

# Multiple Agency Fiscal Note Summary

<b>Bill Number:</b> 1069 HB	<b>Title:</b> Supp. retirement bargaining
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## Estimated Cash Receipts

NONE

## Estimated Operating Expenditures

Agency Name	2025-27				2027-29				2029-31			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of Financial Management	.0	0	0	0	.0	0	0	0	.0	0	0	0
Department of Retirement Systems	.0	0	0	0	.0	0	0	0	.0	0	0	0
Public Employment Relations Commission	.0	0	0	0	.0	0	0	0	.0	0	0	0
Total \$	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

## Estimated Capital Budget Expenditures

Agency Name	2025-27			2027-29			2029-31		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of Financial Management	.0	0	0	.0	0	0	.0	0	0
Department of Retirement Systems	.0	0	0	.0	0	0	.0	0	0
Public Employment Relations Commission	.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

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**Phone:**  
(360) 790-1166

**Date Published:**  
Final 1/16/2025

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1069 HB	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 105-Office of Financial Management
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## 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: Benjamin McCarthy	Phone: 360-786-7100	Date: 01/10/2025
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 01/13/2025
Agency Approval: Jamie Langford	Phone: 360-902-0422	Date: 01/13/2025
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 01/16/2025

## Part II: Narrative Explanation

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

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

This bill amends RCW 41.80.040, permitting bargaining over supplemental benefits administered by, or on behalf of, an employee organization. Supplemental benefits include retirement plans, retirement benefits, and medical plans.

Currently, bargaining over retirement plans, retirement benefits, and health care benefits are prohibited subjects of bargaining. This bill amends the statute by clarifying only those retirement benefits administered by the Department of Retirement Systems are excluded from bargaining. A new section is added that enables bargaining over contributions for supplemental retirement benefits that are administered by or on behalf of an employee organization, including medical plan

RCW 41.80.020, scope of bargaining, is not amended within this bill. The absence of this may create a conflict as RCW 41.80.020 (2) prescribes the employer is not required to bargain over matters pertaining to (a) health care or other employee insurance benefits and (b) any retirement system or retirement benefit.

During subsequent collective bargaining proceedings, OFM State Human Resources (SHR) staff will potentially bargain over supplemental benefits (retirement/medical) that are administered by, or on behalf of, an employee organization.

Impacts to staff include:

- Negotiators bargaining over supplemental benefits, potentially expanding on the number of bargaining proposals.
- Compensation policy analysts providing fiscal modeling on bargaining proposals related to supplemental benefits.
- Labor relations assistants providing support required due to additional bargaining proposals and modifications to existing collective bargaining agreements.

The additional workload required of SHR staff can be absorbed within existing resources. Therefore, there is no fiscal impact to OFM.

### II. B - Cash receipts Impact

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

### II. C - Expenditures

*Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.*

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

NONE

### III. B - Expenditures by Object Or Purpose

NONE

**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals 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**

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE

**IV. D - Capital FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

**Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1069 HB	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 124-Department of Retirement Systems
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## 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: Benjamin McCarthy	Phone: 360-786-7100	Date: 01/10/2025
Agency Preparation: Mike Ricchio	Phone: 360-664-7227	Date: 01/10/2025
Agency Approval: Tracy Guerin	Phone: 360-664-7312	Date: 01/10/2025
OFM Review: Marcus Ehrlander	Phone: (360) 489-4327	Date: 01/13/2025

## Part II: Narrative Explanation

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

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

- Sec. 1(1)(e) clarifies that public employers shall not bargain over retirement plans and retirement benefits administered by the Department of Retirement Systems (DRS).
- Sec. 1(2) provides public employers with the ability to bargain over contributions for supplemental retirement benefits administered by, or on behalf of, an employee organization, including medical plans.

The language added by Sec. 1(2) will not have a fiscal impact on DRS because the language in Sec. 1(1)(e) excludes the benefits DRS administers.

### II. B - Cash receipts Impact

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

### II. C - Expenditures

*Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.*

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

NONE

### III. B - Expenditures by Object Or Purpose

NONE

**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals 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

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE

**IV. D - Capital FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

## **Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*

# Individual State Agency Fiscal Note

<b>Bill Number:</b> 1069 HB	<b>Title:</b> Supp. retirement bargaining	<b>Agency:</b> 275-Public Employment Relations Commission
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## 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: Benjamin McCarthy	Phone: 360-786-7100	Date: 01/10/2025
Agency Preparation: Dario de la Rosa	Phone: 360-570-7328	Date: 01/10/2025
Agency Approval: Dario de la Rosa	Phone: 360-570-7328	Date: 01/10/2025
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 01/16/2025

## Part II: Narrative Explanation

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

*Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.*

Civil Service employees working for state agencies and institutions of higher education enjoy collective bargaining rights under chapter 41.80 RCW. If the civil service employees at an agency or higher education institution form a union for purposes of collective bargaining, the employer is obligated to meet at reasonable times with the employees' exclusive bargaining representative and bargain in good faith to reach agreement with respect to the matters deemed mandatory subjects of bargaining, such as wages, hours, and terms and conditions of employment. The Public Employment Relations Commission (PERC) assists the parties in resolving disputes concerning mandatory subjects of bargaining through mediation or adjudication.

Under a traditionally labor law analysis, retirement benefits are considered wages and are therefore mandatory subject of bargaining. For example, employees working for cities, counties, and other municipal corporations in Washington State are not prohibited from bargaining over retirement plans and benefits. When the legislature passed chapter 41.80 RCW in 2002, "retirement plans and retirement benefits" were specifically listed as management rights and the state of Washington was under no obligation to bargain either retirement plans or retirement benefits with their civil service employees.

House Bill 1069 amends chapter 41.80 RCW to allow for bargaining over contributions for supplemental retirement benefits administered by, or on behalf of, an employee organization, including medical plans. PERC does not anticipate a significant increase in caseload because of HB 1069 and the provisions of HB 1069 can be implemented without additional funding.

### II. B - Cash receipts Impact

*Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.*

### II. C - Expenditures

*Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.*

## Part III: Expenditure Detail

### III. A - Operating Budget Expenditures

NONE

### III. B - Expenditures by Object Or Purpose

NONE

**III. C - Operating FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals 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**

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE

**IV. D - Capital FTE Detail:** *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

**Part V: New Rule Making Required**

*Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.*