

# HOUSE BILL REPORT

## HB 1398

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**As Reported by House Committee On:**  
Labor & Workplace Standards

**Title:** An act relating to factors which are considered in interest arbitration for adult family home providers.

**Brief Description:** Concerning factors which are considered in interest arbitration for adult family home providers.

**Sponsors:** Representatives Scott, Berry, Peterson, Reed, Reeves, Parshley, Doglio, Tharinger, Fosse, Ryu, Street and Hill.

**Brief History:**

**Committee Activity:**

Labor & Workplace Standards: 1/28/25, 2/7/25 [DPS].

**Brief Summary of Substitute Bill**

- Adds factors that interest arbitration panels must or may consider when arbitrating collective bargaining impasses between adult family home providers and the state.

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### HOUSE COMMITTEE ON LABOR & WORKPLACE STANDARDS

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 6 members: Representatives Berry, Chair; Fosse, Vice Chair; Scott, Vice Chair; Bronoske, Obras and Ortiz-Self.

**Minority Report:** Do not pass. Signed by 3 members: Representatives Schmidt, Ranking Minority Member; Ybarra, Assistant Ranking Minority Member; McEntire.

**Staff:** Benjamin McCarthy (786-7116).

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

**Background:**

Adult family homes are licensed by the state to provide residential care for individuals in a home-like setting. The residents in adult family homes are individuals who are elderly or who have physical or developmental disabilities. Residents generally require assistance with activities of daily living and/or health-related services that make living alone more challenging. The Department of Social and Health Services licenses adult family homes. Adult family home providers are individuals, partnerships, corporations, associations, or limited liability companies that are licensed to operate an adult family home.

Individuals who provide assistance or services to the residents of adult family homes are called direct care providers. These direct care providers are hired, paid, and supervised by the adult family home provider.

Adult family home providers are considered public employees for the purpose of collective bargaining. The public employer for the purpose of bargaining is the Governor or the Governor's designee. If the exclusive bargaining representative for adult family home providers and the employer reach an impasse regarding mandatory subjects of bargaining, they are subject to mediation and binding interest arbitration requirements.

If the parties go to interest arbitration, the panel must consider:

- the constitutional and statutory authority of the employer;
- the stipulations of the parties;
- the cost of living;
- changes in circumstances during the pendency of the proceeding;
- factors that are normally or traditionally considered when determining wages, hours, and conditions of employment; and
- the financial ability of the state to pay for the compensation and benefit provisions of a collective bargaining agreement.

The decision of the panel is not binding on the Legislature. If the Legislature does not approve the funds necessary to implement an arbitrated collective bargaining agreement, the decision is not binding on the state.

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**Summary of Substitute Bill:**

If the exclusive bargaining representative for adult family home providers and the employer go to interest arbitration, the interest arbitration panel must also consider a:

- comparison of wages, hours, and conditions of employment of publicly reimbursed 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;
- comparison of wages, hours, and conditions of employment of direct care providers

- working for adult family home providers, with workers 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; and
- comparison of the wages of adult family home providers with the wages of direct care providers who work for adult family home providers.

The panel may also 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;
- the state's interest in promoting a stable long-term care workforce to provide quality and reliable care to vulnerable elderly and disabled recipients;
- the state's interest in ensuring access to affordable, quality health care for all state citizens; and
- the state's fiscal interest in reducing reliance upon public benefit programs including but not limited to medical coupons, food stamps, subsidized housing, and emergency medical services.

### **Substitute Bill Compared to Original Bill:**

The substitute bill adds additional factors that an interest arbitration panel must consider when arbitrating a collective bargaining dispute between adult family home providers and the state. The first factor requires a comparison of wages, hours, and conditions of employment of direct care providers who work in adult family homes with workers providing similar services to similar clients. The second factor requires a comparison of the wages of adult family home providers and the wages of direct care workers who work in adult family homes.

The substitute bill also removes a duplicative provision requiring that interest arbitration panels consider the state's ability to pay for the compensation and benefits provision in the collective bargaining agreement for adult family home providers.

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**Appropriation:** None.

**Fiscal Note:** Available.

**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.

### **Staff Summary of Public Testimony:**

(In support) Compensation rates for adult family home providers lag behind the rates for

other long-term care workers. Interest arbitration panels are required to compare salaries and benefits for individual providers with other workers. This will require the panels to do the same for adult family home providers. This will promote a stable long-term care workforce. This is about providing equitable pay and recognition. Meanwhile, need is growing as the population ages.

(Opposed) None.

**Persons Testifying:** Representative Shaun Scott, prime sponsor; Courtney Williams, The Adult Family Home Council; Dan Puravet, Owner- Bellevue Elderly Care; and Alyssa Arley, A2z Elite Services.

**Persons Signed In To Testify But Not Testifying:** None.