



WSLC

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Legislative Update

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A weekly report from the Washington State Labor Council, AFL-CIO



Ask not for whom the budget bell tolls

It tolls for state employees, their families, their clients, students and communities

At the Washington State Labor Council's Legislative Conference in February, House Speaker Frank Chopp (D-Seattle) said that the state budget is not just a financial document, but also a "moral document of our values."

This year, those moral values may include laying off 8,000 to 12,000 state employees and freezing the wages of the rest, boosting their out-of-pocket health insurance costs from 12% to as much as 18% of the premiums, and "postponing" about half a billion dollars in their pension fund payments. We say "may" because the House and Senate budget proposals expected to be released this week were delayed until next week. (The Senate's set for Monday and House on Tuesday.)

They will reportedly include cutting \$500 million from the higher education system and more than \$250 million from the Basic Health Plan, which would mean an estimated 42,000 people in low-income families would lose their subsidized coverage. That's on top of the 7,700 enrollment slots being eliminated by the end of April.

Democratic legislative leaders have apparently decided to abide by Gov. Chris Gregoire's campaign pledge—made long before the extent of the \$9 billion revenue shortfall was known—to avoid any tax increases and approve an all-cuts budget. In fact, that pledge has expanded to include avoiding any evaluation (much less repeal) of the billions of dollars in business tax breaks granted every year.

The idea is that after lawmakers approve a devastating all-cuts budget that everyone hates, they would then develop a ballot measure that lets voters decide whether to increase their taxes to "buy back" some of the cut programs.

Earlier this month, hundreds of members of the Washington Federation of State Employees, AFSCME Council 28 held "Cuts Hurt Washington" actions across the state to put faces to the numbers—the faces of our most vulnerable citizens who need state services to survive and the faces of the dedicated employees providing those services who face layoff.

Organized labor is aware of the horrible choices presented

DEEP DIVISION BETWEEN DEMOCRATIC LEADERS, LABOR

The Washington State Labor Council and leaders from affiliated unions met Wednesday with Gov. Chris Gregoire, Senate Majority Leader Lisa Brown and House Speaker Frank Chopp to discuss the Worker Privacy Act legislation. The meeting was requested by the WSLC to discuss the fate of the bill and the criminal investigation instigated by the Democratic leadership against the WSLC and a staff member after an internal email, which was inadvertently sent to a few legislators who co-sponsored the bill, was forwarded to the three leaders.

The meeting revealed a deep division between Democratic leadership and the labor community in Washington state. Even after the meeting, the fate of the Worker Privacy legislation remains unclear.

"This entire incident has severely strained labor's relationship with Democratic leaders," said WSLC President Rick Bender. "We still consider their actions to have been a dramatic over-reaction especially after the Washington State Patrol and the Public Disclosure Commission quickly determined no legal or ethical wrongdoing. Democratic leaders offered no explanation at Wednesday's meeting to counter assertions that their actions were anything but a pretext for blocking the Worker Privacy Act at the insistence of The Boeing Company.

"While the leadership still insists they support the causes of working families, they have a long way to go in order to rekindle the trust and rebuild the relationship with the labor community."

by the revenue shortfall. We know that most legislators understand the harm their budget will cause families in this state. But we also know there are legislators out there—those who still insist that government should be run like a business—for whom it may be helpful to consider the negative economic impact of the proposed cuts on private employment.

When the combed-over tassel-toed corporate lobbyists

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in Olympia tout the gift of employment they bestow upon Washington—for now... and don't you forget it—they extrapolate to include the "indirect or induced" jobs they create. The same is true for the state's largest employer, the State of Washington. Thousands of private businesses are patronized by state agencies and their employees. Those agencies are about to lose a big chunk of their income, as are many of their employees. For example, the proposed closure of the Naselle Youth Camp devastates not only the young people and employees there, but the whole community's economy. The detention facility is the area's largest employer.

In other words, budget cuts have human and moral costs, but they also have a negative multiplier effect on the entire economy and absolutely will prolong the recession.

