

Multiple Agency Fiscal Note Summary

| | |
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| Bill Number: 2212 HB | Title: Providing department of fish and wildlife officers interest arbitration under certain circumstances. |
|-----------------------------|--|

Estimated Cash Receipts

NONE

Estimated Operating Expenditures

| Agency Name | 2019-21 | | | 2021-23 | | | 2023-25 | | |
|--|------------|----------------|----------------|------------|----------------|----------------|------------|----------------|----------------|
| | FTEs | GF-State | Total | FTEs | GF-State | Total | FTEs | GF-State | Total |
| Office of Financial Management | .5 | 0 | 0 | 1.0 | 0 | 0 | 1.0 | 0 | 0 |
| Public Employment Relations Commission | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Department of Fish and Wildlife | .0 | 464,000 | 464,000 | .0 | 688,000 | 688,000 | .0 | 688,000 | 688,000 |
| Total \$ | 0.5 | 464,000 | 464,000 | 1.0 | 688,000 | 688,000 | 1.0 | 688,000 | 688,000 |

Estimated Capital Budget Expenditures

| Agency Name | 2019-21 | | | 2021-23 | | | 2023-25 | | |
|--|------------|----------|----------|------------|----------|----------|------------|----------|----------|
| | FTEs | Bonds | Total | FTEs | Bonds | Total | FTEs | Bonds | Total |
| Office of Financial Management | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Public Employment Relations Commission | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Department of Fish and Wildlife | .0 | 0 | 0 | .0 | 0 | 0 | .0 | 0 | 0 |
| Total \$ | 0.0 | 0 | 0 | 0.0 | 0 | 0 | 0.0 | 0 | 0 |

Estimated Capital Budget Breakout

NONE

| | | |
|--|---------------------------------|---|
| Prepared by: Leslie Connelly, OFM | Phone: (360) 902-0543 | Date Published: Final 1/15/2020 |
|--|---------------------------------|---|

Individual State Agency Fiscal Note

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|-----------------------------|--|---|
| Bill Number: 2212 HB | Title: Providing department of fish and wildlife officers interest arbitration under certain circumstances. | Agency: 105-Office of Financial Management |
|-----------------------------|--|---|

Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

| | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|-----------------|---------|---------|---------|---------|---------|
| FTE Staff Years | 0.0 | 1.0 | 0.5 | 1.0 | 1.0 |
| Account | | | | | |
| | | | | | |
| Total \$ | | | | | |

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

| | | |
|-----------------------------------|-----------------------|------------------|
| Legislative Contact: Trudes Tango | Phone: 360-786-7384 | Date: 01/08/2020 |
| Agency Preparation: Jim Jenkins | Phone: 360-902-0403 | Date: 01/08/2020 |
| Agency Approval: Aaron Butcher | Phone: 360-902-0406 | Date: 01/08/2020 |
| OFM Review: Bryan Way | Phone: (360) 902-0650 | Date: 01/09/2020 |

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

This bill amends RCW 41.80.340, RCW 41.80.005 and RCW 41.80.010.

Within RCW 41.80.005, Sec. 1 (15) (b) adds fish and wildlife officers as defined in RCW 77.08.010 (EW) who range below captain.

Within RCW 41.80.010, Sec. 2. (2) (e) does not allow the uniformed personnel to be excluded from the coalition bargaining for a master agreement. It does allow the exclusive bargaining representative to enter into separate bargaining with the employer subject to the provisions in RCW 41.80.310 through 41.80.370. Agency-specific issues are limited to those specified in RCW 41.80.020 and include but are not limited to rates of pay and other compensation.

The represented uniformed personnel within the Department of Fish and Wildlife are represented by two different bargaining representatives. The officers and detectives are separate from the sergeants. As a result, two separate bargaining sessions for agency-specific issues and interest arbitration hearings would be held.

Within RCW 41.80.340 Sec. 3. (3) provides the comparators for consideration by the arbitration panel to include the comparison of hours and conditions of employment is with like personnel of like employers, agencies, or departments, of similar size in the state of Washington.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

State Human Resources Section:

Enterprise Classification and Compensation and HR Analytics Section (ECCHRA)-

ECCHRA will require a 0.5 FTE, Compensation and Policy Analyst, at \$110,412 plus benefits and miscellaneous goods and services associated with a position, to perform the following functions:

- Query a complex Compensation Impact Model or create manual models that will measure the fiscal impacts of labor and management proposals;
- Prepare fiscal exhibits;
- Provide expert testimony in the interest arbitration hearings;
- Provide summary documents to the Office of Financial Management (OFM) director for a financial feasibility determination;
- Prepare budget language;
- Direct system changes in the compensation related IT systems; and
- Resolve implementation issues.

Labor Relations Section (LRS)-

LRS will require a 0.5 FTE, Labor Negotiator, at an annual salary of \$112,608 plus benefits and miscellaneous goods and services associated with a position, to perform the following functions:

- Administer collective bargaining agreement, dispute resolution, interim negotiations related to changes to mandatory subjects;
- Represent the Governor in labor negotiations;
- Provide contract interpretation advice to agencies; and
- Provide training to agencies on collective bargaining agreements and changes.

