

# Multiple Agency Fiscal Note Summary

|                             |                                    |
|-----------------------------|------------------------------------|
| <b>Bill Number:</b> 1141 HB | <b>Title:</b> Ag. cannabis workers |
|-----------------------------|------------------------------------|

## Estimated Cash Receipts

NONE

| Agency Name         | 2025-27          |       | 2027-29   |       | 2029-31   |       |
|---------------------|------------------|-------|-----------|-------|-----------|-------|
|                     | GF- State        | Total | GF- State | Total | GF- State | Total |
| Local Gov. Courts   | No fiscal impact |       |           |       |           |       |
| Loc School dist-SPI |                  |       |           |       |           |       |
| Local Gov. Other    |                  |       |           |       |           |       |
| Local Gov. Total    |                  |       |           |       |           |       |

## 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          |
| Administrative Office of the Courts    | .0                        | 0              | 0              | 0              | .0         | 0              | 0              | 0              | .0         | 0              | 0              | 0              |
| Office of Financial Management         | Fiscal note not available |                |                |                |            |                |                |                |            |                |                |                |
| Public Employment Relations Commission | .6                        | 217,280        | 217,280        | 217,280        | .6         | 197,280        | 197,280        | 197,280        | .6         | 197,280        | 197,280        | 197,280        |
| <b>Total \$</b>                        | <b>0.6</b>                | <b>217,280</b> | <b>217,280</b> | <b>217,280</b> | <b>0.6</b> | <b>197,280</b> | <b>197,280</b> | <b>197,280</b> | <b>0.6</b> | <b>197,280</b> | <b>197,280</b> | <b>197,280</b> |

| Agency Name         | 2025-27          |          |       | 2027-29 |          |       | 2029-31 |          |       |
|---------------------|------------------|----------|-------|---------|----------|-------|---------|----------|-------|
|                     | FTEs             | GF-State | Total | FTEs    | GF-State | Total | FTEs    | GF-State | Total |
| Local Gov. Courts   | No fiscal impact |          |       |         |          |       |         |          |       |
| Loc School dist-SPI |                  |          |       |         |          |       |         |          |       |
| Local Gov. Other    |                  |          |       |         |          |       |         |          |       |
| Local Gov. Total    |                  |          |       |         |          |       |         |          |       |

## Estimated Capital Budget Expenditures

| Agency Name                            | 2025-27                   |          |          | 2027-29    |          |          | 2029-31    |          |          |
|--|---------------------------|----------|----------|------------|----------|----------|------------|----------|----------|
|  | FTEs                      | Bonds    | Total    | FTEs       | Bonds    | Total    | FTEs       | Bonds    | Total    |
| Administrative Office of the Courts    | .0                        | 0        | 0        | .0         | 0        | 0        | .0         | 0        | 0        |
| Office of Financial Management         | Fiscal note not available |          |          |            |          |          |            |          |          |
| Public Employment Relations Commission | .0                        | 0        | 0        | .0         | 0        | 0        | .0         | 0        | 0        |
| <b>Total \$</b>                        | <b>0.0</b>                | <b>0</b> | <b>0</b> | <b>0.0</b> | <b>0</b> | <b>0</b> | <b>0.0</b> | <b>0</b> | <b>0</b> |

| Agency Name         | 2025-27          |          |       | 2027-29 |          |       | 2029-31 |          |       |
|---------------------|------------------|----------|-------|---------|----------|-------|---------|----------|-------|
|                     | FTEs             | GF-State | Total | FTEs    | GF-State | Total | FTEs    | GF-State | Total |
| Local Gov. Courts   | No fiscal impact |          |       |         |          |       |         |          |       |
| Loc School dist-SPI |                  |          |       |         |          |       |         |          |       |
| Local Gov. Other    |                  |          |       |         |          |       |         |          |       |
| Local Gov. Total    |                  |          |       |         |          |       |         |          |       |

## Estimated Capital Budget Breakout

|                                      |                                 |   |
|--------------------------------------|---------------------------------|---|
| <b>Prepared by:</b> Gwen Stamey, OFM | <b>Phone:</b><br>(360) 790-1166 | <b>Date Published:</b><br>Preliminary 1/17/2025 |
|--------------------------------------|---------------------------------|---|

# Judicial Impact Fiscal Note

|                             |                                    |  |
|-----------------------------|------------------------------------|--|
| <b>Bill Number:</b> 1141 HB | <b>Title:</b> Ag. cannabis workers | <b>Agency:</b> 055-Administrative Office of the Courts |
|-----------------------------|------------------------------------|--|

