

FINAL BILL REPORT

SB 6096

C 201 L 20
Synopsis as Enacted

Brief Description: Preventing disruption of certain state-financed and procured services due to labor unrest within contracted service providers.

Sponsors: Senators Keiser, Stanford and Saldaña.

Senate Committee on Labor & Commerce
House Committee on Labor & Workplace Standards

Background: Under the National Labor Relations Act, 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.

Sometimes, economic or industrial actions are taken by employees or employers during a labor dispute. Examples of economic and industrial actions include:

- strikes;
- lock-outs;
- performing work in a manner different from how it is normally performed; or
- restricting or delaying the performance of work.

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.

Summary: Any contract entered into or renewed by DSHS with a private contractor for adult care, mental health, addiction, disability support, or youth services must contain an assurance that the contracted services will not be disrupted or delayed by economic or industrial action. The assurance may be provided through an agreement between the contractor and any labor organization that represents, or seeks to represent, the employees of the private contractor that perform or will perform the contracted services.

The assurance must be a required condition of contracting with DSHS and may be satisfied through one or more of the following contractual commitments:

- an agreement between the contractor and an exclusive representative labor organization representing the employees performing the contracted services that contains a provision prohibiting economic or industrial action on the part of all parties and includes a process for resolution of disputes;

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- an agreement between the contractor and any labor organization seeking to represent the employees performing the contracted services that includes a provision prohibiting the parties from causing, promoting, or encouraging economic, industrial, or other disruptive activity on the part of the contractor or employees performing services under the contract and includes a dispute resolution process; or
- any other agreement or binding obligation providing equivalent assurances.

Failure to maintain the assurance, such that the contracted services are disrupted entitles DSHS to terminate, suspend, or revoke the contract. When awarding contracts, DSHS must consider prior disruptions of services by the contractor and whether the assurance provided has mitigated the risk of a reoccurrence.

A contract subject to the requirements of the bill that is awarded must contain a provision for reimbursement to DSHS of the actual costs arising from the inadequacy of the assurance provided by the contractor.

Votes on Final Passage:

Senate	35	12
House	62	35

Effective: June 11, 2020