SUBSTITUTE SENATE BILL 6224

State of Washington			66th Legislature			2020 Regular Session			
Ву	Senate	e Labor	۶ ۵	Commerce	(origin	ally	sponsored	by	Senators
Love	lett,	Conway,	Hunt,	, Keiser,	Kuderer,	and	Stanford)		

AN ACT Relating to collective bargaining for administrative law judges and other employees that are exempt from state civil service; amending RCW 34.12.030 and 34.12.100; reenacting and amending RCW 41.80.005 and 41.80.010; adding a new section to chapter 41.80 RCW; creating a new section; and declaring an emergency.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. Sec. 1. The legislature finds that the independent adjudication services provided by administrative law judges of the 8 office of administrative hearings are crucial to the due process 9 10 rights of the citizens of this state and the just functioning of the 11 government. Administrative law judges of the office of administrative 12 hearings are exempt from civil service under RCW 34.12.030(5). These administrative law judges currently have no mechanism through which 13 to collectively bargain for salary increases. The legislature finds 14 15 the office of administrative hearings has experienced increased 16 difficulty recruiting and retaining administrative law judges due to 17 the disparity in wages paid to administrative law judges as compared 18 to similar public sector positions. This type of turnover is costly 19 to the office of administrative hearings, negatively impacts morale, 20 interferes with the ability of the office to develop a succession 21 plan, and ultimately harms the citizens of this state. Therefore, it

1 is the legislature's intent to empower these administrative law 2 judges to collectively bargain for fair wages that will foster job 3 satisfaction and the highest standards of professional competence 4 among administrative law judges.

5 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 41.80 6 RCW to read as follows:

7 (1) In addition to the agencies defined in RCW 41.80.005 and 8 subject to the provisions of this section, this chapter applies to 9 administrative law judges of the office of administrative hearings 10 appointed under RCW 34.12.030(1).

11 (2) Administrative law judges of the office of administrative 12 hearings who are not otherwise excluded from bargaining under 13 subsection (3) of this section are granted the right to collectively 14 bargain.

15 (3) The following administrative law judges of the office of 16 administrative hearings are excluded from this section and do not 17 have the right to collectively bargain:

(a) Administrative law judges in manager positions as defined in
 RCW 41.06.022, including deputy chief administrative law judges,
 division chief administrative law judges, and assistant chief
 administrative law judges;

(b) Administrative law judges serving on a contractual basis under RCW 34.12.030(2);

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(c) Confidential employees as defined in RCW 41.80.005; and

25 (d) Any administrative law judge who reports directly to the 26 chief administrative law judge.

(4) The only unit appropriate for the purpose of collective bargaining under this chapter is a statewide unit of all administrative law judges of the office of administrative hearings not otherwise excluded from bargaining.

31 Sec. 3. RCW 41.80.005 and 2019 c 234 s 1 and 2019 c 145 s 3 are 32 each reenacted and amended to read as follows:

33 Unless the context clearly requires otherwise, the definitions in 34 this section apply throughout this chapter.

35 (1) "Agency" means any agency as defined in RCW 41.06.020 and 36 covered by chapter 41.06 RCW. "Agency" also includes the assistant 37 attorneys general of the attorney general's office <u>and the</u> 38 <u>administrative law judges of the office of administrative hearings</u>, 1 regardless of whether those employees are exempt under chapter 41.06 2 RCW.

3 (2) "Collective bargaining" means the performance of the mutual 4 obligation of the representatives of the employer and the exclusive 5 bargaining representative to meet at reasonable times and to bargain 6 in good faith in an effort to reach agreement with respect to the 7 subjects of bargaining specified under RCW 41.80.020. The obligation 8 to bargain does not compel either party to agree to a proposal or to 9 make a concession, except as otherwise provided in this chapter.

10 (3) "Commission" means the public employment relations 11 commission.

(4) "Confidential employee" means an employee who, in the regular 12 course of his or her duties, assists in a confidential capacity 13 persons who formulate, determine, and effectuate management policies 14 with regard to labor relations or who, in the regular course of his 15 16 or her duties, has authorized access to information relating to the 17 effectuation or review of the employer's collective bargaining policies, or who assists or aids a manager. "Confidential employee" 18 19 also includes employees who assist assistant attorneys general who advise and represent managers or confidential employees in personnel 20 or labor relations matters, or who advise or represent the state in 21 22 tort actions.