Staffing resource requirements will be reimbursed by the department of fish and wildlife through an interagency agreement.

Contract dollar resource requirements for DFW-

- \$70,000 for a biennial salary survey. The bill requires a different set of factors for consideration by the arbitrator than we currently survey for general government. Therefore, a separate salary survey would need to be conducted for these job classifications for use in collective bargaining and any potential interest arbitration proceedings. OFM will manage this contract and be reimbursed for the salary survey contract expenditures, by the department of fish and wildlife, through an interagency agreement.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

| | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|--------------------------------------|---------|-----------|-----------|-----------|-----------|
| FTE Staff Years | | 1.0 | 0.5 | 1.0 | 1.0 |
| A-Salaries and Wages | | 114,861 | 114,861 | 229,722 | 229,722 |
| B-Employee Benefits | | 36,168 | 36,168 | 72,336 | 72,336 |
| C-Professional Service Contracts | | 70,000 | 70,000 | 70,000 | 70,000 |
| E-Goods and Other Services | | 24,000 | 24,000 | 48,000 | 48,000 |
| G-Travel | | 2,400 | 2,400 | 4,800 | 4,800 |
| J-Capital Outlays | | 5,000 | 5,000 | | |
| M-Inter Agency/Fund Transfers | | | | | |
| N-Grants, Benefits & Client Services | | | | | |
| P-Debt Service | | | | | |
| S-Interagency Reimbursements | | (252,429) | (252,429) | (424,858) | (424,858) |
| T-Intra-Agency Reimbursements | | | | | |
| 9- | | | | | |
| Total \$ | 0 | 0 | 0 | 0 | 0 |

III. C - Operating FTE Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

| Job Classification | Salary | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|-------------------------------|---------|---------|---------|---------|---------|---------|
| Compensation & Policy Analyst | 110,412 | | 0.5 | 0.3 | 0.5 | 0.5 |
| Labor Negotiator | 112,608 | | 0.5 | 0.3 | 0.5 | 0.5 |
| Total FTEs | | | 1.0 | 0.5 | 1.0 | 1.0 |

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

| | | |
|-----------------------------|--|---|
| Bill Number: 2212 HB | Title: Providing department of fish and wildlife officers interest arbitration under certain circumstances. | Agency: 275-Public Employment Relations Commission |
|-----------------------------|--|---|

Part I: Estimates

☒ **No Fiscal Impact**

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

NONE

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

| | | |
|--------------------------------------|-----------------------|------------------|
| Legislative Contact: Trudes Tango | Phone: 360-786-7384 | Date: 01/08/2020 |
| Agency Preparation: Dario de la Rosa | Phone: 360-570-7328 | Date: 01/13/2020 |
| Agency Approval: Dario de la Rosa | Phone: 360-570-7328 | Date: 01/13/2020 |
| OFM Review: Bryan Way | Phone: (360) 902-0650 | Date: 01/13/2020 |

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Interest Arbitration for Uniformed Personnel

Interest arbitration is an impasse resolution process where a public employer and labor organization who are negotiating a collective bargaining agreement ask a neutral arbitrator to decide any unresolved mandatory terms and conditions of employment that the parties discussed but could not agree on during negotiations. Prior to arbitration, the employer and labor organization must request and utilize the Public Employment Relations Commission's (PERC) mediation services. If mediation does not successfully resolve the areas of disagreement, PERC's executive director, in consultation with the mediator, certifies the issues to be considered by the arbitrator.

In Washington State, uniformed employees, such as police officers (including the commissioned officers of the Washington State Patrol), firefighters, corrections officers in certain counties, and employees of the Washington State Department of Corrections are entitled to use interest arbitration as a process for dispute resolution.

For uniformed employees of cities and counties (including the commissioned officers of the Washington State Patrol), the interest arbitration statutes for uniformed employees are currently found in the Public Employees' Collective Bargaining Act, Chapter 41.56 RCW. For employees of the Washington State Department of Corrections, the interest arbitration statutes are found in RCW 41.80.310 through .370, which were enacted in 2019. PERC rules and precedents require that employees eligible for interest arbitration be included in their own bargaining units due to the impasse resolution process.

Negotiations for State Civil Service Employees

RCW 41.80.010 sets forth the bargaining process between the state of Washington and the unions who represent state civil service employees. If a union represents less than a total of 500 employees, negotiations between the state and the union shall be with a coalition of all unions who represent less than a total of 500 employees.

Fact Finding

If an employer and union do not reach an agreement for a contract through negotiations and mediation, they can request an impartial fact-finder from the PERC staff or a dispute resolution panel member to issue a nonbinding written recommendation for the contract's terms and conditions. Fact finding is available for state civil service employees who enjoy collective bargaining rights under Chapter 41.80 RCW.

Department of Fish and Wildlife

The Washington State Department of Fish and Wildlife (DFW) manages, preserves, and protects the state's fish and wildlife resources. DFW employs fish and wildlife officers below the rank of captain who are appointed and commissioned by the director of DFW. There are two bargaining units of DFW commissioned officers who fit this category:

- A nonsupervisory bargaining unit of fish and wildlife officers and detectives.
- A bargaining unit of fish and wildlife sergeants.

