

HOUSE BILL REPORT

EHB 1122

*As Passed House
January 24, 1992*

Title: An act relating to labor relations consultants.

Brief Description: Regulating labor relations consultants.

Sponsor(s): Representatives Heavey, Cole and Prentice.

Brief History:

Reported by House Committee on:
Commerce & Labor, February 19, 1991, DPA;
Revenue, March 6, 1991, DPA(CL);
Passed House, March 20, 1991, 61-37;
Passed House, January 24, 1992, 60-35.

**HOUSE COMMITTEE ON
COMMERCE & LABOR**

Majority Report: *Do pass as amended.* Signed by 7 members:
Representatives Heavey, Chair; Cole, Vice Chair; Franklin;
Jones; R. King; O'Brien; and Prentice.

Minority Report: *Do not pass.* Signed by 4 members:
Representatives Fuhrman, Ranking Minority Member; Lisk,
Assistant Ranking Minority Member; Vance; and Wilson.

Staff: Jim Kelley (786-7166).

**HOUSE COMMITTEE ON
REVENUE**

Majority Report: *Do pass as amended by Committee on
Commerce & Labor.* Signed by 9 members: Representatives
Wang, Chair; Fraser, Vice Chair; Appelwick; Belcher; Day;
Leonard; Morris; Phillips; and Rust.

Minority Report: *Do not pass.* Signed by 6 members:
Representatives Holland, Ranking Minority Member; Wynne,
Assistant Ranking Minority Member; Brumsickle; Morton;
Silver; and Van Luven.

Staff: Greg Pierce (786-7102).

Background: Employers and labor organizations may hire law firms, trade associations, and other outside parties to advise or represent the employer or labor organization in labor matters. Under the federal Labor-Management Reporting and Disclosure Act, consultants must disclose arrangements with employers and report payments. The federal act does not apply to public sector labor relations.

Summary of Bill: Public sector labor relations consultants are required to register with the Office of the Secretary of State. Labor relations consultants are persons advising or representing public employers or labor organizations concerning employee organizing or collective bargaining. Consultants do not include employees of a public employer or labor organization. A public employer is an officer, board, commission, council, or other person or body acting on behalf of a county, or municipal corporation, or a political subdivision of the State.

Registration and reporting

A labor relations consultant must register with the secretary of state, providing his or her name, address and phone number. Within 30 days of entering into an agreement with a public employer or a labor organization, a consultant must file with the department a detailed statement of the terms and conditions of the arrangement. A consultant must also file annual reports stating his or her compensation from public employers or labor organizations in connection with consulting services.

Authority of secretary of state

The secretary of state may adopt rules, establish registration and renewal fees, establish necessary forms and procedures, hire staff, and maintain the official record of all applicants and registrants.

Failure to register or report

A violation of this chapter is a per se violation of the Consumer Protection Act.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: (Commerce & Labor): The purpose of the bill is to get a handle on the number and activities of public sector labor relations consultants in this State. Three parties have a right to know about the activities of

consultants, the parties who hire them, the opposition, and the public. This is a disclosure law, nothing more.

(Revenue): Same as Committee on Commerce and Labor.

Testimony Against: (Commerce & Labor): This is an unnecessary and restrictive form of regulation. The proposal has not gone through the sunrise review process. There should not be a classification made between outside consultants and in-house consultants. Even if the bill becomes law, there is no means of enforcement.

(Revenue): Same as Committee on Commerce and Labor.

Witnesses: (Commerce & Labor): Sam Kinville, Washington State Council of County and City Employees (in favor); Mike Ryherd, Teamsters (in favor); Don Heyrich, Amalgamated Transit Union (in favor); Don Whiting, Office of the Secretary of State (opposed as drafted); Kathleen Collins, Association of Washington Cities (opposed); and Clif Finch, Association of Washington Business (opposed).

(Revenue): In favor: Sam Kinville, Washington State Council of County and City Employees; and David Westberg, Stationary Engineers. Opposed: Kathleen Collins, Association of Washington Cities; Jim Hobbs, Independent Labor Relations Consultant; and Kris Van Gorkom, Washington Association of School Administrators.