance had not resolved all of the outstanding disagreements. Council 214 requested that the Panel order the parties to binding arbitration by a private arbitrator. On April 27, 1995, the Panel ordered the parties to submit the remaining issues in dispute to Panel Member Edward F. Hartfield for "med-arb". The Panel informed the parties that Member Hartfield would first engage in mediation with respect to the outstanding issues, and, should any issues not be resolved in this manner, would act as an arbitrator and issue a "binding decision" resolving all outstanding issues.

Member Hartfield met with the parties from June 12 through June 14, 1995. The parties being unable to resolve any of the outstanding issues, Member Hartfield ordered them to submit their "last and best offers."

AFMC withdrew one of its proposed articles and the parties filed written submissions of their "last and best offers" on the remaining issues. On September 18, 1995, Member Hartfield issued his "Arbitrator's Opinion and Decision." He ordered the parties to adopt AFMC's proposals on 9 articles, Council 214's proposals on one article, and Council 214's proposals with modifications on two other articles. *Department of the Air Force, Headquarters Air Force Materiel Command, Wright-Patterson Air Force Base, Ohio and American Federation of Government Employees, AFGE Council No. 214, AFL-CIO, Case No. 95 FSIP 23, Panel Release No. 379 (Sept. 27, 1995).*

Council 214 submitted the negotiated MLA, including those provisions ordered by Member Hartfield, for membership ratification. On October 18, 1995, Council 214 notified AFMC that the MLA had not been ratified and requested that the parties resume negotiations.

A dispute arose between the parties as to the scope of their negotiations following Council 214's membership's rejection of the new MLA. Council 214 took the position that everything, including the provisions ordered by Member Hartfield, was on the table. AFMC responded that the provisions ordered by Member Hartfield were final, were not subject to further negotiations, and that it intended to comply with Hartfield's decision by implementing the provisions that he had ordered to be included in the parties' agreement. (AFMC apparently remained willing to renegotiate previously agreed provisions that had not required disposition under the auspices of the Impasses Panel but which were included in the complete MLA that the Council 214 membership had failed to ratify.) Unable to resolve this issue, the parties filed unfair labor practice charges against each other.

## **Discussion and Conclusions**

### **A. Juridical Status of Hartfield "Opinion and Decision"**

Section 7119(b) (5) (B) of the Statute empowers the Impasses Panel to "take whatever action is necessary and not inconsistent with this chapter to resolve [any] impasse" that has been properly submitted to it, if the parties do not arrive at a settlement after the Panel has assisted them through non-binding procedures. Section 7119(b) (5) (C) provides that the Panel's "final action . . . shall be binding on such parties during the term of the agreement, unless the parties agree otherwise." A union violates sections 7116(b) (5) and (6) of the Statute if it refuses to execute contract provisions ordered by the Panel. *American Federation of Government Employees, AFL-CIO, Local 3732, 16 FLRA 318, 326-330 (1984) (Local 3732).*<sup>(1)</sup>

Although the Authority has had to struggle with certain aspects of the reviewability of decisions rendered by persons designated by the Impasses Panel to resolve the issues submitted to it, it now seems clear that, for all purposes relevant to the instant cases, the Hartfield disposition of the issues presented to him enjoys the same status and effect as a "final action" of the Panel. See generally, *U.S. Department of Justice and Immigration and Naturalization Service*, 37 FLRA 1346 (1990). See also *U.S. Department of Defense, Defense Logistics Agency, Defense General Supply Center, Richmond, Virginia*, 37 FLRA 895, 896-99 (1990), and compare with *Department of Defense Dependents Schools (Alexandria, Virginia)*, 33 FLRA 659, 662 (1988) (Authority adopts court's position--that the decision of the Panel Chairman as the Panel's designee is a Panel decision--as "the law of the case"). Thus, unless Council 214 can establish an affirmative defense, it will be deemed to have violated sections 7116(b) (5) and (6) of the Statute by refusing to execute contract provisions ordered by the Panel. In those circumstances, AFMC will not have violated the Statute by refusing to renegotiate any of those provisions.

#### **B. Failure to Ratify as an Asserted Defense**

Relying in part on the statutory right of a union to condition negotiated agreements on membership ratification and in part on the above quoted provisions of the parties' ground rules agreement, Council 214, and Counsel for the General Counsel in support of the allegations against AFMC, contend that Council 214 was entitled to submit the entire negotiated MLA, including those provisions ordered by Member Hartfield, for ratification, and that the result of the membership's rejection of the entire MLA was that there has yet to be an agreement on any provision.

