## 1 2 3 4 5 STATE OF WASHINGTON 6 BEFORE THE PUBLIC EMPLOYMENT RELATIONS COMMISSION 7 In the Matter of the Petition of Curtis Leonard, Charles Lind, Warren 8 Hopkins, and Amie Brandmire for and on behalf of their Public School District Clients 9 **PETITION** for a Declaratory Order 10 11 12 I. PETITION INFORMATION 13 1.1 Name and Mailing Address of the Petitioners 14 The following Petitioners are persons who conduct collective bargaining with and on behalf of multiple public school districts across the State of Washington: 15 16 Curtis Leonard Patterson Buchanan Fobes & Leitch 17 2112 3rd Avenue, Suite 500 Seattle, WA 98121 18 Charles Lind 19 Patterson Buchanan Fobes & Leitch 2112 3rd Avenue, Suite 500 20 Seattle, WA 98121-2326 21 Warren Hopkins 22 Executive Director, Employee Relations & Negotiations Network (ERNN) 23 1504 Farina Loop SE Olympia, WA 98513 24 25 PATTERSON BUCHANAN PETITION FOR DECLARATORY ORDER - 1

Petition(2)

FOBES & LEITCH, INC., P.S.

2112 Third Avenue, Suite 500, Seattle WA 98121 Tel. 206.462.6700 - Fax 206.462.6701 Amie Brandmire Chief Human Resources Officer, Puyallup School District P.O. Box 370 Puyallup, WA 98371

## 1.2 Additional Parties Potentially Impacted by Declaratory Order

The Petitioners do not seek to have any third persons, associations, or organizations "bound" by the declaratory order. The statutory clarification sought will "bind" public school districts represented by Petitioners regarding the amount of salary increase that can be provided to certificated instructional employees for the 2018-19 school year. Petitioners further assert that clarification and guidance on the restrictions—if any—and parameters of RCW 41.59.800(1) (a statute which is valid for a single school year and expires August 2019) will assist both public school districts and the local affiliates of the Washington Education Association (WEA) who are the recognized bargaining representatives for certificated teachers in each respective school district with whom public school districts bargain, regarding what legislative limitations or restrictions have been imposed on school districts for the upcoming school year. Petitioners believe that both local affiliates of the WEA and public school districts throughout the State of Washington will be benefit from the guidance that will come from a declaratory order. There are more than two hundred local affiliates of the WEA throughout Washington representing certificated instructional staff, and the Petitioners believe the most pragmatic and reasonable point of contact for the local affiliates is through the WEA itself:

Local Affiliates of the Washington Education Association c/o Washington Education Association P.O. Box 9100 Federal Way, WA 98063-9100

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PETITION FOR DECLARATORY ORDER - 2
Petition(2)

below.

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# <sup>1</sup> Engrossed House Bill 2242, Laws of 2017, c. 13, § 702.

<sup>2</sup> Laws of 2018, c. 266, § 208. PETITION FOR DECLARATORY ORDER - 3 Petition(2)

## NECESSITATING RESOLUTION

2.1 Passed by the Washington Legislature in 2017, RCW 41.59.800 originally read:

FACTS FOR THE COMMISSION'S CONSIDERATION IN ISSUING A

DECLARATORY ORDER IDENTIFYING UNCERTAINTY

RCW 41.59.800(1) (as amended by Engrossed Second Substitute Senate Bill 6362). See

#### RCW 41.59.800

1.3 Statute from Which the Controversy Arises

School district collective bargaining agreements—Certificated instructional staff—Restrictions during the 2018-19 school year. (Expires August 31, 2019.)

