substantially affected by the prices charged for mass transit services, prices that are substantially affected by labor costs, since more than two-thirds of operating costs are attributable to labor costs;

(3) labor costs incurred in providing mass transit in the national capital area have increased at an alarming rate and wages and benefits of operators and mechanics currently are among the highest in the Nation;

(4) higher operating costs incurred for public transit in the national capital area cannot be offset by increasing costs to patrons, since this often discourages ridership and thus undermines the public interest in promoting the use of public transit;

(5) spiraling labor costs cannot be offset by the governmental entities that are responsible for subsidy payments for public transit services since local governments generally, and the District of Columbia government in particular, are operating under severe fiscal constraints;

(6) imposition of mandatory standards applicable to arbitrators resolving arbitration disputes involving interstate compact agencies operating in the national capital area will ensure that wage increases are justified and do not exceed the ability of transit patrons and taxpayers to fund the increase; and

(7) federal legislation is necessary under section 8 of Article I of the United States Constitution to balance the need to moderate and lower labor costs while maintaining industrial peace.

(b) PURPOSE.—The purpose of this chapter is to adopt standards governing arbitration that must be applied by arbitrators resolving disputes involving interstate compact agencies operating in the national capital area in order to lower operating costs for public transportation in the Washington metropolitan area.

(Pub. L. 107-217, Aug. 21, 2002, 116 Stat. 1291.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
18301	40:1301.	Pub. L. 104-50, title IV, §402, Nov. 15, 1995, 109 Stat. 463.

In subsection (a)(7), the reference is to section 8 of article I of the United States Constitution to correct an error in the source provision.

§18302. Definitions

In this chapter, the following definitions apply:

(1) ARBITRATION.—The term "arbitration"—

(A) means the arbitration of disputes, regarding the terms and conditions of employment, that is required under an interstate compact governing an interstate compact agency operating in the national capital area: but

(B) does not include the interpretation and application of rights arising from an existing collective bargaining agreement.

(2) ARBITRATOR.—The term "arbitrator" refers to either a single arbitrator, or a board of arbitrators, chosen under applicable procedures.

(3) INTERSTATE COMPACT AGENCY OPERATING IN THE NATIONAL CAPITAL AREA.—The term "interstate compact agency operating in the national capital area" means any interstate compact agency that provides public transit services and that was established by an interstate compact to which the District of Columbia is a signatory.

(Pub. L. 107-217, Aug. 21, 2002, 116 Stat. 1292.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
18302	40:1302(1), (2), (4), (5).	Pub. L. 104-50, title IV, §403(1), (2), (4), (5), Nov. 15, 1995, 109 Stat. 464.

The text of 40:1302(4) and (5) is combined to eliminate unnecessary words.

§18303. Standards for arbitrators

(a) DEFINITION.—In this section, the term "public welfare" includes, with respect to arbitration under an interstate compact—

(1) the financial ability of the individual jurisdictions participating in the compact to pay for the costs of providing public transit services; and

(2) the average per capita tax burden, during the term of the collective bargaining agreement to which the arbitration relates, of the residents of the Washington metropolitan area, and the effect of an arbitration award rendered under that arbitration on the respective income or property tax rates of the jurisdictions that provide subsidy payments to the interstate compact agency established under the compact.

(b) FACTORS IN MAKING ARBITRATION AWARD.— An arbitrator rendering an arbitration award involving the employees of an interstate compact agency operating in the national capital area may not make a finding or a decision for inclusion in a collective bargaining agreement governing conditions of employment without considering the following factors:

(1) The existing terms and conditions of employment of the employees in the bargaining unit.

(2) All available financial resources of the interstate compact agency.

(3) The annual increase or decrease in consumer prices for goods and services as reflected in the most recent consumer price index for the Washington metropolitan area, published by the Bureau of Labor Statistics.

(4) The wages, benefits, and terms and conditions of the employment of other employees who perform, in other jurisdictions in the Washington standard metropolitan statistical area, services similar to those in the bargaining unit.

(5) The special nature of the work performed by the employees in the bargaining unit, including any hazards or the relative ease of employment, physical requirements, educational qualifications, job training and skills, shift assignments, and the demands placed upon the employees as compared to other employees of the interstate compact agency.

(6) The interests and welfare of the employees in the bargaining unit, including—