I find no support for this line of argument in either the statutory scheme in establishing the role of the Impasses Panel or in the language of the parties' ground rules agreement.

##### 1. The Statutory Scheme

[T]he Statute, which grants the right to bargain collectively, prescribes a framework within which collective bargaining in the Federal sector must be conducted in the public interest. As part of this framework and in lieu of the right to strike,

Congress adopted alternative means for resolving collective bargaining impasses. As applicable to this case, the Statute provides that where the parties have reached an impasse in negotiations and the [FMCS] has not been successful in assisting the parties to reach a voluntary settlement of the dispute, the [Impasses Panel] is empowered to assist by using a variety of techniques including, if appropriate, the imposition of a binding settlement on the parties.

*Professional Air Traffic Controllers Organization, Affiliated with MEBA, AFL-CIO*, 7 FLRA 34, 59 (1981) (opinion of Member Frazier)<sup>(2)</sup> (footnote omitted), *aff'd* 685 F.2d 547 (D.C. Cir. 1982).

The full Authority reaffirmed the substance of Member Frazier's exposition of the applicable statutory framework, albeit in an abbreviated form, in *National Treasury Employees Union, Chapter 83 and Department of the Treasury, Internal Revenue Service*, 35 FLRA 398, 415-16 (1990), where it stated that "[i]t is clear that Congress viewed a [Panel] order requiring parties to adopt specific proposed language as a desirable alternative in the Federal sector to the strikes, work stoppages, and other forms of labor unrest that have traditionally accompanied the failure of the negotiation process in other sectors."

As all parties agree, but from which only AFMC draws the appropriate conclusion, a union is entitled under the Statute to condition the execution of an agreement, arrived at through collective bargaining, on ratification by its members, provided that the employer has notice of the ratification requirement and that the union has not waived this right. *Social Security Administration*, 46 FLRA 1404 (1993). Since this right inheres in the exclusive representative's status and the desire of its members to retain this authority, and does not depend on an agreement with the agency, *Social Security Administration*, 46 FLRA at 1412-14, the right to condition execution on membership ratification is potentially in conflict with the finality of every Panel "final action." Thus, if the members' rejection could override the Panel's action, the binding effect of its action would be nullified not only in this case--where the union claims a *contractual* right to condition acceptance of the Panel's action

on ratification--but generally. This seems irreconcilable with the Authority's understanding of the intention of Congress that Panel orders are a "means for resolving collective bargaining impasses" and an alternative to various forms of "labor unrest."<sup>(3)</sup>

Different considerations prevail, of course, if the Panel provides that the agreement is to be reopened in the event that the union fails to ratify it. In such a case, the reopening is part of, and not in conflict with, the Panel's final action. See *Social Security Administration and National Council of SSA Field Operations Locals (NCSSAFOL), American Federation of Government Employees, AFL-CIO (AFGE)*, 25 FLRA 238, 240-41 (1987). The Panel's final action there, however, contrasted dramatically with the Panel's action here. Here, the Panel's designee expressed his concern with these parties' "devot[ing] endless time to negotiations without the vision, will, and ability to obtain cloture[,] and with their "practice of endlessly negotiating without coming to agreements" (Jt. Exh. 12 at 14-15, 95 FSIP 23 at 13-14). Plainly, he was not inclined to make ratification a condition to a final resolution of the issues he addressed.

Finally, I must reject arguments by Council 214 and the General Counsel, respectively, concerning the relationship between a ratification vote and an agency head review. Council 214's argument is to the effect that a union's right, by ratification vote, to reject provisions ordered by the Panel, is a statutory counterpart to an agency's right to agency head review under section 7114(c) of the Statute. The Authority's rationale, when it reached the conclusion that the right to agency head review includes review of provisions mandated by the Panel, lends no support to Council 214's contention. The Authority's determination was based on close analysis of the specific language of section 7114(c) and by recognition of the procedures of the Panel as part of the collective bargaining process. *Interpretation and Guidance*, 15 FLRA 564 (1984) *aff'd sub nom. American Federation of Government Employees, AFL-CIO v. FLRA*, 778 F.2d 850 (D.C. Cir. 1985). There is no explicit statutory counterpart to section 7114(c).<sup>(4)</sup> In its absence, Council 214's argument must be read as an appeal for what it believes is required to achieve a fair balance. This, however, raises a political (legislative) rather than a legal issue.

