

SENATE BILL REPORT

SB 5614

As Reported by Senate Committee On:
Labor, Commerce & Consumer Protection, February 14, 2011

Title: An act relating to requests for funds necessary to implement the compensation and fringe benefit provisions of bargaining agreements with the University of Washington under chapter 41.80 RCW

Brief Description: Establishing procedures for requesting the funds necessary to implement the compensation and fringe benefit provisions of bargaining agreements with the University of Washington under chapter 41.80 RCW.

Sponsors: Senators White, Kilmer, Tom, Kohl-Welles, Keiser, Kline and Conway.

Brief History:

Committee Activity: Labor, Commerce & Consumer Protection: 2/07/11, 2/14/11 [DPS].

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Majority Report: That Substitute Senate Bill No. 5614 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kohl-Welles, Chair; Conway, Vice Chair; Holmquist Newbry, Ranking Minority Member; King, Assistant Ranking Minority Member; Hewitt, Keiser and Kline.

Staff: Ingrid Mungia (786-7423)

Background: The Personnel System Reform Act of 2002 (Act) provides for collective bargaining with representatives of civil service employees in general government and institutions of higher education.

For purposes of negotiations, state agencies are represented by the Governor. Institutions of higher education may be represented by either their governing boards or by the Governor. The Act provides for multi-employer bargaining involving state agencies and coalition bargaining involving state agencies and institutions of higher education represented by the Governor. Representatives of more than one bargaining unit must negotiate one master collective bargaining agreement covering all of the represented employees. Representatives of fewer than 500 employees must bargain in one coalition. The coalition must bargain for a master collective bargaining agreement covering all represented employees. For university

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and colleges, if the parties mutually agree, the Governor and a bargaining representative must negotiate one master collective bargaining agreement for all of the bargaining units that the representative represents at multiple universities or colleges.

The Governor must submit requests for funds necessary to implement collective bargaining agreements to the Legislature. The request must not be submitted to the Legislature unless two conditions are met. First, the requests must be submitted to the Director of the Office of Financial Management (Director) by October 1 prior to the legislative session at which the requests are to be considered. Second, the request must be certified by the Director as being financially feasible for the state. For institutions of higher education, if a bargaining representative is certified during or after a legislative session and the compensation and fringe benefit provisions of the bargaining unit's initial agreement are submitted before final legislative action on the budget, the Legislature may act upon the provisions.

Summary of Bill (Recommended Substitute): The Act changes how bargaining agreements are reached between the University of Washington (UW) and exclusive bargaining representatives. If appropriations of \$10,000 or more are necessary to implement the compensation and fringe benefit provisions of a bargaining unit, the Governor must submit a request for funds to the Legislature.

The request must not be submitted to the Legislature unless two conditions are met. First, the requests must be submitted to the Director by October 1 prior to the legislative session at which the requests are to be considered. Second, the request must be certified by the Director as being financially feasible for the state. If the Director does not certify a request for funds as being financially feasible, the parties must enter into collective bargaining solely for the purpose of reaching a mutually agreed upon modification of the agreement necessary to address the absence of the requested funds.

EFFECT OF CHANGES MADE BY LABOR, COMMERCE & CONSUMER PROTECTION COMMITTEE (Recommended Substitute): Changes the date for when a request for funds necessary to implement the provisions of a bargaining agreement must be submitted to the Office of Financial Management to October 1 instead of November 1, prior to the legislative session at which the request is to be considered.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony on Original Bill: PRO: This bill would treat UW contract with minimal state funding, less than \$10,000 – the same as contracts with no state funding. UW is unique among state agencies for collective bargaining for two reasons: (1) all bargaining is done at the local level, and (2) UW has multiple funding streams to pay for contracts. State law currently does not make a distinction between state funded contracts and those with little or inconsequential impact on the state budget. This bill represents a mutually

agreeable, less costly, less disruptive solution and holds all other UW employee unions harmless. The bill adds clarity to the collective bargaining process and makes the process more fair to UW employees. Contracts with little to no state funds to be found financially feasible is troublesome. This bill will definitely create greater flexibility. This solution is simple and narrow and only affects one contract.

Persons Testifying: PRO: Margaret Shepherd, UW; Adair Dammann, Service Employees International Union Local 925.