**ESHB 1916** - S COMM AMD

By Committee on Labor, Commerce, Research & Development

## ADOPTED 04/05/2007

Strike everything after the enacting clause and insert the following:

3 "Sec. 1. RCW 41.56.465 and 1995 c 273 s 2 are each amended to read 4 as follows:

5 (1) In making its determination, the panel shall be mindful of the 6 legislative purpose enumerated in RCW 41.56.430 and, as additional 7 standards or guidelines to aid it in reaching a decision, ((it)) the 8 panel shall ((take into consideration the following factors)) consider:

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(a) The constitutional and statutory authority of the employer;

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(b) Stipulations of the parties;

11 (c)(((i) For employees listed in RCW 41.56.030(7) (a) through (d), 12 comparison of the wages, hours, and conditions of employment of 13 personnel involved in the proceedings with the wages, hours, and 14 conditions of employment of like personnel of like employers of similar 15 size on the west coast of the United States;

16 (ii) For employees listed in RCW 41.56.030(7) (e) through (h), 17 comparison of the wages, hours, and conditions of employment of 18 personnel involved in the proceedings with the wages, hours, and 19 conditions of employment of like personnel of public fire departments 20 of similar size on the west coast of the United States. However, when 21 an adequate number of comparable employers exists within the state of 22 Washington, other west coast employers may not be considered;

23 (d))) The average consumer prices for goods and services, commonly 24 known as the cost of living;

25 (((++))) (d) Changes in any of the circumstances under (a) through 26 ((++))) (c) of this subsection during the pendency of the proceedings; 27 and

28 (((f))) (e) Such other factors, not confined to the factors under 29 (a) through (((e))) (d) of this subsection, that are normally or 30 traditionally taken into consideration in the determination of wages, hours, and conditions of employment. For those employees listed in RCW 41.56.030(7)(a) who are employed by the governing body of a city or town with a population of less than fifteen thousand, or a county with a population of less than seventy thousand, consideration must also be given to regional differences in the cost of living.

(2) For employees listed in RCW 41.56.030(7) (a) through (d), the 6 7 panel shall also consider a comparison of the wages, hours, and conditions of employment of personnel involved in the proceedings with 8 the wages, hours, and conditions of employment of like personnel of 9 like employers of similar size on the west coast of the United States. 10 (3) For employees listed in RCW 41.56.030(7) (e) through (h), the 11 panel shall also consider a comparison of the wages, hours, and 12 13 conditions of employment of personnel involved in the proceedings with 14 the wages, hours, and conditions of employment of like personnel of public fire departments of similar size on the west coast of the United 15 States. However, when an adequate number of comparable employers 16 exists within the state of Washington, other west coast employers may 17 not be considered. 18

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(4) For employees listed in RCW 41.56.028:

20 (a) The panel shall also consider:

(i) A comparison of child care provider subsidy rates and
 reimbursement programs by public entities, including counties and
 municipalities, along the west coast of the United States; and

24 (ii) The financial ability of the state to pay for the compensation
 25 and benefit provisions of a collective bargaining agreement; and

26 (b) The panel may consider:

27 (i) The public's interest in reducing turnover and increasing 28 retention of child care providers;

29 (ii) The state's interest in promoting, through education and 30 training, a stable child care workforce to provide quality and reliable 31 child care from all providers throughout the state; and

32 (iii) In addition, for employees exempt from licensing under 33 chapter 74.15 RCW, the state's fiscal interest in reducing reliance 34 upon public benefit programs including but not limited to medical 35 coupons, food stamps, subsidized housing, and emergency medical 36 services.

- 37 (5) For employees listed in RCW 74.39A.270:
- 38 (a) The panel shall consider:

(i) A comparison of wages, hours, and conditions of employment of 1 2 publicly reimbursed personnel providing similar services to similar clients, including clients who are elderly, frail, or have 3 developmental disabilities, both in the state and across the United 4 States; and 5 (ii) The financial ability of the state to pay for the compensation б 7 and fringe benefit provisions of a collective bargaining agreement; and (b) The panel may consider: 8 (i) A comparison of wages, hours, and conditions of employment of 9 publicly employed personnel providing similar services to similar 10 clients, including clients who are elderly, frail, or have 11 developmental disabilities, both in the state and across the United 12 13 States; 14 (ii) The state's interest in promoting a stable long-term care workforce to provide quality and reliable care to vulnerable elderly 15 and disabled recipients; 16 17 (iii) The state's interest in ensuring access to affordable, quality health care for all state citizens; and 18 (iv) The state's fiscal interest in reducing reliance upon public 19 benefit programs including but not limited to medical coupons, food 20 21 stamps, subsidized housing, and emergency medical services. (6) Subsections  $\left(\left(\frac{1}{c}\right)\right)$  (2) and (3) of this section may not be 22

construed to authorize the panel to require the employer to pay, directly or indirectly, the increased employee contributions resulting from chapter 502, Laws of 1993 or chapter 517, Laws of 1993 as required under chapter 41.26 RCW.

