

COA Opinion: Limited Agreements to Arbitrate

28. October 2010 By Jeanne Long

In *AFSCME Council 25 v County of Wayne*, No. 290273, the Court of Appeals held that a collective bargaining agreement, which contained contractual language limiting the right of arbitration to disputes arising “during the term of [the] Agreement,” did not govern a dispute arising after the collective bargaining agreement expired and, thus, the dispute was not arbitrable.

Plaintiff attempted to compel arbitration of a dispute regarding retiree health benefits. The circuit court compelled arbitration and Defendant appealed. The Court of Appeals reversed, relying on the language of the collective bargaining agreement between Plaintiff and Defendant. The agreement contemplated arbitration, but only for disputes arising “during” the agreement. The agreement expired on July 31, 2008 and the dispute arose no earlier than September 3, 2008, after the agreement.

Plaintiff argued that the disputed rights vested during the agreement, so the dispute remained arbitrable. The Court of Appeals acknowledged that the right to arbitration may outlast the agreement’s expiration date when a dispute involves vested rights. However, where the agreement’s explicit language limits arbitrability to the duration of the agreement itself, the contractual language controls.