

# SENATE BILL REPORT

## SB 5550

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As of February 9, 2023

**Title:** An act relating to addressing workforce development issues, including cultural issues, at the Washington state ferries.

**Brief Description:** Addressing workforce development issues, including cultural issues, at the Washington state ferries.

**Sponsors:** Senators Liias, Randall, Valdez, Lovick, Wilson, C., Lovelett, Kauffman, Shewmake, Hasegawa, Hunt, Keiser, Nguyen, Nobles, Robinson and Van De Wege.

**Brief History:**

**Committee Activity:** Transportation: 2/09/23.

### Brief Summary of Bill

- Requires Washington State Ferries to adopt a formal diversity, equity, and inclusion implementation strategy, and on an annual basis conduct an employee survey and use the results to perform an in-depth cultural assessment and form an action plan to remediate issues identified.
- Requires Washington State Ferries to develop programs for employees to gain maritime credentials and pilotage while on the job, as well as to adopt a formal policy to assist applicants to gain maritime credentials and documentation for entry level positions.
- Requires Washington State Ferries to evaluate management practices and develop a staffing model to better forecast staffing needs and succession planning.

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### SENATE COMMITTEE ON TRANSPORTATION

**Staff:** Jenna Forty (786-7755)

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.*

**Background:** Current state law outlines parameters for labor negotiations, collective bargaining procedures, and interest arbitration for marine employees with the stated policy goals being:

- continuous operation of the Washington State Ferry system at a reasonable cost to users;
- efficient levels of ferry service consistent with trends and usage forecasts;
- promotion of harmonious and cooperative relationships between the ferry system and its employees by permit ferry employees to organize and collectively bargain;
- protecting the citizens of the state by assuring effective and orderly operation of the ferry system;
- prohibiting and prevent all strikes or work stoppages by ferry employees; and
- protecting the rights of ferry employees with respect to employee organizations and promote just and fair compensation, benefits and working conditions for ferry system employees as compared with public and private sector employees in states along the west coast of the United States, including Alaska and British Columbia in directly comparable positions.

The 2021-23 transportation budget directed the Joint Transportation Committee to develop a workforce plan for the Washington State Ferries to address recruitment, retention, diversity, training needs, leadership development, succession planning, and other elements to ensure sufficient and cost-effective crewing and staffing. The final report was delivered to the transportation committees of the Legislature on December 20, 2022 with recommendations for Washington State Ferries on diversity, equity, and inclusion in the recruitment and retention of employees, development of workforce development initiatives, and comprehensive staffing models to plan for succession, and an implementation plan to carry out recommendations.

Washington State Ferries must report annually on performance targets pertaining to safety performance, service effectiveness, cost-containment and maintenance and capital effectiveness across the system. The 2022 supplemental transportation budget required Washington State Ferries to report the status of workforce development and training initiatives; however, current law is silent regarding reports pertaining to cultural issues, remediation strategies, and forecasting staffing needs and succession planning.

**Summary of Bill:** Washington State Ferries must adopt a formal diversity, equity, and inclusion (DEI) strategy for recruitment, employee development, retention and agency branding for workforce marketing. The DEI strategy may include key performance indicators to track effectiveness, and on an annual basis, Washington State Ferries must survey employees to identify and remediate any cultural issues. Beginning in the 2025-27 biennium and each subsequent biennium, Washington State Ferries must submit with its agency budget submittal a summary of survey results, and the corresponding action plan to remediate cultural issues identified.

Washington State Ferries is directed to continuously seek methods to improve workforce

development and career advancement for all employees. In consultation with labor, Washington State Ferries must develop programs for employees to gain maritime credentials and marine pilotage, as well as structured programs to transfer knowledge. When possible, Washington State Ferries must partner with external academies and training centers for workforce development programs. Washington State Ferries is required to adopt a formal policy to assist applicants gain the United States Coast Guard (USCG) required documents and maritime credentials for entry level positions.

Washington State Ferries must evaluate current management practices relating to recruitment and hiring, staffing levels, scheduling practices, compensation, and technology needs to optimize system and administrative performance. Beginning in 2025-27, and each subsequent biennium, the Washington State Ferries must submit with their agency budget submittal, a report detailing staffing progress, and identifying the number of employees eligible for promotion and retirement, use of on-the-job programs, and a forecast of all staffing needs and changes for the biennium.

Washington State Ferries is defined as the ferry division within the Department of Transportation.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

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

**Staff Summary of Public Testimony:** PRO: Labor and Washington State ferries staff work together to track and maintain the workforce as we move forward. The ferry system needs to have a safe and welcoming work environment to continue to recruiting and retaining staff that reflects the state's population. This bill memorializes the standards already occurring. The commitment to appropriate training along with the diversity and equity provisions in this bill is appreciated.

There are two pieces to workforce development—entry level job workforce, and higher level job workforce. For all levels of the workforce, you have to know how to swim to enter these jobs. We need programs that teach this skill to youth so that later down the line they are able to apply for jobs that require it. This bill is a crucial first step to ensure equity in the ferry workforce and provides opportunities to advance their career.

**Persons Testifying:** PRO: Senator Marko Liias, Prime Sponsor; Eric Winge, Marine Engineers' Beneficial Association; Peter Hart, Inlandboatmen's Union of the Pacific; Gordon Baxter, Puget Sound Metal Trades Council, AFL-CIO; Daniel Twohig, International Organization of Masters, Mates and Pilots.

**Persons Signed In To Testify But Not Testifying:** No one.