## Part I: Estimates

**No Fiscal Impact**

**Estimated Cash Receipts to:**

NONE

**Estimated Expenditures from:**

NONE

**Estimated Capital Budget Impact:**

NONE

*The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.*

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 for 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.

|  |                       |                  |
|--|-----------------------|------------------|
| Legislative Contact: Benjamin McCarthy | Phone: 360-786-7100   | Date: 01/10/2025 |
| Agency Preparation: Chris Conn         | Phone: 360-704-5512   | Date: 01/14/2025 |
| Agency Approval: Chris Stanley         | Phone: 360-357-2406   | Date: 01/14/2025 |
| OFM Review: Gaius Horton               | Phone: (360) 819-3112 | Date: 01/16/2025 |

196,880.00

Form FN (Rev 1/00)

Request # 019-1

Bill # 1141 HB

## Part II: Narrative Explanation

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

This bill creates new chapter in Title 49 RCW [Labor Regulations] bringing certain cannabis-related ag workers within jurisdiction of Public Employment Relations Commission jurisdiction for collective bargaining purposes; provides for selection of employee bargaining units/representatives, addresses obligations of those involved, and clarifies dispute resolution procedure; bars interference w/bargaining rights deeming it an unfair labor practice; and authorizes enforcement actions by PERC for employer noncompliance and by employee rep for employer failure to provide required information

### II. B - Cash Receipts Impact

None

### II. C - Expenditures

No fiscal impact to the Administrative Office of the Courts as this bill does not affect current AOC or court processes.

## Part III: Expenditure Detail

### III. A - Expenditure By Object or Purpose (State)

NONE

### III. B - Expenditure By Object or Purpose (County)

NONE

### III. C - Expenditure By Object or Purpose (City)

NONE

### III. D - FTE Detail

NONE

### III. E - Expenditures By Program (optional)

NONE

## Part IV: Capital Budget Impact

### IV. A - Capital Budget Expenditures

NONE

### IV. B1 - Expenditures by Object Or Purpose (State)

NONE

### IV. B2 - Expenditures by Object Or Purpose (County)

NONE

### IV. B3 - Expenditures by Object Or Purpose (City)

NONE

### IV. C - Capital Budget Breakout

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

NONE

None

196,880.00

Form FN (Rev 1/00)

# Individual State Agency Fiscal Note

|                             |                                    |   |
|-----------------------------|------------------------------------|---|
| <b>Bill Number:</b> 1141 HB | <b>Title:</b> Ag. cannabis workers | <b>Agency:</b> 275-Public Employment Relations Commission |
|-----------------------------|------------------------------------|---|

## Part I: Estimates

**No Fiscal Impact**

### Estimated Cash Receipts to:

NONE

### Estimated Operating Expenditures from:

|                          | FY 2026 | FY 2027 | 2025-27 | 2027-29 | 2029-31 |
|--------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years          | 0.6     | 0.6     | 0.6     | 0.6     | 0.6     |
| <b>Account</b>           |         |         |         |         |         |
| General Fund-State 001-1 | 118,640 | 98,640  | 217,280 | 197,280 | 197,280 |
| <b>Total \$</b>          | 118,640 | 98,640  | 217,280 | 197,280 | 197,280 |

### 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: 01/17/2025 |
| Agency Approval: Dario de la Rosa      | Phone: 360-570-7328   | Date: 01/17/2025 |
| OFM Review: Gwen Stamey                | Phone: (360) 790-1166 | Date: 01/17/2025 |

## 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.*

The Washington State Uniform Controlled Substances Act, chapter 69.50 RCW, allows for the production and processing of cannabis products within the state of Washington. Employees at cannabis facilities are agricultural employees and are precluded from exercising collective bargaining rights under the National Labor Relations Act. Currently, there are 155 licensed producers and processors of cannabis products in the state of Washington.

House Bill 1141 grants collective bargaining rights to certain employees working for licensed cannabis producers and processors. The Public Employment Relations Commission (PERC) is responsible for administering the collective bargaining rights for cannabis agricultural workers.

To be eligible to exercise collective bargaining rights, the employee must be responsible for cultivating, growing, harvesting, or producing cannabis, including defoliating, drying, bucking, precuring, curing, drying, trimming, sorting, and loading, if performed on a farm.