23 (5) "Director" means the director of the public employment 24 relations commission.

(6) "Employee" means any employee, including employees whose work has ceased in connection with the pursuit of lawful activities protected by this chapter, covered by chapter 41.06 RCW. "Employee" includes assistant attorneys general of the office of the attorney general <u>and administrative law judges of the office of administrative</u> <u>hearings</u>, regardless of their exemption under chapter 41.06 RCW. "Employee" does not include:

32 (a) Employees covered for collective bargaining by chapter 41.5633 RCW;

- 34 (b) Confidential employees;
- 35 (c) Members of the Washington management service;

36 (d) Internal auditors in any agency; or

37 (e) Any employee of the commission, the office of financial 38 management, or the office of risk management within the department of 39 enterprise services.

1 (7) "Employee organization" means any organization, union, or 2 association in which employees participate and that exists for the 3 purpose, in whole or in part, of collective bargaining with 4 employers.

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(8) "Employer" means the state of Washington.

6 (9) "Exclusive bargaining representative" means any employee 7 organization that has been certified under this chapter as the 8 representative of the employees in an appropriate bargaining unit.

9 (10) "Institutions of higher education" means the University of 10 Washington, Washington State University, Central Washington 11 University, Eastern Washington University, Western Washington 12 University, The Evergreen State College, and the various state 13 community colleges.

(11) "Labor dispute" means any controversy concerning terms, tenure, or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment with respect to the subjects of bargaining provided in this chapter, regardless of whether the disputants stand in the proximate relation of employer and employee.

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(12) "Manager" means "manager" as defined in RCW 41.06.022.

22 (13) "Supervisor" means an employee who has authority, in the 23 interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, direct, reward, or discipline employees, 24 25 or to adjust employee grievances, or effectively to recommend such 26 action, if the exercise of the authority is not of a merely routine nature but requires the consistent exercise of individual judgment. 27 28 However, no employee who is a member of the Washington management 29 service may be included in a collective bargaining unit established under this section. 30

31 (14) "Unfair labor practice" means any unfair labor practice 32 listed in RCW 41.80.110.

33 (15) "Uniformed personnel" means duly sworn police officers 34 employed as members of a police force established pursuant to RCW 35 28B.10.550.

36 Sec. 4. RCW 41.80.010 and 2019 c 415 s 961 and 2019 c 145 s 4 37 are each reenacted and amended to read as follows:

38 (1) For the purpose of negotiating collective bargaining 39 agreements under this chapter, the employer shall be represented by

1 the governor or governor's designee, except as provided for 2 institutions of higher education in subsection (4) of this section.

3 (2)(a)(i) Except as otherwise provided, if an exclusive bargaining representative represents more than one bargaining unit, 4 the exclusive bargaining representative shall negotiate with each 5 6 employer representative as designated in subsection (1) of this section one master collective bargaining agreement on behalf of all 7 the employees in bargaining units that the exclusive bargaining 8 representative represents. 9

10 (ii) For those exclusive bargaining representatives who represent fewer than a total of five hundred employees each, negotiation shall 11 12 be by a coalition of all those exclusive bargaining representatives. The coalition shall bargain for a master collective bargaining 13 agreement covering all of the employees represented by the coalition. 14 15 The governor's designee and the exclusive bargaining representative 16 representatives are authorized to enter into supplemental or 17 bargaining of agency-specific issues for inclusion in or as an addendum to the master collective bargaining agreement, subject to 18 19 the parties' agreement regarding the issues and procedures for supplemental bargaining. Exclusive bargaining representatives that 20 represent employees covered under chapter 41.06 RCW and exclusive 21 bargaining representatives that represent employees exempt under 22 23 chapter 41.06 RCW shall constitute separate coalitions and must negotiate separate master collective bargaining agreements. This 24 25 ((section)) subsection does not prohibit cooperation and coordination 26 of bargaining between two or more exclusive bargaining 27 representatives.

(b) This subsection (((2))) does not apply to exclusive bargaining representatives who represent employees of institutions of higher education, except when the institution of higher education has elected to exercise its option under subsection (4) of this section to have its negotiations conducted by the governor or governor's designee under the procedures provided for general government agencies in subsections (1) through (3) of this section.

