

HOUSE BILL REPORT

SSB 5483

As Reported By House Committee On:
Commerce & Labor

Title: An act relating to providing for arbitration in public transportation labor negotiations.

Brief Description: Providing for arbitration in public transportation labor negotiations.

Sponsors: Senate Committee on Labor & Commerce (originally sponsored by Senators Prentice, Winsley, Vognild, Wojahn, Moore, Rinehart, McAuliffe, Sutherland, Pelz and Franklin).

Brief History:

Reported by House Committee on:
Commerce & Labor, March 30, 1993, DPA.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended. Signed by 6 members: Representatives Heavey, Chair; G. Cole, Vice Chair; Conway; King; Springer; and Veloria.

Minority Report: Do not pass. Signed by 3 members: Representatives Lisk, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; and Horn.

Staff: Chris Cordes (786-7117).

Background: In 1964, the U.S. Congress passed the Urban Mass Transportation Act to provide financial assistance to state and local governments for the development of mass transportation systems. This included providing financing for the acquisition of already-existing private transit systems. A state or local government may not receive these funds, however, unless the agency enters into an agreement, known as a "section 13(c) agreement," which details the conditions the state or local government must meet.

One of the conditions to receiving federal assistance requires employers to preserve the rights, privileges and benefits to employees under existing collective bargaining agreements. Until 1982, the secretary of labor and the lower federal courts required that transit employers provide their employees with a right to interest arbitration for

labor disputes, because as public employees, they no longer had a right to strike.

In 1982, however, the U.S. Supreme Court held that disputes arising under section 13(c) agreements must be decided in state courts according to state law. In Washington, transit employees bargain with their employers under the Public Employees' Collective Bargaining Act. However, transit employees do not have the right to interest arbitration.

Summary of Amended Bill: The interest arbitration provisions of the Public Employees' Collective Bargaining Act are made applicable to the employees of the public passenger transportation systems of metropolitan municipal corporations, county transportation authorities, public transportation benefit areas, and city public passenger transportation systems, except that the following specific provisions apply:

- (1) the parties may commence negotiations at any time agreed to by the parties, and if no agreement is reached 90 days after beginning negotiations, then either party may demand mediation. The mediator is provided by the Public Employment Relations Commission, but the parties may agree to substitute another mediator or other mediation procedures at their own expense; and
- (2) if agreement is not reached within a reasonable period of negotiations and mediation, and the mediator finds that the parties remain at impasse, then either party may demand submission of the dispute to a three-member arbitration panel for binding determination. In making its determination, the arbitration panel must consider the constitutional and statutory authority of the employer, the stipulations of the parties, and compensation packages comparisons, economic indices, fiscal constraints and other similar factors.

Amended Bill Compared to Substitute Bill: The amended bill moves the provisions authorizing interest arbitration from the various statutes governing public transportation authorities to the Public Employees' Collective Bargaining Act. With the amendment, most of the general provisions pertaining to interest arbitration will apply to transportation employees of public employers, including provisions stating that the arbitration panel functions as a state agency and prohibiting strikes by employees covered by arbitration. However, the amendment retains from the substitute bill the special standards that are to be used by the arbitration panel.

Fiscal Note: Available. New fiscal note requested on bill as amended.

Effective Date of Amended Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: Arbitration is an effective means to discourage strikes and to move the parties toward agreement on the terms of a contract. The parties are working on language to address the remaining technical concerns in the bill.

Testimony Against: Adding interest arbitration for transit workers impacts smaller jurisdictions disproportionately. A new bargaining unit will have to be created for those employees who have arbitration rights. This will reduce the jurisdiction's control over costs and make collective bargaining more complicated.

Witnesses: (In favor) Steve Ross, Amalgamated Transit Union; and Dan Snow, Washington State Transit Association. (Opposed) Bill Schultz, City of Yakima.