



May 18, 1999

Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2952

TO: BOARD OF DIRECTORS

FROM: GOVERNMENT RELATIONS DEPARTMENT

**SUBJECT: SB 1101 (MURRAY, et. al.)—PROPOSED
AMENDMENTS**

ISSUE

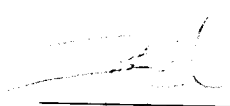
SB 1101 is a measure introduced by Senator Kevin Murray relating to the creation of transportation zones by the MTA. As currently written, SB 1101 would place specified conditions on the authority regarding MTA represented employees and the evaluation of a zone in the provision of service.

Sponsors of SB 1101 have discussed with MTA staff potential amendments to the measure. The sponsors of the bill, the Amalgamated Transit Union (ATU) and the United Transportation Union (UTU), have proposed amendments to address some concerns with SB 1101 expressed by the MTA, Foothill Transit and the municipal operators. After a review of these amendments, MTA staff suggests that the attached alternative proposal be submitted to Senator Murray and the sponsors of the bill for their consideration.

The alternative MTA-sponsored amendments to SB 1101 address the protection of transferred employees during the remaining term of their collective bargaining agreement. (Attachment A)

If these amendments, including the deletion of the existing language noted in the MTA staff proposal, are acceptable to the author and the sponsors, staff would recommend a change in the MTA position from oppose to support.

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PROPOSED AMENDMENTS TO SB 1101

I SECTION 1. Section 13005 1.11 of the Public Utilities

Code is amended to read:

130051.11. (a) The Los Angeles County Metropolitan Transportation Authority may determine its organizational structure, which may include, but is not limited to, the establishment of departments, divisions, subsidiary units, or similar entities. Any department, division, units or similar entities. Any department, division, subsidiary unit, or similar entity established by the authority shall be referred to in this chapter as an "organizational unit." The authority shall, at a minimum, establish the following organizational units:

(1) A transit construction organizational unit to assume the construction responsibilities for all exclusive public mass transit guideway construction projects in Los Angeles County.

(2) An operating organizational unit with the following responsibilities:

(A) The operating responsibilities of the Southern California Rapid Transit District on all exclusive public mass transit guideway projects in the County of Los Angeles.

(B) The operation of bus routes operated by the Southern California Rapid Transit District, and all the duties, obligations, and liabilities of the district relating to those bus routes.

(3) A transportation planning and programming organizational unit with all planning responsibilities previously performed by the Southern California Rapid Transit District and the Los Angeles County Transportation Commission.

(b) Nothing in this section shall be construed to require specific bus routes to be operated. The authority or the operating organizational unit may make any adjustment with respect to bus routes, bus services, or both, which is within the power of the Los Angeles County Transportation Commission, or the Southern California Rapid Transit District.

(c) Any obligations of the Southern California Rapid Transit District arising out of a collective bargaining agreement entered into by the district shall be the exclusive obligations of the Los Angeles County Metropolitan Transportation Authority. It is the intent of the Legislature that the rights or obligations under any collective bargaining agreement in existence on January 1, 1993, not be enlarged or diminished by this section or any other provision of the act which added this section.

~~(d) Any operating organizational unit established on or after January 1, 1999, any other entity that assumes any or all of the operating responsibilities described in paragraph (2) of subdivision (a), or any employer in a transportation zone approved pursuant to subdivision (h) of Section 130051.12 shall also assume the duties, obligations, and liabilities arising from, or relating to, any collective bargaining agreements or labor obligations imposed by state or federal law upon the authority. Employees of any and all organizational units, entities, or transportation zones subject to this subdivision shall constitute, with like employees of the authority, appropriate collective bargaining units, notwithstanding that the organizational units, entities, or zones may be separate employers for other purposes.~~

(d) If the Los Angeles County Metropolitan Transportation Authority transfers operating responsibilities to any transportation zone approved pursuant to subdivision (h) of Section 130051.12, then:

(1) The authority shall negotiate transition agreements with the collective bargaining representatives of the authority employees affected by such transfer. The transition agreements shall address:

(A) Job preferences or priorities for existing authority employees with the employer in the

transportation zone:

(B) The continuation of terms and conditions of employment established under applicable collective bargaining agreements for the duration of the term of those agreements; and

(C) Such other relevant issues as the parties may agree to address. The employer in any transportation zone to which operating responsibilities are transferred may, if appropriate, be a party to any such negotiations and resulting agreement;

(2) The existing employees of the authority shall be provided a priority of employment with any employer in a zone to which such operating responsibilities are transferred; and

(3) The employer in such a zone shall, if it hires employees from the workforce of the authority, assume the terms and conditions of employment set forth in the collective bargaining agreement applicable to those authority employees for the duration of the term of that agreement, provided that nothing in this subdivision shall restrict or otherwise affect the rights of the employer in a zone and the collective bargaining representative of its employees to negotiate terms and conditions of employment after the expiration of such agreement.

(e) No collective bargaining agreement entered into by the Southern California Rapid Transit District on or after January 1, 1993, shall be effective unless approved by the Los Angeles County Metropolitan Transportation Authority. The authority's approval of an agreement shall cause the agreement to be binding upon the authority.

(e)

(f) On and after April 1, 1993, any reference to the Southern California Rapid Transit District in Article 10 (commencing with Section 30750) of Chapter 5 of Part 3 of Division 10 is deemed to refer to the Los Angeles County Metropolitan Transportation Authority.

(f)

(g) The Los Angeles County Metropolitan Transportation Authority may administratively delegate to an organizational unit, ~~including transportation zones approved pursuant to subdivision (h) of Section 130051.12,~~ or to its chief executive officer any powers and duties it deems appropriate. Powers and duties which may be delegated to an organizational unit include, but are not limited to, the following:

- (1) The power of eminent domain.
- (2) Approval of contracts, except the final approval of labor contracts.
- (3) Hearing and resolving bid protests.

(g)

(h) The Los Angeles County Metropolitan Transportation Authority shall establish a citizens' advisory council pursuant to subdivision (d) of Section 130105.

SEC. 2. Section 130051.12 of the Public Utilities Code is amended to read:

130051.12. The Los Angeles County Metropolitan Transportation Authority shall, at a minimum, reserve to itself exclusively, all of the following powers and responsibilities:

- (a) Establishment of overall goals and objectives.
- (b) Adoption of the aggregate budget for all 5 organizational units of the authority.
- (c) Designation of additional included municipal operators pursuant to subdivision (f) of Section 99285.
- (d) Approval of final rail corridor selections.
- (e) Final approval of labor contracts covering employees of the authority and organizational units of the authority.
- (f) Establishment of the authority's organizational structure.
- (g) Conducting hearings and the setting of fares for the operating organizational unit established pursuant to paragraph (2) of subdivision (a) of Section 130051.11.

(h) (1) Approval of transportation zones.

~~-(2) In determining the cost effectiveness of any proposed transportation zone, the authority may not approve or disapprove a transportation zone based upon consideration of rates of wages and other forms of compensation or hours and working conditions of employees of the proposed transportation zone.~~

~~-(3) Any determination of efficiencies that may be derived from the approval of a transportation zone shall include consideration of maintaining the prevailing rate of wages, hours, and other terms and conditions of employment contained in current collective bargaining agreements applicable to the authority as required under subdivision (d) of Section 130051.11.~~

(i) Approval of the issuance of any debt instrument with a maturity date that exceeds the end of the fiscal year in which it is issued. 0) Approval of benefit assessment districts and assessment rates.

(k) Approval of contracts for transit equipment acquisition that exceed five million dollars (\$5,000,000), and making the findings required by subdivision (c) of Section 130238.

SEC. 3. Section 1301 10 of the Public Utilities Code is amended to read:

1301 10. (a) For employees of the Los Angeles County Metropolitan Transportation Authority not in a bargaining unit represented by a labor organization, the authority shall establish retirement benefits pursuant to Article I (commencing with Section 30400) and Article 2 (commencing with Section 30430) of Chapter 4 of Part 3 of Division 10.

(b) Retirement benefits for employees of the authority ~~and any organizational unit of the authority~~ in a bargaining unit represented by a labor organization shall be established pursuant to Article 3 (commencing with Section 30450) of Chapter 4 of Part 3 of Division 10.