SENATE BILL 6224

State of Washington 66th Legislature 2020 Regular Session

By Senators Lovelett, Conway, Hunt, Keiser, Kuderer, and Stanford Prefiled 01/10/20. Read first time 01/13/20. Referred to Committee on Labor & Commerce.

- AN ACT Relating to collective bargaining for administrative law judges; amending RCW 34.12.030 and 34.12.100; reenacting and amending RCW 41.80.005 and 41.80.010; adding a new section to chapter 41.80 RCW; creating a new section; and declaring an emergency.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that the independent 7 adjudication services provided by administrative law judges of the office of administrative hearings are crucial to the due process 8 rights of the citizens of this state and the just functioning of the 9 10 government. Administrative law judges of the office of administrative 11 hearings are exempt from civil service under RCW 34.12.030(5). These 12 administrative law judges currently have no mechanism through which to collectively bargain for salary increases. The legislature finds 13 14 the office of administrative hearings has experienced increased 15 difficulty recruiting and retaining administrative law judges due to 16 the disparity in wages paid to administrative law judges as compared 17 to similar public sector positions. This type of turnover is costly 18 to the office of administrative hearings, negatively impacts morale, 19 interferes with the ability of the office to develop a succession plan, and ultimately harms the citizens of this state. Therefore, it 20 21 is the legislature's intent to empower these administrative law

p. 1 SB 6224

- 1 judges to collectively bargain for fair wages that will foster job
- 2 satisfaction and the highest standards of professional competence
- 3 among administrative law judges.

- 4 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 41.80 5 RCW to read as follows:
 - (1) In addition to the agencies defined in RCW 41.80.005 and subject to the provisions of this section, this chapter applies to administrative law judges of the office of administrative hearings appointed under RCW 34.12.030(1).
 - (2) (a) Administrative law judges of the office of administrative hearings who are not otherwise excluded from bargaining under (b) of this subsection are granted the right to collectively bargain.
 - (b) Administrative law judges in supervisory positions, administrative law judges serving on a contractual basis under RCW 34.12.030(2), confidential employees as defined in RCW 41.80.005, and any administrative law judge who reports directly to the chief administrative law judge are excluded from this section and do not have the right to collectively bargain.
 - (3) The only unit appropriate for the purpose of collective bargaining under this chapter is a statewide unit of all administrative law judges of the office of administrative hearings not otherwise excluded from bargaining.
- **Sec. 3.** RCW 41.80.005 and 2019 c 234 s 1 and 2019 c 145 s 3 are 24 each reenacted and amended to read as follows:
 - Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.
 - (1) "Agency" means any agency as defined in RCW 41.06.020 and covered by chapter 41.06 RCW. "Agency" also includes the assistant attorneys general of the attorney general's office and the administrative law judges of the office of administrative hearings, regardless of whether those employees are exempt under chapter 41.06 RCW.
 - (2) "Collective bargaining" means the performance of the mutual obligation of the representatives of the employer and the exclusive bargaining representative to meet at reasonable times and to bargain in good faith in an effort to reach agreement with respect to the subjects of bargaining specified under RCW 41.80.020. The obligation

p. 2 SB 6224

to bargain does not compel either party to agree to a proposal or to make a concession, except as otherwise provided in this chapter.

- (3) "Commission" means the public employment relations commission.
- (4) "Confidential employee" means an employee who, in the regular 5 course of his or her duties, assists in a confidential capacity 6 persons who formulate, determine, and effectuate management policies 7 with regard to labor relations or who, in the regular course of his 8 or her duties, has authorized access to information relating to the 9 effectuation or review of the employer's collective bargaining 10 11 policies, or who assists or aids a manager. "Confidential employee" 12 also includes employees who assist assistant attorneys general who advise and represent managers or confidential employees in personnel 13 14 or labor relations matters, or who advise or represent the state in tort actions. 15
- 16 (5) "Director" means the director of the public employment 17 relations commission.
 - (6) "Employee" means any employee, including employees whose work has ceased in connection with the pursuit of lawful activities protected by this chapter, covered by chapter 41.06 RCW. "Employee" includes assistant attorneys general of the office of the attorney general and administrative law judges of the office of administrative hearings, regardless of their exemption under chapter 41.06 RCW. "Employee" does not include:
- 25 (a) Employees covered for collective bargaining by chapter 41.56 26 RCW;
 - (b) Confidential employees;

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- (c) Members of the Washington management service;
- (d) Internal auditors in any agency; or
- 30 (e) Any employee of the commission, the office of financial 31 management, or the office of risk management within the department of 32 enterprise services.
 - (7) "Employee organization" means any organization, union, or association in which employees participate and that exists for the purpose, in whole or in part, of collective bargaining with employers.
 - (8) "Employer" means the state of Washington.
- 38 (9) "Exclusive bargaining representative" means any employee 39 organization that has been certified under this chapter as the 40 representative of the employees in an appropriate bargaining unit.

p. 3 SB 6224

(10) "Institutions of higher education" means the University of Washington, Washington State University, Central Washington University, Eastern Washington University, Western Washington University, The Evergreen State College, and the various state community colleges.