27 **Sec. 2.** RCW 41.56.028 and 2006 c 54 s 1 are each amended to read 28 as follows:

29 (1) In addition to the entities listed in RCW 41.56.020, this chapter applies to the governor with respect to family child care 30 31 providers. Solely for the purposes of collective bargaining and as expressly limited under subsections (2) and (3) of this section, the 32 governor is the public employer of family child care providers who, 33 solely for the purposes of collective bargaining, are public employees. 34 35 The public employer shall be represented for bargaining purposes by the 36 governor or the governor's designee appointed under chapter 41.80 RCW.

(2) This chapter governs the collective bargaining relationship
 between the governor and family child care providers, except as
 follows:

4 (a) A statewide unit of all family child care providers is the only
5 unit appropriate for purposes of collective bargaining under RCW
6 41.56.060.

7 (b) The exclusive bargaining representative of family child care 8 providers in the unit specified in (a) of this subsection shall be the 9 representative chosen in an election conducted pursuant to RCW 10 41.56.070, except that in the initial election conducted under chapter 11 54, Laws of 2006, if more than one labor organization is on the ballot 12 and none of the choices receives a majority of the votes cast, a 13 run-off election shall be held.

(c) Notwithstanding the definition of "collective bargaining" in 14 RCW 41.56.030(4), the scope of collective bargaining for child care 15 providers under this section shall be limited solely to: (i) Economic 16 17 compensation, such as manner and rate of subsidy and reimbursement, including tiered reimbursements; (ii) health and welfare benefits; 18 (iii) professional development and training; (iv) labor-management 19 committees; (v) grievance procedures; and (vi) other economic matters. 20 21 Retirement benefits shall not be subject to collective bargaining. By 22 such obligation neither party shall be compelled to agree to a proposal or be required to make a concession unless otherwise provided in this 23 24 chapter.

(d) The mediation and interest arbitration provisions of RCW
41.56.430 through 41.56.470 and 41.56.480 apply, except that:

(i) With respect to commencement of negotiations between the governor and the exclusive bargaining representative of family child care providers, negotiations shall be commenced initially upon certification of an exclusive bargaining representative under (a) of this subsection and, thereafter, by February 1st of any even-numbered year; and

(ii) ((In addition to the factors to be taken into consideration by an interest arbitration panel under RCW 41.56.465, the panel shall consider the financial ability of the state to pay for the compensation and benefit provisions of a collective bargaining agreement; and

37 (iii)) The decision of the arbitration panel is not binding on the 38 legislature and, if the legislature does not approve the request for 1 funds necessary to implement the compensation and benefit provisions of 2 the arbitrated collective bargaining agreement, is not binding on the 3 state.

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(e) Family child care providers do not have the right to strike.

5 (3) Family child care providers who are public employees solely for 6 the purposes of collective bargaining under subsection (1) of this 7 section are not, for that reason, employees of the state for any 8 purpose. This section applies only to the governance of the collective 9 bargaining relationship between the employer and family child care 10 providers as provided in subsections (1) and (2) of this section.

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(4) This section does not create or modify:

(a) The parents' or legal guardians' right to choose and terminate
the services of any family child care provider that provides care for
their child or children;

(b) The secretary of the department of social and health services' right to adopt requirements under RCW 74.15.030, except for requirements related to grievance procedures and collective negotiations on personnel matters as specified in subsection (2)(c) of this section;

20 (c) Chapter 26.44 RCW, RCW 43.43.832, 43.20A.205, and 74.15.130; 21 and

22 (d) The legislature's right to make programmatic modifications to the delivery of state services through child care subsidy programs, 23 24 including standards of eligibility of parents, legal guardians, and 25 family child care providers participating in child care subsidy programs, and the nature of services provided. The governor shall not 26 27 enter into, extend, or renew any agreement under this section that does not expressly reserve the legislative rights described in this 28 subsection (4)(d). 29

30 (5) Upon meeting the requirements of subsection (6) of this 31 section, the governor must submit, as a part of the proposed biennial 32 or supplemental operating budget submitted to the legislature under RCW 33 43.88.030, a request for funds necessary to implement the compensation 34 and benefit provisions of a collective bargaining agreement entered 35 into under this section or for legislation necessary to implement such 36 agreement.

