<u>SSB 5073</u> - S AMD **477** By Senator Roach

- On page 1, beginning on line 14, strike all of section 101 and insert the following:
- 3 "Sec. 101. RCW 43.82.055 and 2015 c 225 s 76 are each amended to 4 read as follows:
- 5 The office of financial management shall:
- 6 (1) Work with the department of enterprise services and all other 7 state agencies to determine the long-term facility needs of state 8 government; ((and))
- 9 (2) Develop and submit a six-year facility plan to the 10 legislature by January 1st of every odd-numbered year, beginning 11 January 1, 2009, that includes state agency space requirements and 12 other pertinent data necessary for cost-effective facility planning. 13 The department of enterprise services shall assist with this effort
- 13 The department of enterprise services shall assist with this effort
- 14 as required by the office of financial management; and
- 15 <u>(3) Establish and enforce policies and workplace strategies that</u> 16 <u>promote the efficient use of state facilities."</u>
- On page 4, beginning on line 34, strike all material through "auditors)); on line 39 and insert the following:
- "((Each)) (i) For those agencies that the director determines
 internal audit is required, the agency head or authorized designee
 shall be assigned the responsibility and authority for establishing
 and maintaining internal audits following ((the)) professional audit
 standards ((of internal auditing of)) including generally accepted
 government auditing standards or standards adopted by the institute
 of internal auditors or both.
- 26 (ii) For those agencies that the director determines internal
 27 audit is not required, the agency head or authorized designee may
 28 establish and maintain internal audits following professional audit
 29 standards including generally accepted government auditing standards
 30 or standards adopted by the institute of internal auditors, or both,
 31 but at a minimum must comply with policies as established by the

- 1 director to assess the effectiveness of the agency's systems of
- 2 internal controls and risk management processes;"

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- On page 10, beginning on line 25, strike all of section 105 and insert the following:
- 5 "Sec. 105. RCW 47.64.170 and 2015 1st sp.s. c 10 s 707 are each amended to read as follows:
 - (1) Any ferry employee organization certified as the bargaining representative shall be the exclusive representative of all ferry employees in the bargaining unit and shall represent all such employees fairly.
- 11 (2) A ferry employee organization or organizations and the 12 governor may each designate any individual as its representative to 13 engage in collective bargaining negotiations.
 - (3) Negotiating sessions, including strategy meetings of the employer or employee organizations, mediation, and the deliberative process of arbitrators are exempt from the provisions of chapter 42.30 RCW. Hearings conducted by arbitrators may be open to the public by mutual consent of the parties.
- 19 (4) Terms of any collective bargaining agreement may be enforced 20 by civil action in Thurston county superior court upon the initiative 21 of either party.
 - (5) Ferry system employees or any employee organization shall not negotiate or attempt to negotiate directly with anyone other than the person who has been appointed or authorized a bargaining representative for the purpose of bargaining with the ferry employees or their representative.
- 27 (6)(a) Within ten working days after the first Monday September of every odd-numbered year, the parties shall attempt to 28 agree on an interest arbitrator to be used if the parties are not 29 30 successful in negotiating a comprehensive collective bargaining 31 agreement. If the parties cannot agree on an arbitrator within the ten-day period, either party may request a list of seven arbitrators 32 from the federal mediation and conciliation service. The parties 33 shall select an interest arbitrator using the coin toss/alternate 34 strike method within thirty calendar days of receipt of the list. 35 36 Immediately upon selecting an interest arbitrator, the parties shall reserve dates with the arbitrator for potential 37 cooperate to arbitration between August 1st and September 15th of the following 38

even-numbered year. The parties shall also prepare a schedule of at least five negotiation dates for the following year, absent an agreement to the contrary. The parties shall execute a written agreement before November 1st of each odd-numbered year setting forth the name of the arbitrator and the dates reserved for bargaining and arbitration. This subsection (6)(a) imposes minimum obligations only and is not intended to define or limit a party's full, good faith bargaining obligation under other sections of this chapter.