- (11) "Labor dispute" means any controversy concerning terms, tenure, or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment with respect to the subjects of bargaining provided in this chapter, regardless of whether the disputants stand in the proximate relation of employer and employee.
- (12) "Manager" means "manager" as defined in RCW 41.06.022.
- (13) "Supervisor" means an employee who has authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, direct, reward, or discipline employees, or to adjust employee grievances, or effectively to recommend such action, if the exercise of the authority is not of a merely routine nature but requires the consistent exercise of individual judgment. However, no employee who is a member of the Washington management service may be included in a collective bargaining unit established under this section.
- 23 (14) "Unfair labor practice" means any unfair labor practice 24 listed in RCW 41.80.110.
- 25 (15) "Uniformed personnel" means duly sworn police officers 26 employed as members of a police force established pursuant to RCW 27 28B.10.550.
- **Sec. 4.** RCW 41.80.010 and 2019 c 415 s 961 and 2019 c 145 s 4 29 are each reenacted and amended to read as follows:
 - (1) For the purpose of negotiating collective bargaining agreements under this chapter, the employer shall be represented by the governor or governor's designee, except as provided for institutions of higher education in subsection (4) of this section.
 - (2) (a) (i) Except as otherwise provided, if an exclusive bargaining representative represents more than one bargaining unit, the exclusive bargaining representative shall negotiate with each employer representative as designated in subsection (1) of this section one master collective bargaining agreement on behalf of all

p. 4 SB 6224

the employees in bargaining units that the exclusive bargaining representative represents.

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- (ii) For those exclusive bargaining representatives who represent fewer than a total of five hundred employees each, negotiation shall be by a coalition of all those exclusive bargaining representatives. The coalition shall bargain for a master collective bargaining agreement covering all of the employees represented by the coalition. The governor's designee and the exclusive bargaining representative representatives are authorized to enter into supplemental bargaining of agency-specific issues for inclusion in or as addendum to the master collective bargaining agreement, subject to the parties' agreement regarding the issues and procedures for supplemental bargaining. Exclusive bargaining representatives that represent employees covered under chapter 41.06 RCW and exclusive bargaining representatives that represent employees exempt under chapter 41.06 RCW shall constitute separate coalitions and must negotiate separate master collective bargaining agreements. This ((section)) subsection does not prohibit cooperation and coordination of bargaining between exclusive bargaining two or more representatives.
 - (b) This subsection $((\frac{(2)}{(2)}))$ does not apply to exclusive bargaining representatives who represent employees of institutions of higher education, except when the institution of higher education has elected to exercise its option under subsection (4) of this section to have its negotiations conducted by the governor or governor's designee under the procedures provided for general government agencies in subsections (1) through (3) of this section.
 - (c) If five hundred or more employees of an independent state elected official listed in RCW 43.01.010 are organized in a bargaining unit or bargaining units under RCW 41.80.070, the official shall be consulted by the governor or the governor's designee before any agreement is reached under (a) of this subsection concerning supplemental bargaining of agency specific issues affecting the employees in such bargaining unit.
 - (d) For assistant attorneys general, the governor or the governor's designee and an exclusive bargaining representative shall negotiate one master collective bargaining agreement.
 - (3) The governor shall submit a request for funds necessary to implement the compensation and fringe benefit provisions in the master collective bargaining agreement or for legislation necessary

p. 5 SB 6224

to implement the agreement. Requests for funds necessary to implement the provisions of bargaining agreements shall not be submitted to the legislature by the governor unless such requests:

- (a) Have been submitted to the director of the office of financial management by October 1 prior to the legislative session at which the requests are to be considered; and
- (b) Have been certified by the director of the office of financial management as being feasible financially for the state.

The legislature shall approve or reject the submission of the request for funds as a whole. The legislature shall not consider a request for funds to implement a collective bargaining agreement 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 or the exclusive bargaining representative may seek to implement the procedures provided for in RCW 41.80.090.

- (4)(a)(i) For the purpose of negotiating agreements for institutions of higher education, the employer shall be the respective governing board of each of the universities, colleges, or community colleges or a designee chosen by the board to negotiate on its behalf.
- (ii) A governing board of a university or college may elect to have its negotiations conducted by the governor or governor's designee under the procedures provided for general government agencies in subsections (1) through (3) of this section, except that:
- (A) The governor or the governor's designee and an exclusive bargaining representative shall negotiate one master collective bargaining agreement for all of the bargaining units of employees of a university or college that the representative represents; or
- (B) If the parties mutually agree, the governor or the governor's designee and an exclusive bargaining representative shall negotiate one master collective bargaining agreement for all of the bargaining units of employees of more than one university or college that the representative represents.
- (iii) A governing board of a community college may elect to have its negotiations conducted by the governor or governor's designee under the procedures provided for general government agencies in subsections (1) through (3) of this section.

p. 6 SB 6224

(b) Prior to entering into negotiations under this chapter, the institutions of higher education or their designees shall consult with the director of the office of financial management regarding financial and budgetary issues that are likely to arise in the impending negotiations.

