SENATE BILL 6106

State of Washington 61st Legislature 2009 Regular Session

By Senators Haugen and Swecker

Read first time 02/26/09. Referred to Committee on Transportation.

AN ACT Relating to collective bargaining for marine employees of the department of transportation; amending RCW 47.64.006, 47.64.120, 47.64.270, 47.64.280, 47.64.320, and 41.80.020; and repealing RCW 47.64.220.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 47.64.006 and 1989 c 327 s 1 are each amended to read 7 as follows:

The legislature declares that it is the public policy of the state 8 of Washington to: (1) Provide continuous operation of the Washington 9 state ferry system at reasonable cost to users; (2) efficiently provide 10 11 levels of ferry service consistent with trends and forecasts of ferry usage; (3) promote harmonious and cooperative relationships between the 12 13 ferry system and its employees by permitting ferry employees to 14 organize and bargain collectively; (4) protect the citizens of this 15 state by assuring effective and orderly operation of the ferry system 16 in providing for their health, safety, and welfare; (5) prohibit and prevent all strikes or work stoppages by ferry employees; (6) protect 17 18 the rights of ferry employees with respect to employee organizations; 19 and (7) promote just and fair compensation, benefits, and working

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1 conditions for ferry system employees ((as compared with public and 2 private sector employees in states along the west coast of the United 3 States, including Alaska, and in British Columbia in directly 4 comparable but not necessarily identical positions)).

5 **Sec. 2.** RCW 47.64.120 and 2006 c 164 s 3 are each amended to read 6 as follows:

7 (1) Except as otherwise provided in this chapter, the employer and employee organizations, through their collective 8 ferry system bargaining representatives, shall meet at reasonable times $((\tau))$ to 9 10 negotiate in good faith with respect to wages, hours, and working 11 conditions((, insurance, and health care benefits as limited by RCW 47.64.270, and other matters mutually agreed upon. Employer funded 12 retirement benefits shall be provided under the public employees 13 14 retirement system under chapter 41.40 RCW and shall not be included in the scope of collective bargaining. 15

16 (2) Upon ratification of bargaining agreements, ferry employees are 17 entitled to an amount equivalent to the interest earned on retroactive compensation increases. For purposes of this section, the interest 18 19 earned on retroactive compensation increases is the same monthly rate 20 of interest that was earned on the amount of the compensation increases while held in the state treasury. The interest will be computed for 21 22 each employee until the date the retroactive compensation is paid, and 23 must be allocated in accordance with appropriation authority. The interest earned on retroactive compensation is not considered part of 24 25 the ongoing compensation obligation of the state and is not 26 compensation earnable for the purposes of chapter 41.40 RCW)).

27 (2) Except as provided under RCW 47.64.270, the employer is not 28 required to bargain over health care benefits or other employee 29 insurance benefits.

30 (3) The employer shall not bargain over retirement plans and
 31 retirement benefits. Employer funded retirement benefits are provided
 32 under the public employees' retirement system under chapter 41.40 RCW.

33 <u>(4)</u> Negotiations shall also include grievance procedures for 34 resolving any questions arising under the agreement, which shall be 35 embodied in a written agreement and signed by the parties.

36 (((3))) (5) Except as otherwise provided in this chapter, if a 37 conflict exists between an executive order, administrative rule, or

agency policy relating to wages, hours, and terms and conditions of employment and a collective bargaining agreement negotiated under this chapter, the collective bargaining agreement shall prevail. A provision of a collective bargaining agreement that conflicts with the terms of a statute is invalid and unenforceable.

6 **Sec. 3.** RCW 47.64.270 and 2006 c 164 s 17 are each amended to read 7 as follows:

