

SENATE BILL REPORT

SB 5503

As Reported by Senate Committee On:
Labor & Commerce, February 21, 2025

Title: An act relating to public employee collective bargaining processes.

Brief Description: Concerning public employee collective bargaining processes.

Sponsors: Senators Valdez, Alvarado, Bateman, Conway, Hasegawa, Nobles and Saldaña.

Brief History:

Committee Activity: Labor & Commerce: 2/11/25, 2/21/25 [DPS, DNP].

Brief Summary of First Substitute Bill

- Makes changes to Public Employment Relations Commission procedures related to representation petitions, hearings, and the merging of bargaining units under the Public Employees' Collective Bargaining Act.
- Prohibits public employers from requiring a worker to waive any federal or state statutory right to make a claim as a condition of settling a grievance under a collective bargaining agreement.

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: That Substitute Senate Bill No. 5503 be substituted therefor, and the substitute bill do pass.

Signed by Senators Saldaña, Chair; Conway, Vice Chair; Alvarado, Ramos and Stanford.

Minority Report: Do not pass.

Signed by Senators King, Ranking Member; MacEwen and Schoesler.

Staff: Jarrett Sacks (786-7448)

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: The Public Employment Relations Commission (PERC) administers and enforces most public sector collective bargaining laws in Washington. PERC issues decisions in representation, unfair labor practice, and unit clarification cases, and the commissioners hear appeals from these decisions.

State collective bargaining law establishes processes by which employees select, change, or remove a labor organization as their exclusive bargaining representative. To initiate one of these processes, a representation petition is filed with PERC. A petition for new organizing may be filed to form a new bargaining unit of unrepresented employees or to add unrepresented employees to an existing bargaining unit. Petitions must be filed with a showing of interest demonstrating at least 30 percent of the employees in the bargaining unit support the petition. If the showing of interest is sufficient, PERC conducts an election or a card check.

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. Under PECBA, if an employer and a bargaining representative disagree on the merger of two or more bargaining units, PERC must be invited to intervene to resolve the disagreement.

Summary of Bill (First Substitute): Representation Petitions. For new organizing petitions to form a new bargaining unit of unrepresented workers or add unrepresented workers to an existing bargaining unit, PERC must

require employers and employee organizations submit an offer of proof on challenged employees, either concurrent with the employer's submission of a list of employees, or at a date determined by PERC after a showing of interest.

If an employee organization files a petition to represent a unit of currently unrepresented employees, and PERC determines the petitioned-for unit is inappropriate, but that the bargaining unit would be appropriate if it included employees currently represented by another employee organization, PERC must determine whether the bargaining unit currently represented by the other employee organization is an appropriate bargaining unit and:

- dismiss the petition if PERC determines the bargaining unit represented by the other employee organization is appropriate; or
- determine the new bargaining unit and hold an election if PERC determines the bargaining unit represented by the other employee organization is inappropriate.

Public Employment Relations Commission Hearings. PERC or a presiding officer officer may:

- set a hearing date without consent from the involved parties so long as the involved parties may submit motions to move the hearing date; and
- draw an adverse inference from the refusal of a party to comply with subpoenas issued by PERC or the presiding officer.

Neither PERC nor the presiding officer may draw an adverse inference from a union's refusal to comply with a subpoena if the union is invoking union privilege. When union privilege is invoked, PERC or the presiding officer must conduct an in-camera review of the records.

Merger of Bargaining Units. Under PECBA, if a single organization is the exclusive bargaining representative for two or more units, upon petition by the employee organization, the units may be consolidated into a single larger unit if PERC considers the larger unit to be appropriate. A provision in PECBA stating that PERC must intervene when a public employer and a bargaining representative disagree on the merger of bargaining units is removed.

Waiver of Claims. Public employers are prohibited from requiring a worker to waive any federal or state statutory right to make a claim as a condition of settling a grievance under a collective bargaining agreement.

EFFECT OF CHANGES MADE BY LABOR & COMMERCE COMMITTEE (First Substitute):

- Removes the requirement that the PERC enforce a ten-day deadline for the employer to provide the required names and addresses of employees and the presumption that, if the deadline is not met, the employees have met the required showing of interest threshold.
- Adds references to presiding officers in the provisions relating to setting hearing dates and complying with subpoenas.

Appropriation: None.

Fiscal Note: Available.

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 on Original Bill: *The committee recommended a different version of the bill than what was heard.* PRO: Public employees are the state's backbone and PERC is essential to protecting their rights. The bill closes loopholes and improves efficiency by supporting more proactive compliance. The bill will ensure timely resolution of disputes. The average number of days to a hearing is the highest it has been. PERC cannot penalize parties for not complying with subpoenas and you have to go to court to enforce a subpoena. Public employers sometimes drag out processes and exploit loopholes to delay the process.

CON: The limitation on settlements will hamper settlements and timely resolution. Asking employees to to waive claims is a standard part of settlements. Hampering settlements would have a negative effect and hamper the justice system.

OTHER: PERC has several concerns with the bill. No one raised concerns with the process prior to session through regular channels. Several provisions give PERC authority it already has but has chosen not to use due to feedback from clientele. Even with having the most petitions filed in history, PERC still met its processing deadline goals.

Persons Testifying: PRO: Senator Javier Valdez, Prime Sponsor; Marta Peetz, SEIU Healthcare 1199NW; Samantha Grad, Teamsters 117.

CON: Candice Bock, Association of Washington Cities; Peter Altman, Summit Law Group, PLLC.

OTHER: Mike Sellars, Public Employment Relations Commission.

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