- (1) A school district collective bargaining agreement that is executed or modified after July 6, 2017, and that is in effect for the 2018-19 school year may not provide school district certificated instructional staff with a percentage increase to total salary for the 2018-19 school year, including supplemental contracts, that exceeds the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle. However, if a district's average certificated instructional staff salary is less than the average certificated instructional staff salary allocated by the state for that year, the district may increase salaries not to exceed the point where the district's average certificated instructional staff salary equals the average certificated instructional staff salary allocated by the state.
- (2) This section expires August 31, 2019.
- 2.2 In 2018, the United States Bureau of Labor Statistics determined that the annual average consumer price index for 2017 in the City of Seattle was 3.1%.
- 2.3 During the 2018 legislative session, the Legislature amended RCW 41.59.800 with Engrossed Second Substitute Senate Bill (E2SSB) 6362, Section 208.<sup>2</sup> The law will now read:

#### RCW 41.59.800

School district collective bargaining agreements—Certificated instructional staff—Restrictions during the 2018-19 school year. (Expires August 31, 2019.)

- (1) A school district collective bargaining agreement <u>for certificated instructional staff</u> that is executed or modified after July 6, 2017, and that is in effect for the 2018-19 school year may not increase <u>average</u> total salary for the 2018-19 school year, including supplemental contracts, <u>in excess of the following</u>:
- (a) Annual salary inflationary adjustments based on the rate of the yearly increase of the previous calendar year's annual average consumer price index, using the official current base compiled by the bureau of labor statistics, United States department of labor, for the city of Seattle;
- (b) Annual experience and education salary step increases according to the salary schedule specified in the agreement;
- (c) Salary changes for staffing increases due to enrollment growth or state-funded increases under RCW 28A.150.260;
- (d) Salary changes to provide professional learning under RCW 28A.415.430.
- (e) Increases related to bonuses for attaining certification from the national board for professional teaching standards;
- (f) School districts with an average total certificated instructional staff salary less than the statewide average certificated instructional staff salary allocation used to distribute funds for basic education as estimated by the office of the superintendent of public instruction for the 2018-19 school may provide salary increases up to the statewide average allocation; or
- (g) Salaries for new certificated instructional staff hired in the 2018-2019 school year.
- (2) Changes to any terms of employment for nonrepresented employees must comply with the same requirements established by this section.
- (3) This section expires August 31, 2019.

(language added by E2SSB 6362 underlined, with now-deleted language omitted).

PETITION FOR DECLARATORY ORDER - 4
Petition(2)

- 2.4 Petitioners' clients—school districts throughout the State of Washington—interpret subsections (a) and (f) of the amended version of RCW 41.59.800 as continuing to limit increases for certificated instructional staff during the 2018-19 school year as originally intended when the law was created in 2017, which is why the statute continues to be entitled, in part, "Restrictions during the 2018-19 school year."
- 2.5 Petitioners' clients further understand that the average consumer price index (3.1%) limitation for increases to collective bargaining agreements for certificated instructional staff during the 2018-19 school year has now been codified as subsection (a), and limits the total average salary increases that can be paid to certificated instructional staff for the 2018-19 school year.
- 2.6 Petitioners' clients further understand that subsections (b) through (e) and (g) explain that some increases for individual staff will be "exempted" from the rule of subsection (a) and/or subsection (f); i.e., these are increases that will not be counted against the average total salary increase restriction described above. For example, the following situations are exempted from the 3.1% limitation to increases: the dynamic status quo is preserved and employees may move from an old salary step to a new salary step based on changes in experience or education level (subsection (b)); school districts may increase the average total salary expended in order to hire new teachers due to enrollment growth or state-funded increases (subsections (c) and (g)); school districts may compensate certificated instructional staff for any days of additional professional learning (subsection (d)); and school districts may still pay bonuses to any teacher who attains a national board certification from the national board for professional teaching standards (subsection (e)).
- 2.7 Subsection (f) is derived from the language of former RCW 41.59.800 and continues to provide an alternative limitation to the CPI calculation for those school districts whose average total salary is below the statewide average certificated instructional

PETITION FOR DECLARATORY ORDER - 5
Petition(2)

staff salary allocation used to distribute basic education funds for the 2018-19 school year. The language of subsection (f) has been modified slightly in 2018 to make it more technically accurate.