8 ((Absent a collective bargaining agreement to the contrary, the 9 department of transportation shall provide contributions to insurance 10 and health care plans for ferry system employees and dependents, as 11 determined by the state health care authority, under chapter 41.05 RCW; 12 and the employer and employee organizations may collectively bargain for other insurance and health care plans, and employer contributions 13 14 may exceed that of other state agencies as provided in RCW 41.05.050. 15 To the extent that ferry employees by bargaining unit have absorbed the 16 required offset of wage increases by the amount that the employer's 17 contribution for employees' and dependents' insurance and health care 18 plans exceeds that of other state general government employees in the 19 1985-87 fiscal biennium, employees shall not be required to absorb a 20 further offset except to the extent the differential between employer contributions for those employees and all other state general 21 22 government employees increases during any subsequent fiscal biennium. 23 If such differential increases in the 1987-89 fiscal biennium or the 1985-87 offset by bargaining unit is insufficient to meet the required 24 25 deduction, the amount available for compensation shall be reduced by 26 bargaining unit by the amount of such increase or the 1985-87 shortage 27 in the required offset. Compensation shall include all wages and employee benefits.)) The employer and one coalition of all the 28 exclusive bargaining representatives shall conduct negotiations 29 30 regarding the dollar amount expended on behalf of each employee for health care benefits, subject to this chapter and chapter 41.80 RCW. 31

32 **Sec. 4.** RCW 47.64.280 and 2006 c 164 s 18 are each amended to read 33 as follows:

(1) There is created the marine employees' commission. The
governor shall appoint the commission with the consent of the senate.
The commission shall consist of three members: One member to be

appointed from labor, one member from industry, and one member from the 1 2 public who has significant knowledge of maritime affairs. The public member shall be chair of the commission. One of the original members 3 4 shall be appointed for a term of three years, one for a term of four years, and one for a term of five years. Their successors shall be 5 appointed for terms of five years each, except that any person chosen б 7 to fill a vacancy shall be appointed only for the unexpired term of the 8 member whom he or she succeeds. Commission members are eligible for 9 reappointment. Any member of the commission may be removed by the governor, upon notice and hearing, for neglect of duty or malfeasance 10 11 in office, but for no other cause. Commission members are not eligible 12 for state retirement under chapter 41.40 RCW by virtue of their service 13 on the commission. Members of the commission shall be compensated in accordance with RCW 43.03.250 and shall receive reimbursement for 14 official travel and other expenses at the same rate and on the same 15 terms as provided for the transportation commission by RCW 47.01.061. 16 17 The payments shall be made from the Puget Sound ferry operations 18 account.

19 (2) The commission shall: (a) Adjust all complaints, grievances, 20 and disputes between labor and management arising out of the operation 21 of the ferry system as provided in RCW 47.64.150; (b) provide for 22 impasse mediation as required in RCW 47.64.210; (((c) provide salary 23 surveys as required in RCW 47.64.220;)) and (((d))) (c) perform those 24 duties required in RCW 47.64.300.

(3)(a) In adjudicating all complaints, grievances, and disputes, the party claiming labor disputes shall, in writing, notify the commission, which shall make careful inquiry into the cause thereof and issue an order advising the ferry employee, or the ferry employee organization representing him or her, and the department of transportation, as to the decision of the commission.

31 (b) The parties are entitled to offer evidence relating to disputes 32 at all hearings conducted by the commission. The orders and awards of 33 the commission are final and binding upon any ferry employee or 34 employees or their representative affected thereby and upon the 35 department.

36 (c) The commission shall adopt rules of procedure under chapter 37 34.05 RCW.

(d) The commission has the authority to subpoena any ferry employee 1 2 employees, or their representatives, and any member or or 3 representative of the department, and any witnesses. The commission 4 may require attendance of witnesses and the production of all pertinent records at any hearings held by the commission. The subpoenas of the 5 commission are enforceable by order of any superior court in the state б 7 of Washington for the county within which the proceeding may be 8 The commission may hire staff as necessary, pending. appoint consultants, enter into contracts, and conduct studies as reasonably 9 10 necessary to carry out this chapter.

11 **Sec. 5.** RCW 47.64.320 and 2006 c 164 s 14 are each amended to read 12 as follows:

(1) The mediator, arbitrator, or arbitration panel may consider
 only matters that are subject to bargaining under this chapter, except
 <u>that health care benefits are not subject to interest arbitration</u>.

(2) The decision of an arbitrator or arbitration panel is not 16 17 binding on the legislature and, if the legislature does not approve the funds necessary to implement provisions pertaining to compensation and 18 fringe benefit provisions of an arbitrated collective bargaining 19 20 not binding on the state, the agreement, is department of 21 transportation, or the ferry employee organization.