35 (c) If five hundred or more employees of an independent state 36 elected official listed in RCW 43.01.010 are organized in a 37 bargaining unit or bargaining units under RCW 41.80.070, the official 38 shall be consulted by the governor or the governor's designee before 39 any agreement is reached under (a) of this subsection concerning

supplemental bargaining of agency specific issues affecting the
 employees in such bargaining unit.

3 (d) For assistant attorneys general, the governor or the 4 governor's designee and an exclusive bargaining representative shall 5 negotiate one master collective bargaining agreement.

6 (3) The governor shall submit a request for funds necessary to 7 implement the compensation and fringe benefit provisions in the 8 master collective bargaining agreement or for legislation necessary 9 to implement the agreement. Requests for funds necessary to implement 10 the provisions of bargaining agreements shall not be submitted to the 11 legislature by the governor unless such requests:

12 (a) Have been submitted to the director of the office of 13 financial management by October 1 prior to the legislative session at 14 which the requests are to be considered; and

15 (b) Have been certified by the director of the office of 16 financial management as being feasible financially for the state.

The legislature shall approve or reject the submission of the 17 request for funds as a whole. The legislature shall not consider a 18 19 request for funds to implement a collective bargaining agreement unless the request is transmitted to the legislature as part of the 20 21 governor's budget document submitted under RCW 43.88.030 and 43.88.060. If the legislature rejects or fails to act on the 22 23 submission, either party may reopen all or part of the agreement or the exclusive bargaining representative may seek to implement the 24 25 procedures provided for in RCW 41.80.090.

26 (4)(a)(i) For the purpose of negotiating agreements for 27 institutions of higher education, the employer shall be the 28 respective governing board of each of the universities, colleges, or 29 community colleges or a designee chosen by the board to negotiate on 30 its behalf.

(ii) A governing board of a university or college may elect to have its negotiations conducted by the governor or governor's designee under the procedures provided for general government agencies in subsections (1) through (3) of this section, except that:

35 (A) The governor or the governor's designee and an exclusive 36 bargaining representative shall negotiate one master collective 37 bargaining agreement for all of the bargaining units of employees of 38 a university or college that the representative represents; or

(B) If the parties mutually agree, the governor or the governor'sdesignee and an exclusive bargaining representative shall negotiate

one master collective bargaining agreement for all of the bargaining units of employees of more than one university or college that the representative represents.

4 (iii) A governing board of a community college may elect to have
5 its negotiations conducted by the governor or governor's designee
6 under the procedures provided for general government agencies in
7 subsections (1) through (3) of this section.

8 (b) Prior to entering into negotiations under this chapter, the 9 institutions of higher education or their designees shall consult 10 with the director of the office of financial management regarding 11 financial and budgetary issues that are likely to arise in the 12 impending negotiations.

(c)(i) In the case of bargaining agreements reached between 13 institutions of higher education other than the University of 14 Washington and exclusive bargaining representatives agreed to under 15 the provisions of this chapter, if appropriations are necessary to 16 17 implement the compensation and fringe benefit provisions of the 18 bargaining agreements, the governor shall submit a request for such funds to the legislature according to the provisions of subsection 19 (3) of this section, except as provided in (c)(iii) of this 20 21 subsection.

(ii) In the case of bargaining agreements reached between the 22 23 University of Washington and exclusive bargaining representatives agreed to under the provisions of this chapter, if appropriations are 24 25 necessary to implement the compensation and fringe benefit provisions of a bargaining agreement, the governor shall submit a request for 26 27 such funds to the legislature according to the provisions of 28 subsection (3) of this section, except as provided in this subsection (4) (c) (ii) and as provided in (c) (iii) of this subsection. 29

30 (A) If appropriations of less than ten thousand dollars are 31 necessary to implement the provisions of a bargaining agreement, a 32 request for such funds shall not be submitted to the legislature by 33 the governor unless the request has been submitted to the director of 34 the office of financial management by October 1 prior to the 35 legislative session at which the request is to be considered.

36 (B) If appropriations of ten thousand dollars or more are 37 necessary to implement the provisions of a bargaining agreement, a 38 request for such funds shall not be submitted to the legislature by 39 the governor unless the request:

(I) Has been submitted to the director of the office of financial
 management by October 1 prior to the legislative session at which the
 request is to be considered; and

4 (II) Has been certified by the director of the office of 5 financial management as being feasible financially for the state.