Public safety is on the cutting block, too

Two bills prime-sponsored by Sen. Jim Hargrove (D-Hoquiam) seem intent on adding danger to insult and injury.

SB 5288, which passed the Senate 38-8 and is now before the House, would end community supervision for thousands of criminal offenders around the state. It is intended to save money, but it could cost us a lot more in the long run.

On Feb. 21, a 13-year-old Vancouver-area seventh-grader was murdered and a homeless sex offender has been charged with her death. The girl's mother, Maranda Hannah, hadn't planned to go public until after the man's trial, but SB 5288 changed all that.

"Releasing 12,000 dangerous offenders with no supervision by our state Community Corrections officers is not the way to balance the budget," Hannah said this week in Olympia.

A separate proposal by Sen. Hargrove would lead to the closure of McNeil Island Corrections Center and early release of about 1,700 inmates. And Teamsters Local 117 reports that the House Ways and Means Committee is considering a "temporary" closure of the main institution at the Washington State Penitentiary in Walla Walla and the early release of 1,400 to 1,900 inmates statewide. ¡Ay, caramba!

Meanwhile, Hargrove's SB 5943 takes the troubled DSHS Child Welfare Services agency and privatizes it. The problems with this approach are many: lack of performance standards for contractors, new costs for supervising the contracts, and the likelihood that the people doing this important work will be paid far less than state employees—if they get paid at all.

In the case of Shayne Abegg, a boy who was hospitalized in 2007 after being purposely starved, private contractors were at fault. According to *The Seattle Times*, the contractor had been assigned to work with the Everett family on "food issues," after reports of abuse or neglect. After several months, the contractor told the state that the family was doing well and the case should be closed. A week after the contractor's last visit, 4-year-old Shayne was hospitalized

weighing less than 25 pounds, severely malnourished. Not long after that, the contracted agency was sued by former employees who said they weren't being paid for their work. This week, a lawsuit over the boy's near-fatal starving was settled by DSHS for \$6 million, the largest settlement ever for a single child victim.

SB 5943 passed the Senate 33-15 and is before the House. Rep. Ruth Kagi (D-Lake Forest Park), who chairs the House Children and Family Services Committee, planned this afternoon to introduce a good striking amendment to make the bill a pilot project at two sites, with privatization but also with the ability of state employees to exercise their contractual rights to compete to provide those services. Stay tuned.

And now, some good news on U.I., other issues

SB 5963, which grants hundreds of millions of dollars in Unemployment Insurance tax cuts to employers, was amended in the House Commerce and Labor Committee to create some balance by increasing the benefit multiplier to 4.0 and restoring court-approved agency discretion in determining eligibility for unique good-cause quits. These are very positive changes and the WSLC urges that the amended bill be approved by the House and Senate.

Here are a few other labor-supported bills that are alive:

- SB 5492 would give arbitration rights to the workers at Energy Northwest if they can't conclude a collective bargaining agreement with their employer. It passed the Senate 33-15 and is in House Rules. The House version, HB 1389, already passed 67-29, so prospects for passage are good.
- SB 5873 applies apprenticeship utilization standards to higher education construction projects, expanding training opportunities for young people to "earn while they learn." It passed the Senate 28-18 and is advanced out of House Commerce and Labor this morning.
- HB 1329 grants collective bargaining rights to child care center workers. It passed the House 65-31 and is scheduled for action in Senate Commerce and Labor this weekend.
- HB 1402, known as the ex parte communication bill, restricts the ability of employers appealing workers' compensation claims from contacting and pressuring the medical providers of the injured workers. It passed the House 55-42 and is set for Senate Commerce and Labor action this weekend.

WSLC Labor Candidate School will be June 1-4

It's never been more apparent than it is today that if union members want to take our government back from the corporate interests that control it, they will have to do it themselves by stepping up and running for elected office. To that end, the WSLC's 8th bi-annual Labor Candidate School, will be held June 1-4 at the Laborers' Training Facility in Kingston. Visit www.wslc.org for more details.