(3) In making its determination, the arbitrator or arbitration panel shall be mindful of the legislative purpose under RCW 47.64.005 and 47.64.006 and, as additional standards or guidelines to aid it in reaching a decision, shall take into consideration the following factors:

(a) <u>The financial ability of the state to pay for the compensation</u>
 and fringe benefit provisions of a collective bargaining agreement;

(b) Past collective bargaining contracts between the parties
 including the bargaining that led up to the contracts;

31 ((((b))) <u>(c)</u> The constitutional and statutory authority of the 32 employer;

33 (((+c))) (d) Stipulations of the parties;

34 (((d) The results of the salary survey as required in RCW 35 47.64.220;))

36 (e) Comparison of wages, hours, employee benefits, and conditions 37 of employment of the involved ferry employees with those of public and private sector employees in states along the west coast of the United States, including Alaska, ((and in British Columbia)) doing directly comparable but not necessarily identical work, giving consideration to factors peculiar to the area and the classifications involved;

5 (f) Changes in any of the foregoing circumstances during the
6 pendency of the proceedings;

7 (g) The limitations on ferry toll increases and operating subsidies
8 as may be imposed by the legislature; ((and))

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(h) The ability of the state to retain ferry employees;

10 (i) Comparison of wages, hours, employee benefits, and conditions 11 of employment of the involved ferry employees with those of other 12 public employees in the state;

13 (j) The overall compensation presently received by the ferry 14 employees, including direct wage compensation, vacations, holidays and 15 other paid excused time, pensions, insurance benefits, and all other 16 direct or indirect monetary benefits received;

17 (k) The implicit price deflator for personal consumption index; and 18 (1) Other factors that are normally or traditionally taken into 19 consideration in the determination of matters that are subject to 20 bargaining under this chapter.

21 Sec. 6. RCW 41.80.020 and 2002 c 354 s 303 are each amended to 22 read as follows:

(1) Except as otherwise provided in this chapter, the matters subject to bargaining include wages, hours, and other terms and conditions of employment, and the negotiation of any question arising under a collective bargaining agreement.

(2) The employer is not required to bargain over matters pertainingto:

(a) Health care benefits or other employee insurance benefits,
except as required in subsection (3) of this section;

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(b) Any retirement system or retirement benefit; or

32 (c) Rules of the director of personnel or the Washington personnel
 33 resources board adopted under section 203, chapter 354, Laws of 2002.

(3) Matters subject to bargaining include the number of names to be
 certified for vacancies, promotional preferences, and the dollar amount
 expended on behalf of each employee for health care benefits. However,
 except as provided otherwise in this subsection for institutions of

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higher education, negotiations regarding the number of names to be 1 2 certified for vacancies, promotional preferences, and the dollar amount expended on behalf of each employee for health care benefits shall be 3 4 conducted between the employer and one coalition of all the exclusive bargaining representatives subject to this chapter. 5 The exclusive 6 bargaining representatives for employees that are subject to chapter 47.64 RCW shall bargain the dollar amount expended on behalf of each 7 employee for health care benefits with the employer as part of the 8 coalition under this subsection. Any such provision agreed to by the 9 employer and the coalition shall be included in all master collective 10 11 bargaining agreements negotiated by the parties. For institutions of 12 higher education, promotional preferences and the number of names to be 13 certified for vacancies shall be bargained under the provisions of RCW 14 41.80.010(4).

15 (4) The employer and the exclusive bargaining representative shall 16 not agree to any proposal that would prevent the implementation of 17 approved affirmative action plans or that would be inconsistent with 18 the comparable worth agreement that provided the basis for the salary 19 changes implemented beginning with the 1983-1985 biennium to achieve 20 comparable worth.

(5) The employer and the exclusive bargaining representative shall not bargain over matters pertaining to management rights established in RCW 41.80.040.

(6) Except as otherwise provided in this chapter, if a conflict exists between an executive order, administrative rule, or agency policy relating to wages, hours, and terms and conditions of employment and a collective bargaining agreement negotiated under this chapter, the collective bargaining agreement shall prevail. A provision of a collective bargaining agreement that conflicts with the terms of a statute is invalid and unenforceable.

31 (7) This section does not prohibit bargaining that affects 32 contracts authorized by RCW 41.06.142.

33 <u>NEW SECTION.</u> Sec. 7. RCW 47.64.220 (Salary survey) and 2006 c 164 34 s 10, 2005 c 274 s 308, 1999 c 256 s 1, 1989 c 327 s 2, & 1983 c 15 s 35 13 are each repealed.

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