- (c)(i) In the case of bargaining agreements reached between institutions of higher education other than the University of Washington and exclusive bargaining representatives agreed to under the provisions of this chapter, if appropriations are necessary to implement the compensation and fringe benefit provisions of the bargaining agreements, the governor shall submit a request for such funds to the legislature according to the provisions of subsection (3) of this section, except as provided in (c)(iii) of this subsection.
- (ii) In the case of bargaining agreements reached between the University of Washington and exclusive bargaining representatives agreed to under the provisions of this chapter, if appropriations are necessary to implement the compensation and fringe benefit provisions of a bargaining agreement, the governor shall submit a request for such funds to the legislature according to the provisions of subsection (3) of this section, except as provided in this subsection (4)(c)(ii) and as provided in (c)(iii) of this subsection.
- (A) If appropriations of less than ten thousand dollars are necessary to implement the provisions of a bargaining agreement, a request for such funds shall not be submitted to the legislature by the governor unless the request has been submitted to the director of the office of financial management by October 1 prior to the legislative session at which the request is to be considered.
- (B) If appropriations of ten thousand dollars or more are necessary to implement the provisions of a bargaining agreement, a request for such funds shall not be submitted to the legislature by the governor unless the request:
- (I) Has been submitted to the director of the office of financial management by October 1 prior to the legislative session at which the request is to be considered; and
- (II) Has been certified by the director of the office of financial management as being feasible financially for the state.
- (C) If the director of the office of financial management does not certify a request under (c)(ii)(B) of this subsection as being feasible financially for the state, the parties shall enter into

p. 7 SB 6224

collective bargaining solely for the purpose of reaching a mutually agreed upon modification of the agreement necessary to address the absence of those requested funds. The legislature may act upon the compensation and fringe benefit provisions of the modified collective bargaining agreement if those provisions are agreed upon 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.

- (iii) In the case of a bargaining unit of employees of institutions of higher education in which the exclusive bargaining representative is certified during or after the conclusion of a legislative session, the legislature may act upon the compensation and fringe benefit provisions of the unit's initial collective bargaining agreement if those provisions are agreed upon 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.
- (5) 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.
- (6) After the expiration date of a collective bargaining agreement negotiated under this chapter, 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.
- (7)(a) For the 2019-2021 fiscal biennium, the legislature may approve funding for a collective bargaining agreement negotiated by a higher education institution and the Washington federation of state employees and ratified by the exclusive bargaining representative before final legislative action on the omnibus appropriations act by the sitting legislature.
- 37 (b) Subsection (3)(a) and (b) of this section do not apply to 38 requests for funding made pursuant to this subsection.

p. 8 SB 6224

Sec. 5. RCW 34.12.030 and 1981 c 67 s 3 are each amended to read 2 as follows:

- (1) The chief administrative law judge shall appoint administrative law judges to fulfill the duties prescribed in this chapter. All administrative law judges shall have a demonstrated knowledge of administrative law and procedures. The chief administrative law judge may establish different levels of administrative law judge positions.
- (2) The chief administrative law judge may also contract with qualified individuals to serve as administrative law judges for specified hearings. Such individuals shall be compensated for their services on a contractual basis for each hearing, in accordance with chapter 43.88 RCW. The chief administrative law judge may not contract with any individual who is at that time an employee of the state.
- (3) The chief administrative law judge may appoint such clerical and other specialized or technical personnel as may be necessary to carry on the work of this chapter.
- (4) ((The)) Subject to any collective bargaining agreement, the administrative law judges appointed under subsection (1) of this section are subject to discipline and termination, for cause, by the chief administrative law judge. Upon written request by the person so disciplined or terminated, the chief administrative law judge shall forthwith put the reasons for such action in writing. The person affected has a right of review by the superior court of Thurston county on petition for reinstatement or other remedy filed within thirty days of receipt of such written reasons.
- (5) All employees of the office except the chief administrative law judge and the administrative law judges are subject to chapter 41.06 RCW.
- 31 (6) Administrative law judges appointed under subsection (1) of 32 this section have the right to collectively bargain under chapter 33 41.80 RCW, regardless of their exemption from chapter 41.06 RCW.
- 34 <u>(7)</u> The office may adopt rules for its own operation and in furtherance of this chapter in accordance with chapter 34.05 RCW.
- **Sec. 6.** RCW 34.12.100 and 2015 3rd sp.s. c 1 s 310 are each 37 amended to read as follows:
- The chief administrative law judge shall be paid a salary fixed by the governor after recommendation of the director of financial

p. 9 SB 6224

- 1 management. ((The)) Subject to any collective bargaining agreement,
- 2 <u>the</u> salaries of administrative law judges appointed under the terms
- 3 of this chapter shall be determined by the chief administrative law
- 4 judge after recommendation of the director of financial management.
- 5 <u>NEW SECTION.</u> **Sec. 7.** This act is necessary for the immediate
- 6 preservation of the public peace, health, or safety, or support of
- 7 the state government and its existing public institutions, and takes
- 8 effect immediately.

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p. 10 SB 6224