Counsel for the General Counsel argues that, "when union ratification is a condition precedent to a collective bargaining agreement, it has the same effect on the agreement as does the agency head review under Section 7114(c) . . . ." However, whether ratification is a condition precedent is a different question. It must be answered next.

## 2. The Ground Rules Agreement

Council 214 would have the Authority construe the phrase, "unless the parties agree otherwise," in section 7116(b)(5)(C), as sanction for an agreement that the Panel's action will be subject to veto by one party or the other. Counsel for the General Counsel, in supporting Council 214's position, states that the ground rules agreement comports with the statutory meaning of that phrase. I have not discovered, nor has my attention been directed to, any Authority discussion or helpful legislative history regarding the meaning of that statutory phrase. Undisputably within its scope is an agreement by the parties, upon their examination of the Panel's "final action," that the Panel's resolution of their dispute is not, or is no longer, suitable to either of their needs, and that they must renegotiate all or part of the provisions ordered to be included in their agreement. I am not persuaded that the phrase also contemplates agreements by the parties, in advance of the Panel's resolution, that as to one or both of them the Panel's action will be, in effect, advisory only.

In my view there is, at the least, a serious question as to whether the Panel would be required to accept a request for assistance from parties who have entered into such an agreement. Further, there might be reasons why it would be inappropriate for the Panel to do so, and the parties' failure to reveal such an agreement when requesting its assistance could frustrate the Panel's efforts to assist them, other parties, and the public. More generally, to construe the phrase, "unless the parties agree otherwise," so as to honor an agreement that the Panel action not be binding would defeat the purpose for which an independent body was established and empowered to impose a binding settlement.

An agreement to permit the union to condition its acceptance of the provisions ordered by the Panel on membership ratification would constitute such an agreement. I therefore conclude that no such agreement could override the binding effect of the Panel's action. Moreover, for the following reasons, I do not find that the parties' ground rules contain such an agreement.

The two provisions on which Council 214 relies are found in paragraphs 11 and 12 of the February 1995 ground rules agreement. Paragraph 11 states that "[l]anguage arrived at through the use of FSIP procedures will be incorporated into the new agreement prior to execution by the parties." The pertinent part of paragraph 12, entitled "Ratification/Approval Process," is at the beginning of that paragraph and states that "[t]he ratification process of the Union is recognized by management to be internal Union business and management will not assume any union costs incurred or resulting from this process. The ratification process will not exceed 30 days."

On its face, the paragraph 12 excerpt does nothing more to advance Council 214's position than, as Council 214 accurately characterizes it

in its brief, to "recognize the Union's right to conduct a ratification vote following negotiations of the contract" (Br. at 3). Moreover, the structure of the sentence referring to the Union's right to a ratification process gives every indication that its main purpose is to insulate management from any costs incidental to that process, not to give the results of ratification any special status.

The purpose of paragraph 11 is not readily apparent. Council 214 would construe the recognition given in paragraph 12, coupled with paragraph 11, as recognition of a right to condition acceptance of the entire MLA, including those imposed by the Panel, on membership approval. Testimony by the AFMC and Council 214 representatives who negotiated and signed the February 1995, ground rules agreement did not establish any meeting of the minds that would warrant reading into either of these provisions anything in addition to their literal meanings. Thus, if the reason the parties included paragraph 11 in the agreement remains obscure after studying their testimony, the paragraph at least prescribes what would appear to be a logical and reasonable sequence of actions after "the use of FSIP procedures."

Council President Davis, in his testimony (Tr. 47-48), may have intended to imply that the placement of the two paragraphs, one immediately after the other, suggests a linkage. However, when these provisions appeared first (as far as the record here indicates), in the parties' May 1993 ground rules agreement, the "FSIP" paragraph was number "6" and the ratification paragraph was "13." This separation removes much of the support for an inference that the parties linked the two provisions in the discussions that led to their adoption.<sup>(5)</sup> There was no testimony concerning the rearrangement of the paragraphs in subsequent ground rules agreements. I therefore have no basis to infer that their placement in proximity, which occurred first in November 1993, was for any reason other than a more chronological description of the negotiation process.

I conclude that paragraphs 11 and 12 of the February 1995 ground rules agreement do not demonstrate a *mutual* intention to modify the binding effect of any "final action" by the Panel. I have previously concluded that any such mutual agreement would not affect the Panel order's finality in any event. My ultimate conclusion, therefore, is that Council 214 violated the Statute and that AFMC did not.

