

SENATE BILL REPORT

SB 5606

As Reported by Senate Committee On:
Labor, Commerce & Consumer Protection, February 21, 2011

Title: An act relating to granting binding interest arbitration rights to certain uniformed personnel.

Brief Description: Granting binding interest arbitration rights to certain uniformed personnel.

Sponsors: Senators Conway, Hargrove, Kohl-Welles, Zarelli, Hobbs, Delvin and Shin.

Brief History:

Committee Activity: Labor, Commerce & Consumer Protection: 2/14/11, 2/21/11 [DPS-WM, DNP].

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Majority Report: That Substitute Senate Bill No. 5606 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Kohl-Welles, Chair; Conway, Vice Chair; Hewitt, Keiser and Kline.

Minority Report: Do not pass.

Signed by Senators Holmquist Newbry, Ranking Minority Member; King, Assistant Ranking Minority Member.

Staff: Ingrid Mungia (786-7423)

Background: The Public Employees' Collective Bargaining Act (PECBA) provides for collective bargaining of wages, hours, and working conditions with employees of cities, counties, and other political subdivisions. The PECBA also applies to the state with respect to the officers of the Washington State Patrol.

The PECBA recognizes the public policy against strikes by uniformed personnel as a means of settling labor disputes. To resolve impasses over contract negotiations involving uniformed personnel and state patrol officers, the PECBA requires binding interest arbitration. Uniformed personnel include certain law enforcement officers and fire fighters.

The Personnel System Reform Act (PSRA) provides for collective bargaining of wages, hours, and other terms and conditions of employment with classified employees of state

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agencies and institutions of higher education. The PSRA does not provide for binding interest arbitration.

The boards of the University of Washington, Washington State University, the regional universities, and The Evergreen State College are authorized to establish police forces for the various institutions.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Recommended Substitute): The binding interest arbitration provisions of the PECBA are extended to police forces for universities and The Evergreen State College. Police forces for universities and The Evergreen State College are included in the definition of uniform personnel for the purposes of PECBA.

For purposes of negotiations, the state is represented by the Governor. The subject of negotiations may include wages, wage-related matters and nonwage matter, except that the state is prohibited from negotiating any matters relating to retirement benefits or health care benefits or other employee insurance benefits. The Governor must consult with the Chief of the Washington State Patrol regarding collective bargaining. The Governor must submit requests for funds necessary to implement the collective bargaining agreement to the Legislature. The request must not be submitted to the Legislature unless two conditions are met. First, the request must be submitted to the Director of the Office of Financial Management (Director) by October 1 prior to the legislative session at which the requests are to be considered. Second, the request must be certified by the Director as being feasible financially for the state.

Police forces for universities and The Evergreen State College are subject to mediation and binding interest arbitration if an impasse occurs in negotiations. The interest arbitration's decision is not binding on the Legislature, and if the Legislature does not approve the funding, it is not binding on the state. The interest arbitration panel must consider:

- the employer's authority;
- the parties' stipulations;
- comparison of hours and conditions of employment of like personnel of like employers of similar size on the west coast of the United States;
- changes in any listed factors during the proceedings; and
- other factors normally taken or traditionally considered in the determination of wages, hours, and conditions of employment.

Exclusive bargaining representatives for police forces for universities and The Evergreen State College are grandfathered and continue to represent those units without the necessity of an election as of the act's effective date. There may be proceedings concerning representation after the act's effective date.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: This bill has come forward because of the expansion of binding interest arbitration on other state employees. This groups needs some sort of process since they do not have a right to strike. Binding arbitration meets the particular needs of certain uniform personnel. Binding interest arbitration levels the playing field for uniformed personnel. We respond to calls just like other police officers. Police officers at four-year institutions are fully commissioned police officers. This isn't about money. Having binding interest arbitration helps us reach an agreement and gives us an incentive to reach an agreement. This is about parity and respect. This will help our department in retention and recruitment. It is hard to find and keep university police officers because of the inequities that go along with working for universities. This bill will help the safety of our police offices. Most people that university police officers deal with are criminals who prey on our college students.

CON: In a time during sever budget cuts, it is imperative labor and management work together to sort out their differences on the economic terms of contracts and not give a third party arbitrator the power to determine those terms which have a significant impact on state budgets. We do have experience with binding interest arbitration with state ferry workers and commissioned officers in state patrol. It is our experience that binding interest arbitration tends to reduce the incentive to reach agreement. Many of the financial terms of contracts have been decided by an arbitrator, and to date we do not have agreements with state patrol or ferries for the 2011-2013 contracts. Arbitrators do not understand the budget as a whole, they are looking at the narrow issue presented to them for employees. The decisions do not reflect any other priorities in the budget or funding issue related to those employees.

OTHER: We are currently unaware of any demonstrated need for this significant change to binding interest arbitration. Our universities have been successfully negotiating contracts with our uniformed personnel. Binding interest arbitration often yields results that can be out of line with an institutions financial capacity. This bill would not require an arbitrator panel to consider an institutions ability to pay or economic conditions when determining a contract award. We are concerned contract costs could require us to reduce police positions or cut other departments. The Council of Presidents is willing to work to address our concerns.

Persons Testifying: PRO: Senator Conway, prime sponsor; Laura Brewster, Quincy Burnes, Joe Bailey, Washington Federation of State Employees.

CON: Julie Murray, Office of Financial Management.

OTHER: Margaret Shepherd, Council of Presidents.