6 (C) If the director of the office of financial management does not certify a request under (c)(ii)(B) of this subsection as being 7 feasible financially for the state, the parties shall enter into 8 collective bargaining solely for the purpose of reaching a mutually 9 agreed upon modification of the agreement necessary to address the 10 absence of those requested funds. The legislature may act upon the 11 12 compensation and fringe benefit provisions of the modified collective bargaining agreement if those provisions are agreed upon and 13 submitted to the office of financial management and legislative 14 15 budget committees before final legislative action on the biennial or 16 supplemental operating budget by the sitting legislature.

17 (iii) In the case of a bargaining unit of employees of institutions of higher education in which the exclusive bargaining 18 representative is certified during or after the conclusion of a 19 legislative session, the legislature may act upon the compensation 20 and fringe benefit provisions of the unit's initial collective 21 22 bargaining agreement if those provisions are agreed upon and 23 submitted to the office of financial management and legislative budget committees before final legislative action on the biennial or 24 25 supplemental operating budget by the sitting legislature.

(5) If, after the compensation and fringe 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.

32 (6) After the expiration date of a collective bargaining 33 agreement negotiated under this chapter, all of the terms and 34 conditions specified in the collective bargaining agreement remain in 35 effect until the effective date of a subsequently negotiated 36 agreement, not to exceed one year from the expiration date stated in 37 the agreement. Thereafter, the employer may unilaterally implement 38 according to law.

39 (7) (a) For the 2019-2021 fiscal biennium, the legislature may 40 approve funding for a collective bargaining agreement negotiated by a

higher education institution and the Washington federation of state employees and ratified by the exclusive bargaining representative before final legislative action on the omnibus appropriations act by the sitting legislature.

5 (b) Subsection (3)(a) and (b) of this section do not apply to 6 requests for funding made pursuant to this subsection.

7 Sec. 5. RCW 34.12.030 and 1981 c 67 s 3 are each amended to read 8 as follows:

9 The chief administrative law judge (1)shall appoint 10 administrative law judges to fulfill the duties prescribed in this 11 chapter. All administrative law judges shall have a demonstrated knowledge of administrative law and procedures. 12 The chief 13 administrative law judge may establish different levels of administrative law judge positions. 14

15 (2) The chief administrative law judge may also contract with 16 qualified individuals to serve as administrative law judges for 17 specified hearings. Such individuals shall be compensated for their 18 services on a contractual basis for each hearing, in accordance with 19 chapter 43.88 RCW. The chief administrative law judge may not 20 contract with any individual who is at that time an employee of the 21 state.

(3) The chief administrative law judge may appoint such clerical and other specialized or technical personnel as may be necessary to carry on the work of this chapter.

25 (4) ((The)) Subject to any collective bargaining agreement, the administrative law judges appointed under subsection (1) of this 26 27 section are subject to discipline and termination, for cause, by the 28 chief administrative law judge. Upon written request by the person so disciplined or terminated, the chief administrative law judge shall 29 30 forthwith put the reasons for such action in writing. The person 31 affected has a right of review by the superior court of Thurston 32 county on petition for reinstatement or other remedy filed within thirty days of receipt of such written reasons. 33

34 (5) All employees of the office except the chief administrative 35 law judge and the administrative law judges are subject to chapter 36 41.06 RCW.

37 (6) <u>Administrative law judges appointed under subsection (1) of</u>
 38 <u>this section have the right to collectively bargain under chapter</u>
 39 <u>41.80 RCW, regardless of their exemption from chapter 41.06 RCW.</u>

1 <u>(7)</u> The office may adopt rules for its own operation and in 2 furtherance of this chapter in accordance with chapter 34.05 RCW.

3 Sec. 6. RCW 34.12.100 and 2015 3rd sp.s. c 1 s 310 are each 4 amended to read as follows:

5 The chief administrative law judge shall be paid a salary fixed 6 by the governor after recommendation of the director of financial 7 management. ((The)) <u>Subject to any collective bargaining agreement</u>, 8 <u>the</u> salaries of administrative law judges appointed under the terms 9 of this chapter shall be determined by the chief administrative law 10 judge after recommendation of the director of financial management.

11 <u>NEW SECTION.</u> Sec. 7. This act is necessary for the immediate 12 preservation of the public peace, health, or safety, or support of 13 the state government and its existing public institutions, and takes 14 effect immediately.

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