The complaint alleges that Council 214 violated sections 7116(b) (5), (6), and (8). I find, in conformity with the judge's decision in *Local 3732*, 16 FLRA at 330, that Council 214 violated sections 7116(b) (5) and (6).<sup>(6)</sup> The Authority does not, as far as I have been able to discover, find violations of either of the subsection (8) provisions (making it an unfair labor practice "to otherwise fail or refuse to comply with any



provision of this chapter") when a respondent's conduct is essentially encompassed by the (5) and (6) subsections. See *Department of the Treasury and Internal Revenue Service*, 22 FLRA 821, 826-27, 831 (1986).<sup>(7)</sup> I recommend that the Authority issue the following order.

**ORDER**

Pursuant to section 2423.29 of the Authority's Regulations and section 7118 of the Federal Service Labor-Management Relations Statute, the American Federation of Government Employees, Council 214, AFL-CIO, shall:

1. Cease and desist from:

(a) Failing or refusing to comply with the final action of the Federal Service Impasses Panel in Case No. 95 FSIP 23, by insisting on renegotiating provisions that the Panel's designee ordered to be included in the Master Labor Agreement being negotiated with U.S. Department of the Air Force, Air Force Materiel Command, or in any other manner failing or refusing to cooperate with impasse procedures and decisions.

(b) In any like or related manner interfering with, restraining, or coercing employees in the exercise of their rights assured by the Statute.

2. Take the following affirmative action in order to effectuate the purposes and the policies of the Statute:

(a) Comply with the Arbitrator's Opinion and Decision of the Federal Service Impasses Panel's designee in Case No. 95 FSIP 23 by adopting the language ordered by the Panel's designee.

(b) Post at its business offices, and in all places where notices to employees in its bargaining unit are customarily posted, copies of the attached Notice on forms to be furnished by the Federal Labor Relations Authority. Upon receipt of such forms, they shall be signed by the President of the American Federation of Government Employees, Council 214, AFL-CIO, and shall be posted and maintained for 60 consecutive days thereafter, in conspicuous places. Reasonable steps shall be taken to insure that such notices are not altered, defaced, or covered by any other material.

(c) Submit appropriate signed copies of the Notice to the Commander, Air Force Materiel Command, for posting in conspicuous places where bargaining unit employees are located. Copies of the Notice should be maintained for a period of 60 consecutive days from the date of posting.

(d) Pursuant to section 2423.29 of the Authority's Rules and Regulations, notify the Regional Director of the Chicago Region, Federal Labor Relations Authority, in writing, within 30 days from the date of this Order, as to what steps have been taken to comply.

All remaining allegations in the consolidated complaint are dismissed.

Issued, Washington, DC, June 13, 1997.

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JESSE ETELSON

Administrative Law Judge

NOTICE TO ALL MEMBERS AND OTHER EMPLOYEES

POSTED BY ORDER OF THE

FEDERAL LABOR RELATIONS AUTHORITY

The Federal Labor Relations Authority has found that Council 214 of the American Federation of Government Employees, AFL-CIO, violated the Federal Service Labor-Management Relations Statute and has ordered us to post and abide by this Notice:

We hereby notify all bargaining unit employees that:

WE WILL NOT fail or refuse to comply with the final action

of the Federal Service Impasses Panel in Case No. 95 FSIP 23, by insisting on renegotiating provisions that the Panel's designee order to be included in the Master Labor Agreement being negotiated with U.S. Department of the Air Force, Air Force Materiel Command, or in any other

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manner fail or refuse to cooperate with impasse procedures and decisions.

WE WILL NOT in any like or related manner interfere with, restrain, or coerce employees in the exercise of their rights assured by the Federal Service Labor-Management Relations Statute.

WE WILL comply with the Arbitrator's Opinion and Decision of the Federal Service Impasses Panel's designee in Case No. 95 FSIP 23 by adopting the language ordered by the Panel's designee.

\_\_\_\_\_

(AFGE Council 214)

Dated:\_\_\_\_\_ By:\_\_\_\_\_

(Signature)

(Title)

This Notice must remain posted for 60 consecutive days from the date of posting and must not be altered, defaced or covered by any other material.

If employees have any questions concerning this Notice or compliance with any of its provisions, they may communicate directly with the Regional Director, Chicago Regional Office, Federal Labor Relations Authority, whose address is: 55 West Monroe, Suite 1150, Chicago, Illinois 60603-9727, and whose telephone number is: (312) 353-6306.

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