37 (6) A request for funds necessary to implement the compensation and

1 benefit provisions of a collective bargaining agreement entered into 2 under this section shall not be submitted by the governor to the 3 legislature unless such request has been:

4 (a) Submitted to the director of financial management by October
5 1st before the legislative session at which the request is to be
6 considered, except that, for initial negotiations under this section,
7 the request must be submitted by November 15, 2006; and

8 (b) Certified by the director of financial management as being 9 feasible financially for the state or reflects the binding decision of 10 an arbitration panel reached under this section.

11 (7) The legislature must approve or reject the submission of the 12 request for funds as a whole. If the legislature rejects or fails to 13 act on the submission, any such agreement will be reopened solely for 14 the purpose of renegotiating the funds necessary to implement the 15 agreement.

16 (8) The governor shall periodically consult with the joint 17 committee on employment relations established by RCW 41.80.010 18 regarding appropriations necessary to implement the compensation and 19 benefit provisions of any collective bargaining agreement and, upon 20 completion of negotiations, advise the committee on the elements of the 21 agreement and on any legislation necessary to implement such agreement.

(9) After the expiration date of any collective bargaining agreement entered into under this section, all of the terms and conditions specified in any such agreement remain in effect until the effective date of a subsequent agreement, not to exceed one year from the expiration date stated in the agreement, except as provided in subsection (4)(d) of this section.

(10) If, after the compensation and 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.

(11) In enacting this section, the legislature intends to provide state action immunity under federal and state antitrust laws for the joint activities of family child care providers and their exclusive bargaining representative to the extent such activities are authorized by this chapter. 1 Sec. 3. RCW 74.39A.270 and 2006 c 106 s 1 are each amended to read 2 as follows:

3 (1) Solely for the purposes of collective bargaining and as expressly limited under subsections (2) and (3) of this section, the 4 governor is the public employer, as defined in chapter 41.56 RCW, of 5 individual providers, who, solely for the purposes of collective 6 7 bargaining, are public employees as defined in chapter 41.56 RCW. То accommodate the role of the state as payor for the community-based 8 services provided under this chapter and to ensure coordination with 9 10 state employee collective bargaining under chapter 41.80 RCW and the coordination necessary to implement RCW 74.39A.300, the public employer 11 12 shall be represented for bargaining purposes by the governor or the 13 governor's designee appointed under chapter 41.80 RCW. The governor or governor's designee shall periodically consult with the authority 14 during the collective bargaining process to allow the authority to 15 communicate issues relating to the long-term in-home care services 16 17 received by consumers. The governor or the governor's designee shall consult the authority on all issues for which the exclusive bargaining 18 representative requests to engage in collective bargaining under 19 subsection (6) of this section. The authority shall work with the 20 21 developmental disabilities council, the governor's committee on 22 disability issues and employment, the state council on aging, and other consumer advocacy organizations to obtain informed input from consumers 23 24 on their interests, including impacts on consumer choice, for all 25 issues proposed for collective bargaining under subsection (6) of this 26 section.

(2) Chapter 41.56 RCW governs the collective bargaining
relationship between the governor and individual providers, except as
otherwise expressly provided in this chapter and except as follows:

30 (a) The only unit appropriate for the purpose of collective 31 bargaining under RCW 41.56.060 is a statewide unit of all individual 32 providers;

33 (b) The showing of interest required to request an election under 34 RCW 41.56.060 is ten percent of the unit, and any intervener seeking to 35 appear on the ballot must make the same showing of interest;

36 (c) The mediation and interest arbitration provisions of RCW 37 41.56.430 through 41.56.470 and 41.56.480 apply, except that: (i) With respect to commencement of negotiations between the
 governor and the bargaining representative of individual providers,
 negotiations shall be commenced by May 1st of any year prior to the
 year in which an existing collective bargaining agreement expires; and
 (ii) ((With respect to factors to be taken into consideration by an
 interest arbitration panel, the panel shall consider the financial

7 ability of the state to pay for the compensation and fringe benefit
8 provisions of a collective bargaining agreement; and
9 (iii)) The decision of the arbitration panel is not binding on the

9 (iii))) The decision of the arbitration panel is not binding on the 10 legislature and, if the legislature does not approve the request for 11 funds necessary to implement the compensation and fringe benefit 12 provisions of the arbitrated collective bargaining agreement, is not 13 binding on the authority or the state;

14 (d) Individual providers do not have the right to strike; and

(e) Individual providers who are related to, or family members of,
consumers or prospective consumers are not, for that reason, exempt
from this chapter or chapter 41.56 RCW.

