

SENATE BILL REPORT

SB 5914

As of March 31, 2017

Title: An act relating to public employer collection and remission of dues and other amounts on behalf of labor organizations.

Brief Description: Concerning public employer collection and remission of dues and other amounts on behalf of labor organizations.

Sponsors: Senator Braun.

Brief History:

Committee Activity: Ways & Means: 3/30/17.

Brief Summary of Bill

- Allows public employers that collect and remit dues on behalf of a labor organization to retain up to 5 percent of the amount collected for administrative costs.
- Requires state agencies retain an amount between 2 percent and 5 percent to cover costs related to the Public Employment Relations Commission.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Amanda Cecil (786-7460)

Background: The Public Employment Relations Commission (PERC) was created to assist public employers and employees settling labor disputes through mediation and fact finding in a uniform and impartial manner. PERC may offer its services in any labor dispute arising under a collective bargaining statute administered by PERC, either upon its own motion or upon the request of one or more of the parties to the dispute.

The Personnel Service Fund is a revolving fund that is used by the Office of Financial Management (OFM) and PERC for the payment of costs related to the administration of the state civil service law. Monies in the account come from a charge on agencies of up to 1.5 percent of the value of the payroll for all classified positions. The charge is set by OFM and is currently 0.48 percent.

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

Summary of Bill: Public employers that collect and remit payment on behalf of a labor organization may retain up to 5 percent of the amounts collected to offset the cost of administration. The amount that is retained by state agencies is established by OFM so that the amount retained is no less than one-half of the amount appropriated to for PERC for the previous biennium or 2 percent, which ever is greater. Any amounts retained by state agencies must be deposited to the Personnel Service Fund.

Appropriation: None.

Fiscal Note: Requested on March 29, 2017.

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: The current process requires that the taxpayers subsidize costs of labor organizations. This allows the state to recoup some of that cost.

CON: The cost of collecting union dues is de minimis. This is singling out labor organizations and would apply to collections for things other than union dues such as charitable donations. Arizona tried this but exempted police and fire departments. This would violate current agreements.

Persons Testifying: PRO: Maxford Nelsen, Freedom Foundation.

CON: Brenda Wiest, Teamsters 117; Joe Kendo, Washington State Labor Council, AFL-CIO.

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