

HOUSE BILL REPORT

HB 1122

*As Reported By House Committee on:
Commerce & Labor*

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.

**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).

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 Amended 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.

Amended Bill Compared to Original Bill: The amended bill removes consultants working on behalf of state employers and employees from the coverage of the bill.

Fiscal Note: Requested February 6, 1991.

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

Testimony For: 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.

Testimony Against: 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.

Witnesses: 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).