The DFW officers, detectives, and sergeants currently have fact finding available to them as an alternative impasse resolution process. The union who represents these bargaining units represents less than a total of 500 employees and conducts negotiations through the coalition.

HB 2212 grants the DFW officers, detectives, and sergeants interest arbitration rights under Chapter 41.80 RCW. HB 2212 also allows the unions representing the DFW officers, detectives, and sergeants the option of requesting separate negotiations over agency-specific subjects of bargaining, such as rates of pay and other compensation.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Because HB 2212 grants statutory interest arbitration rights to employees who have not traditionally enjoyed statutory interest arbitration rights, workload will be driven by the complexity of negotiations. PERC anticipates an increase in caseload for the employees subject to this bill, including:

- mediation cases to assist the parties in resolving mandatory subjects of bargaining; and
- unfair labor practice cases to determine if a subject of bargaining is mandatory in nature and, therefore, a subject that can be submitted to an interest arbitrator for resolution.

PERC anticipates that it can absorb these new duties without additional funding.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

NONE

III. B - Expenditures by Object Or Purpose

NONE

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required

Individual State Agency Fiscal Note

| | | |
|-----------------------------|--|--|
| Bill Number: 2212 HB | Title: Providing department of fish and wildlife officers interest arbitration under certain circumstances. | Agency: 477-Department of Fish and Wildlife |
|-----------------------------|--|--|

Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

| | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|--------------------------|---------|---------|---------|---------|---------|
| Account | | | | | |
| General Fund-State 001-1 | 0 | 464,000 | 464,000 | 688,000 | 688,000 |
| Total \$ | 0 | 464,000 | 464,000 | 688,000 | 688,000 |

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☐ Requires new rule making, complete Part V.

| | | |
|-----------------------------------|-----------------------|------------------|
| Legislative Contact: Trudes Tango | Phone: 360-786-7384 | Date: 01/08/2020 |
| Agency Preparation: Aaron Dumas | Phone: 3609022528 | Date: 01/13/2020 |
| Agency Approval: Brandon Bean | Phone: 360-480-6670 | Date: 01/13/2020 |
| OFM Review: Leslie Connolly | Phone: (360) 902-0543 | Date: 01/15/2020 |

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

Section 1 defines “uniformed personnel” as a fish and wildlife officer below the rank of captain.

Section 2 allows the Department uniformed personnel the choice to enter into separate bargaining with WDFW regarding agency-specific issues and be subject to RCW 41.80.310 through RCW 41.80.370 with the interest arbitration panel.

Section 3 limits the panel to compare the Department officers to personnel of like employers, agencies, or departments, of similar size only in the State of Washington.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

The Department assumes that WDFW uniformed personnel will enter separate bargaining with the interest arbitration panel each biennium. This will require the Department to enter into a contract with two third-party arbiters who will then pick a third arbiter, the Department is responsible for half of the cost of each arbiter. Currently, WDFW uniformed personnel operate within two separate bargaining units.

In consultation with other like-agencies, each arbiter costs \$400 per hour. These arbiters will arbitrate every other fiscal year for ten days at eight hours per day, for each separate bargaining unit. The total costs for the third-party arbiters equals \$103,800 (3 arbiters * 10 days * \$400 per hour * 8 days * 2 bargaining units * 50% cost share = \$96,000 + travel costs of \$7,800) every other fiscal year beginning FY 2021 and is represented in Object C.

Additionally, captured in Object C is amount required to enter into an interagency agreement with the Office of Financial Management (OFM), the details for this expenditure is captured in OFM’s fiscal note. The total cost for the interagency agreement is \$252,429 in FY 2021 and \$424,858 each biennium thereafter.

An infrastructure and administrative program support rate of 30.29 percent is included in Object T, and is calculated based on WDFW’s federally-approved indirect rate.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

| Account | Account Title | Type | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|----------|---------------|-------|---------|---------|---------|---------|---------|
| 001-1 | General Fund | State | 0 | 464,000 | 464,000 | 688,000 | 688,000 |
| Total \$ | | | 0 | 464,000 | 464,000 | 688,000 | 688,000 |

III. B - Expenditures by Object Or Purpose

| | FY 2020 | FY 2021 | 2019-21 | 2021-23 | 2023-25 |
|--------------------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years | | | | | |
| A-Salaries and Wages | | | | | |
| B-Employee Benefits | | | | | |
| C-Professional Service Contracts | | 356,000 | 356,000 | 528,000 | 528,000 |
| E-Goods and Other Services | | | | | |
| G-Travel | | | | | |
| J-Capital Outlays | | | | | |
| M-Inter Agency/Fund Transfers | | | | | |
| N-Grants, Benefits & Client Services | | | | | |
| P-Debt Service | | | | | |
| S-Interagency Reimbursements | | | | | |
| T-Intra-Agency Reimbursements | | 108,000 | 108,000 | 160,000 | 160,000 |
| 9- | | | | | |
| Total \$ | 0 | 464,000 | 464,000 | 688,000 | 688,000 |

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

Part V: New Rule Making Required