

SENATE BILL REPORT

SB 5405

As Reported by Senate Committee On:
Transportation, February 24, 2011

Title: An act relating to promoting efficiency in the Washington state ferry system through personnel and administration reforms.

Brief Description: Promoting efficiency in the Washington state ferry system through personnel and administration reforms.

Sponsors: Senators Haugen, King, Sheldon, Fain, Hargrove, Becker, Prentice, Shin and Tom.

Brief History:

Committee Activity: Transportation: 2/01/11, 2/24/11 [DPS].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5405 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; White, Vice Chair; King, Ranking Minority Member; Fain, Assistant Ranking Minority Member; Delvin, Ericksen, Hill, Hobbs, Litzow, Nelson, Prentice, Ranker, Sheldon and Swecker.

Staff: Janice Baumgardt (786-7319)

Background: Bargainable issues for Washington State Ferries (WSF) unions include hours, wages, benefits, and working conditions. If the employer and employee organization do not come to agreement when bargaining, they have the option to use mediation services. Ultimately the issues in disagreement are subject to interest arbitration. Captains, Chief Officers, and Chief Engineers belong to a union. Union employees are entitled to interest on retroactive pay.

The Marine Employees Commission (MEC) is the agency that processes grievances for the WSF unions and provides arbitration services. In grievance arbitration, the employee organization determines whether the issue will be resolved through arbitration.

Washington State has waived its sovereign immunity from lawsuits. For injuries received in employment, the remedy is between the employer and employee through industrial insurance; this is commonly known as workers' compensation. There are some exceptions to

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this and one such exception is maritime employees. WSF employees on vessels are maritime employees covered under general Maritime law and the federal Jones Act. Injured WSF employees on vessels must sue their employer and cannot go through workers' compensation for medical reimbursement, lost wages, and pain and suffering.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Recommended Substitute): Issues that may be bargained by WSF unions are defined as hours, wages, benefits, shift bidding, scheduling leave time, and grievance procedures. Collective bargaining agreements (CBA) are prohibited from containing certain provisions for the 2011-2013 biennium. The rights of management are defined and cannot be bargained. Captains, Deck Officers, Chief Engineers, and Terminal Supervisors are part of management and may not belong to a union. Interest on retroactive pay is eliminated. Interest arbitration is eliminated, as is the option to waive mediation.

All functions of the MEC are transferred to the Public Employment Relations Committee and MEC is abolished. Both the employee organization and the employer must agree to having an issue resolved through arbitration. Employees are covered under industrial insurance instead of general federal maritime law and the Jones Act.

EFFECT OF CHANGES MADE BY TRANSPORTATION COMMITTEE (Recommended Substitute as Passed Committee): Prohibitions against certain provisions in CBAs are limited to the 2011-2013 biennium. Terminal supervisors are added to WSF management. Language is removed that moved employees from general federal maritime law and the Jones Act to Industrial Insurance.

Appropriation: None.

Fiscal Note: Available.

[OFM requested ten-year cost projection pursuant to I-960.]

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony on Proposed Substitute as Heard in Committee:
PRO: This bill is needed to save the ferry system as it has become unaffordable. It will hold labor accountable and is essential before new revenue can be raised.

CON: This bill takes away fundamental workplace rights. None of the previous studies have included input from the unions. Union employees are highly skilled and hard to find in the workforce and deserve to be paid for the skills and safety they bring. The MEC was promised to the unions. Taking the captains out of the unions will take away the protections they have. The apprenticeship utilization requirements are important because the number of skilled craftsmen is going down.

Persons Testifying: PRO: Walt Elliott, Ferry Advisory Committee.

CON: Rebecca Johns, Washington State Labor Council; Terri Mast, Alan Cote, Patti Snyder, Peter Hart, Inland Boatman's Union; Jeff Duncan, Bruce Cooper, Alex Zecha, Marine Engineers Beneficial Association; Tim Saffle, Mike Schilling, Masters, Mates, and Pilots; Robert Scott, Puget Sound Metal Trades Council; Marty Yellam, Michael Garling, Puget Sound Metal Trades.