

Multiple Agency Fiscal Note Summary

Bill Number: 5433 S SB	Title: DOC employee 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 Attorney General	.0	0	0	0	.0	0	0	0	.0	0	0	0
Office of Financial Management	.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
Department of Corrections	Fiscal note not available											
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 Attorney General	.0	0	0	.0	0	0	.0	0	0
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 Corrections	Fiscal note not available								
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

Prepared by: Gwen Stamey, OFM	Phone: (360) 790-1166	Date Published: Preliminary 2/14/2025
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Individual State Agency Fiscal Note

Bill Number: 5433 S SB	Title: DOC employee bargaining	Agency: 100-Office of Attorney General
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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: Amanda Cecil	Phone: 360-786-7460	Date: 02/10/2025
Agency Preparation: Amy Flanigan	Phone: 509-456-3123	Date: 02/12/2025
Agency Approval: Thomas Deaton	Phone: 3607096473	Date: 02/12/2025
OFM Review: Rayanna Evans	Phone: (360) 902-0553	Date: 02/13/2025

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.

1. The AGO Correction Division (COR) has reviewed this bill and determined it will not increase or decrease the division's workload. Therefore, no costs are included in this request.

2. The AGO Labor and Personnel Division (LPD) has reviewed this bill and determined it will not significantly increase or decrease the division's workload in representing the Department of Corrections (DOC). Changes to the bargaining relationship that change who will be present at a specific bargaining table do not raise legal issues. New legal services are nominal, and costs are not included in this request.

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

Bill Number: 5433 S SB	Title: DOC employee bargaining	Agency: 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: Amanda Cecil	Phone: 360-786-7460	Date: 02/10/2025
Agency Preparation: Kathy Cody	Phone: (360) 480-7237	Date: 02/13/2025
Agency Approval: Jamie Langford	Phone: 360-902-0422	Date: 02/13/2025
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/14/2025

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 substitute version of the bill included an amendment to section 1 (2)(e) that exempted marine employees from the bill. This update altered OFM's fiscal impact assumptions from the previous version and now will not have a fiscal impact.

SSB 5433:

This bill removes exclusive bargaining representatives who represent DOC employees from 41.80.010, requiring them to have interest arbitration as an impasse procedure pursuant to RCW 41.80.200. This means employees represented by Washington Federation of State Employees (WFSE) will have standalone agreements. However, this bill has an amendment that removes the marine employees from the bill, meaning that Masters Mates and Pilots (MM&P) will remain part of the Coalition of Unions agreement. They will still have interest arbitration, but they will not have a stand-alone agreement.

This will impact OFM State Human Resources by adding a new stand-alone CBA, as WFSE DOC will now have an agreement separate from the general government master agreement. However, this work can be absorbed within existing resources. 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

Bill Number: 5433 S SB	Title: DOC employee bargaining	Agency: 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: Amanda Cecil	Phone: 360-786-7460	Date: 02/10/2025
Agency Preparation: Dario de la Rosa	Phone: 360-570-7328	Date: 02/11/2025
Agency Approval: Dario de la Rosa	Phone: 360-570-7328	Date: 02/11/2025
OFM Review: Gwen Stamey	Phone: (360) 790-1166	Date: 02/14/2025

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.

Interest arbitration is an impasse resolution process where a public employer and labor organization 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. In Washington State, uniformed employees, such as police officers, firefighters, and corrections officers in certain counties, are entitled to use interest arbitration as a process for dispute resolution.

The Personnel System Reform Act of 2002 (chapter 41.80 RCW) explicitly states how bargaining is to be conducted for unions representing civil service employees that work at state agencies. Unions representing a total of 500 or more employees bargain terms and conditions of employment in a master collective bargaining agreement that applies to all the employees represented by that union, regardless of the state agency the employees work for. Unions representing fewer than 500 employees must bargain terms and conditions of employment as part of the coalition of exclusive bargaining representatives representing fewer than 500 employees, regardless of the state agency the employees subject to coalition bargaining work for. When chapter 41.80 RCW was originally enacted, none of the employees subject to it enjoyed interest arbitration rights.

In 2019, the Legislature added interest arbitration provisions to chapter 41.80 RCW. Those provisions now apply to the civil service employees at the Washington State Department of Corrections (DOC). PERC rules and precedents require that employees eligible for interest arbitration are included in their own bargaining units due to the impasse resolution process.

Substitute Senate Bill 5433 exempts unions representing employees at the DOC who enjoy interest arbitration rights from the chapter 41.80 RCW provision concerning the conduct of bargaining except for the employees in the Marine Division. For DOC employees, the governor or the governor's designee and an exclusive bargaining representative shall negotiate one master collective bargaining agreement. DOC Marine Division employees shall continue to negotiate as part of the coalition of bargaining representatives who represent less than 500 employees.

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.

The provisions of SSB 5433 do not create an increase in workload and the Public Employment Relations Commission anticipates no fiscal impact associated with the provisions of SSB 5433.

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.