

# SENATE BILL REPORT

## ESHB 2662

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As Reported By Senate Committee On:  
Labor, Commerce & Financial Institutions, February 28, 2002  
Ways & Means, March 4, 2002

**Title:** An act relating to making payroll deductions for individual providers as defined in RCW 74.39A.240(4).

**Brief Description:** Making payroll deductions for individual providers as defined in RCW 74.39A.240(4).

**Sponsors:** House Committee on Commerce & Labor (originally sponsored by Representatives McDermott, Wood, Miloscia, O'Brien, Cody, Conway, Edwards, Lysen, Chase and Santos).

**Brief History:**

**Committee Activity:** Labor, Commerce & Financial Institutions: 2/27/02, 2/28/02 [DP, DNP].

Ways & Means: 3/4/02 [DP, DNP].

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### SENATE COMMITTEE ON LABOR, COMMERCE & FINANCIAL INSTITUTIONS

**Majority Report:** Do pass.

Signed by Senators Prentice, Chair; Keiser, Vice Chair; Fairley, Franklin, Gardner, Rasmussen and Regala.

**Minority Report:** Do not pass.

Signed by Senators Hochstatter and Honeyford.

**Staff:** Jack Brummel (786-7428)

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### SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass.

Signed by Senators Brown, Chair; Regala, Vice Chair; Fairley, Vice Chair; Fraser, Kline, Poulsen, Rasmussen, B. Sheldon, Snyder, Spanel and Winsley.

**Minority Report:** Do not pass.

Signed by Senators Hewitt, Honeyford, Parlette, Rossi, Sheahan and Zarelli.

**Staff:** Brian Sims (786-7431)

**Background:** Under the public employees' collective bargaining act administered by the Public Employment Relations Commission (PERC), if an exclusive bargaining representative is certified by PERC or recognized by the employer, the employer must deduct union dues

from the pay of a bargaining unit employee who has given written authorization for the deduction. Union security provisions may be included in collective bargaining agreements.

Employees who object to paying union dues based on a bona fide religious belief may make their payment to a charitable organization agreed upon by the employee and the exclusive bargaining representative.

Home care providers contract with the Department of Social and Health Services to provide care to consumers who are functionally disabled. Under Initiative 775, adopted by the voters in 2001, the Home Care Quality Authority is considered the public employer of individual home care providers for collective bargaining purposes, but individual providers are not employees of the state for any purpose. Rather, individual providers are employees of the consumers and the consumer has the right to hire, supervise, and terminate an individual provider.

**Summary of Bill:** If an exclusive bargaining representative of individual providers is certified by PERC or recognized by the Home Care Quality Authority, the state must deduct monthly union dues from payments made to an individual provider who has authorized the deduction.

The state must enforce any union security agreement reached by deducting union dues or a fee equivalent to dues from payments made to bargaining unit members. In addition, on written authorization of the individual provider, the state must deduct other payments from the payments made to individual providers when the deductions are authorized in the collective bargaining agreement. The state makes these required deductions as the payor and not as the employer of individual providers.

The initial additional costs incurred by the state in making these deductions must be negotiated, agreed upon in advance, and reimbursed by the exclusive bargaining representative. The allocation of ongoing additional costs is an appropriate subject of collective bargaining between the Home Care Quality Authority and the exclusive bargaining representative. If the collective bargaining agreement does not contain a provision allocating the cost, or if the Legislature does not fund the agreement, the ongoing additional costs must be negotiated, agreed upon in advance, and reimbursed by the exclusive bargaining representative.

**Appropriation:** None.

**Fiscal Note:** Requested on February 22, 2002.

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

**Testimony For:** The bill seeks to clarify the roles of the Home Care Quality Authority and the Department of Social and Health Services regarding collective bargaining and deductions from pay. PERC will manage this as they do other collective bargaining agreements. The fiscal note is expected to be zero.

**Testimony Against:** None.

**Testified:** Representative McDermott; David Rolf, SEIU.