18 (3) Individual providers who are public employees solely for the 19 purposes of collective bargaining under subsection (1) of this section 20 are not, for that reason, employees of the state, its political 21 subdivisions, or an area agency on aging for any purpose. Chapter 22 41.56 RCW applies only to the governance of the collective bargaining 23 relationship between the employer and individual providers as provided 24 in subsections (1) and (2) of this section.

(4) Consumers and prospective consumers retain the right to select, hire, supervise the work of, and terminate any individual provider providing services to them. Consumers may elect to receive long-term in-home care services from individual providers who are not referred to them by the authority.

30 (5) In implementing and administering this chapter, neither the 31 authority nor any of its contractors may reduce or increase the hours 32 of service for any consumer below or above the amount determined to be 33 necessary under any assessment prepared by the department or an area 34 agency on aging.

(6) Except as expressly limited in this section and RCW 74.39A.300,
 the wages, hours, and working conditions of individual providers are
 determined solely through collective bargaining as provided in this

chapter. No agency or department of the state may establish policies
 or rules governing the wages or hours of individual providers.
 However, this subsection does not modify:

(a) The department's authority to establish a plan of care for each 4 5 consumer or its core responsibility to manage long-term in-home care services under this chapter, including determination of the level of б 7 care that each consumer is eligible to receive. However, at the request of the exclusive bargaining representative, the governor or the 8 governor's designee appointed under chapter 41.80 RCW shall engage in 9 10 collective bargaining, as defined in RCW 41.56.030(4), with the exclusive bargaining representative over how the department's core 11 responsibility affects hours of work for individual providers. 12 This 13 subsection shall not be interpreted to require collective bargaining 14 over an individual consumer's plan of care;

(b) The department's authority to terminate its contracts with individual providers who are not adequately meeting the needs of a particular consumer, or to deny a contract under RCW 74.39A.095(8);

(c) The consumer's right to assign hours to one or more individual providers selected by the consumer within the maximum hours determined by his or her plan of care;

(d) The consumer's right to select, hire, terminate, supervise the work of, and determine the conditions of employment for each individual provider providing services to the consumer under this chapter;

(e) The department's obligation to comply with the federal medicaid
statute and regulations and the terms of any community-based waiver
granted by the federal department of health and human services and to
ensure federal financial participation in the provision of the
services; and

(f) The legislature's right to make programmatic modifications to the delivery of state services under this title, including standards of eligibility of consumers and individual providers participating in the programs under this title, and the nature of services provided. The governor shall not enter into, extend, or renew any agreement under this chapter that does not expressly reserve the legislative rights described in this subsection (6)(f).

36 (7)(a) The state, the department, the authority, the area agencies 37 on aging, or their contractors under this chapter may not be held 38 vicariously or jointly liable for the action or inaction of any

individual provider or prospective individual provider, whether or not 1 2 that individual provider or prospective individual provider was included on the authority's referral registry or referred to a consumer 3 or prospective consumer. The existence of a collective bargaining 4 agreement, the placement of an individual provider on the referral 5 registry, or the development or approval of a plan of care for a 6 7 consumer who chooses to use the services of an individual provider and the provision of case management services to that consumer, by the 8 department or an area agency on aging, does not constitute a special 9 relationship with the consumer. 10

(b) The members of the board are immune from any liability resulting from implementation of this chapter.

13 (8) Nothing in this section affects the state's responsibility with 14 respect to unemployment insurance for individual providers. However, 15 individual providers are not to be considered, as a result of the state 16 assuming this responsibility, employees of the state."

## ESHB 1916 - S COMM AMD

By Committee on Labor, Commerce, Research & Development

## ADOPTED 04/05/2007

17 On page 1, line 2 of the title, after "providers;" strike the 18 remainder of the title and insert "and amending RCW 41.56.465, 19 41.56.028, and 74.39A.270."

<u>EFFECT:</u> Removes the requirement that for individual providers, the arbitration panel must consider a comparison of wages, hours, and conditions of employment of publicly employed personnel providing similar services to similar clients, including clients who are elderly, frail, or have developmental disabilities, both in the state and across the United States. Instead, a panel may consider these factors but is not mandated to do so.

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