- (b) The negotiation of a proposed collective bargaining agreement by representatives of the employer and a ferry employee organization shall commence on or about February 1st of every even-numbered year.
- (c) For negotiations covering the 2009-2011 biennium and subsequent biennia, the time periods specified in this section, and in RCW 47.64.210 and 47.64.300 through 47.64.320, must ensure conclusion of all agreements on or before October 1st of the even-numbered year next preceding the biennial budget period during which the agreement should take effect. These time periods may only be altered by mutual agreement of the parties in writing. Any such agreement and any impasse procedures agreed to by the parties under RCW 47.64.200 must include an agreement regarding the new time periods that will allow final resolution by negotiations or arbitration by October 1st of each even-numbered year.
- It is the intent of this section that the collective bargaining agreement or arbitrator's award shall commence on July 1st of each odd-numbered year and shall terminate on June 30th of the next odd-numbered year to coincide with the ensuing biennial budget year, as defined by RCW 43.88.020(7), to the extent practical. It is further the intent of this section that all collective bargaining agreements be concluded by October 1st of the even-numbered year before the commencement of the biennial budget year during which the agreements are to be in effect. After the expiration date of a collective bargaining agreement negotiated under this chapter, except to the extent provided in subsection (11) of this section and RCW 47.64.270(4), all of the terms and conditions specified in the collective bargaining agreement remain in effect until the effective date of a subsequently negotiated agreement, not to exceed one year from the expiration date stated in the agreement. Thereafter, the employer may unilaterally implement according to law.
- (8) The office of financial management shall conduct a salary survey, for use in collective bargaining and arbitration((, which

must be conducted through a contract with a firm nationally recognized in the field of human resources management consulting except during the 2015-2017 fiscal biennium)).

(9) Except as provided in subsection (11) of this section:

- (a) The governor shall submit a request either for funds necessary to implement the collective bargaining agreements including, but not limited to, the compensation and fringe benefit provisions or for legislation necessary to implement the agreement, or both. Requests for funds necessary to implement the collective bargaining agreements shall not be submitted to the legislature by the governor unless such requests:
- (i) Have been submitted to the director of the office of financial management by October 1st before the legislative session at which the requests are to be considered; and
- (ii) Have been certified by the director of the office of financial management as being feasible financially for the state.
- (b) The governor shall submit a request either for funds necessary to implement the arbitration awards or for legislation necessary to implement the arbitration awards, or both. Requests for funds necessary to implement the arbitration awards shall not be submitted to the legislature by the governor unless such requests:
- (i) Have been submitted to the director of the office of financial management by October 1st before the legislative session at which the requests are to be considered; and
- (ii) Have been certified by the director of the office of financial management as being feasible financially for the state.
- (c) The legislature shall approve or reject the submission of the request for funds necessary to implement the collective bargaining agreements or arbitration awards as a whole for each agreement or award. The legislature shall not consider a request for funds to implement a collective bargaining agreement or arbitration award unless the request is transmitted to the legislature as part of the governor's budget document submitted under RCW 43.88.030 and 43.88.060. If the legislature rejects or fails to act on the submission, either party may reopen all or part of the agreement and award or the exclusive bargaining representative may seek to implement the procedures provided for in RCW 47.64.210 and 47.64.300.
- (10) If, after the compensation and fringe benefit provisions of an agreement are approved by the legislature, a significant revenue shortfall occurs resulting in reduced appropriations, as declared by

proclamation of the governor or by resolution of the legislature, both parties shall immediately enter into collective bargaining for a mutually agreed upon modification of the agreement.

- (11)(a) For the collective bargaining agreements negotiated for the 2011-2013 fiscal biennium, the legislature may consider a request for funds to implement a collective bargaining agreement even if the request for funds was not received by the office of financial management by October 1st and was not transmitted to the legislature as part of the governor's budget document submitted under RCW 43.88.030 and 43.88.060.
- (b) For the 2013-2015 fiscal biennium, a collective bargaining agreement related to employee health care benefits negotiated between the employer and coalition pursuant to RCW 41.80.020(3) regarding the dollar amount expended on behalf of each employee must be a separate agreement for which the governor may request funds necessary to implement the agreement. The legislature may act upon a 2013-2015 collective bargaining agreement related to employee health care benefits if an agreement is reached and submitted to the office of financial management and legislative budget committees before final legislative action on the biennial or supplemental operating budget by the sitting legislature.
- (c) For the collective bargaining agreements negotiated for the 2013-2015 fiscal biennium, the legislature may consider a request for funds to implement a collective bargaining agreement reached after October 1st after a determination of financial infeasibility by the director of the office of financial management if the request for funds is transmitted to the legislature as part of the governor's budget document submitted under RCW 43.88.030 and 43.88.060."

EFFECT: For those agencies that the Director of OFM determines an internal audit is required, the agency must establish and maintain internal audits following professional audit standards. For agencies in which the Director of OFM determines an audit is not required, the agency may establish and maintain internal audits following professional audit standards, but must comply with policies established by the Director of OFM to assess the effectiveness of the agency's systems of internal controls and risk management processes.

Updates sections to include 2015 session laws.