Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Labor & Workplace Standards Committee

ESSB 5295

Brief Description: Concerning labor neutrality and contractor compliance for certain contracted service providers.

Sponsors: Senate Committee on Labor & Commerce (originally sponsored by Senators Keiser, Hasegawa and Saldaña).

Brief Summary of Engrossed Substitute Bill

• Requires certain Department of Social and Health Services contractors to: (1) certify compliance with federal, state, and local law; and (2) commit to ensuring the uninterrupted delivery of services.

Hearing Date: 3/25/19

Staff: Lily Smith (786-7175).

Background:

Under the National Labor Relations Act (NLRA), covered employees in the private sector have the right to organize into labor organizations, engage in collective bargaining for better terms and conditions at work, and take collective action if necessary. It is an unfair labor practice, among others, for an employer to interfere with, restrain, or coerce employees in the exercise of these rights.

The Department of Social and Health Services (DSHS) provides a wide range of services across various programmatic divisions. Services include: adult care, juvenile justice services, disability support, and mental health and addiction services.

The Department of Enterprise Services (DES) is responsible for oversight of the state's policies for procurement of goods and services. The Director of the DES has the authority to debar or

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fine a contractor based on a finding of various causes, including conviction under certain state and federal laws or two or more violations within the previous five years of the federal labor relations act.

Summary of Bill:

Any contract entered into by the DSHS with a private contractor for adult care, behavioral health, disability support, or youth services must contain:

- a provision that requires the contractor to certify its compliance with federal, state, and local laws in the provision of such care or services; and
- a binding assurance of the contractor's commitment to ensuring the uninterrupted delivery of services under the contract.

Bidders to such contracts must also disclose past violations of the NLRA.

The assurance regarding uninterrupted delivery of services may be made by one or more of the following:

- a commitment the contractor will remain neutral in its policies, practices, and activities regarding employees performing services under the contract, if those employees seek to exercise rights under the NLRA;
- inclusion of no-strike, no-lockout, or arbitration clauses in a collective bargaining agreement covering the employees;
- a commitment not to strike or engage in workplace or service disruptions on the part of the employees' representative; or
- any other equivalent assurances of continuity of services.

A contract may be revoked if the assurances fail to ensure uninterrupted service delivery.

Appropriation: None.

Fiscal Note: Available on original bill.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.