Section 1 of the bill defines which kinds of cannabis producers and processors are subject to HB 1141 and the kinds of cannabis agricultural workers that are eligible to exercise collective bargaining.

Sections 3 through 6 provide that PERC shall decide all questions concerning representation for cannabis agricultural workers and establish election procedures. An employee organization shall only be certified if it receives the votes of a majority of employees in the petitioned-for bargaining unit through a secret ballot election or card check. Section 5 also provides that a certified bargaining representative shall represent all employees within the bargaining unit regardless of payment status.

Section 10 of the bill provides a method by which employees can have dues deducted from their paycheck that is consistent with other collective bargaining statutes in Washington State.

Sections 11 and 13 of the bill provide for binding arbitration to settle and adjust grievances that arise between the parties. The parties may ask PERC to provide a list of arbitrators from PERC's dispute resolution panel.

Sections 15 through 17 set forth unfair labor practice provisions and empower PERC to prevent unfair labor practices.

### 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.*

Cannabis agricultural workers are a new group of represented employees who have not previously enjoyed collective bargaining rights. PERC anticipates that its services will be utilized by cannabis agricultural workers starting July 1, 2025. PERC anticipates that all of its services will be utilized by this group of employees at the same rate as other groups of employees in PERC's jurisdiction, including

- representation cases to determine which cannabis agricultural workers are eligible to be included in a bargaining unit;
- mediation cases to assist the parties in resolving mandatory subjects of bargaining;

- unfair labor practice cases to determine if a subject of bargaining is mandatory in nature; and
- training cases to educate cannabis agricultural workers, the unions representing cannabis agricultural worker employees, and cannabis producers and processors about their collective bargaining obligations.

A PERC Labor Relations Adjudicator Mediator 2 (Range 75) typically processes approximately 75 cases per year. PERC anticipates that it will need a .50 Labor Relations Adjudicator Mediator 2 and a .1 Legal Assistant 3 to manage the additional representation workload generated by HB 1141 for FY26 and each subsequent fiscal year.

### Part III: Expenditure Detail

#### III. A - Operating Budget Expenditures

| Account         | Account Title | Type  | FY 2026 | FY 2027 | 2025-27 | 2027-29 | 2029-31 |
|-----------------|---------------|-------|---------|---------|---------|---------|---------|
| 001-1           | General Fund  | State | 118,640 | 98,640  | 217,280 | 197,280 | 197,280 |
| <b>Total \$</b> |               |       | 118,640 | 98,640  | 217,280 | 197,280 | 197,280 |

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

|                                      | FY 2026 | FY 2027 | 2025-27 | 2027-29 | 2029-31 |
|--------------------------------------|---------|---------|---------|---------|---------|
| FTE Staff Years                      | 0.6     | 0.6     | 0.6     | 0.6     | 0.6     |
| A-Salaries and Wages                 | 72,080  | 72,080  | 144,160 | 144,160 | 144,160 |
| B-Employee Benefits                  | 21,060  | 21,060  | 42,120  | 42,120  | 42,120  |
| C-Professional Service Contracts     |         |         |         |         |         |
| E-Goods and Other Services           | 12,000  | 2,000   | 14,000  | 4,000   | 4,000   |
| G-Travel                             | 3,500   | 3,500   | 7,000   | 7,000   | 7,000   |
| J-Capital Outlays                    | 10,000  |         | 10,000  |         |         |
| M-Inter Agency/Fund Transfers        |         |         |         |         |         |
| N-Grants, Benefits & Client Services |         |         |         |         |         |
| P-Debt Service                       |         |         |         |         |         |
| S-Interagency Reimbursements         |         |         |         |         |         |
| T-Intra-Agency Reimbursements        |         |         |         |         |         |
| 9-                                   |         |         |         |         |         |
| <b>Total \$</b>                      | 118,640 | 98,640  | 217,280 | 197,280 | 197,280 |

#### 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 2026 | FY 2027 | 2025-27 | 2027-29 | 2029-31 |
|--|---------|---------|---------|---------|---------|---------|
| Labor Relations Mediator Adjudicator 2 | 131,880 | 0.5     | 0.5     | 0.5     | 0.5     | 0.5     |
| Legal Assistant 3                      | 61,404  | 0.1     | 0.1     | 0.1     | 0.1     | 0.1     |
| <b>Total FTEs</b>                      |         | 0.6     | 0.6     | 0.6     | 0.6     | 0.6     |

#### 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.*