- 2.8 During collective bargaining sessions in 2018, local affiliates of the WEA with whom Petitioners engage in collective bargaining and who represent certificated instructional staff have consistently and persistently maintained that E2SSB 6362, Section 208 <u>removed</u> the CPI limitations on salary increases for the 2018-2019 school year. This interpretation of amended RCW 41.59.800(1) appears to emanate from the theory that subsection (b) allows a school district-employer and its local union representing certificated instructional staff to not only *move* staff from a previous salary step to a new salary step based on education and experience, but also authorizes the creation of a new salary schedule<sup>3</sup> that imbeds increases *unlimited* by subsection (a) (or, in the alternative, subsection (f) for eligible school districts). Local affiliates of the WEA have contended that allowing unrestricted increases under subsection (b) regardless of subsection (a) or subsection (f) effectuates the Legislature's intent to have increased state allocations from the 2018 legislative session applied to teacher salaries.
- 2.9 Petitioners' client-school districts, however, believe that the language of RCW 41.59.800(1) as amended must be interpreted under the principles of statutory construction recognized by the Commission, i.e., words used within a statute must be given the full effect intended by the Legislature,<sup>4</sup> and statutes must be interpreted and construed so that all the language used is given effect and no portion is rendered

<sup>&</sup>lt;sup>3</sup> The state salary schedule was eliminated by EHB 2242 starting in the 2018-19 school year and Districts are required to establish new negotiated salary schedules.

<sup>&</sup>lt;sup>4</sup> State – Transportation, Decision 8317-B (PSRA, 2005). PETITION FOR DECLARATORY ORDER - 6 Petition(2)

meaningless or superfluous.<sup>5</sup> These employers also believe that RCW 41.59.800 is not ambiguous merely because different interpretations are conceivable.<sup>6</sup>

- 2.10 With these fundamental principles of statutory construction in mind, Petitioners' client-school districts believe that the limits to salary increases contained in subsection (a) (or in the alternative for eligible school districts, subsection (f)) must be the starting rule and must be given full effect and meaning. The client-school districts further believe that subsection (b) must be given its plain-reading interpretation, i.e., it is an exception to the rule that allows individual teachers to advance on salary schedule steps by reason of experience and education without such salary steps movements detracting from the 3.1% increase permitted by subsection (a).
- 2.11 However, subsection (b) says nothing about formulating new salary schedules so as to imbed unlimited increases that would defy and contradict subsection (a). Moreover, if subsection (b) is interpreted as the Legislature's intent to remove limitations on salary increases for the 2018-2019 school year by simply allowing such discretionary increases to be loaded into a newly-created salary schedule, this would render the rule announced in subsection (a) (and subsection (f)) meaningless and superfluous. In fact, client-school districts contend, the interpretation being advanced by local WEA affiliates would render meaningless and superfluous the entirety of Section 208, the purpose of which as written is to place restrictions on salary increases for the 2018-19 school year. If the Legislature had actually intended that there be no limitations or restrictions on salary increases for certificated instructional staff in 2018-19, it would make little sense that they would have retained and modified a statute entitled, "Restrictions during the 2018-19 school year."

<sup>&</sup>lt;sup>5</sup> Whatcom County v. City of Bellingham, 128 Wn.2d 537 (1996).

<sup>&</sup>lt;sup>6</sup> State – Transportation, Decision 8317-B.
PETITION FOR DECLARATORY ORDER - 7
Petition(2)

2.12 Petitioners likewise have reviewed the legislative history of E2SSB 6362 and are confident that it supports the Petitioners' understanding and interpretation of state law. The bill analyses and reports in the legislative record explained that salary increases for 2018-19 would be limited to the CPI, subject to the several "exceptions" that included salary step increases. During public hearings on the amendments before the House Appropriations Committee, staff presented the bill as not allowing salary increases above CPI and characterized the step increases as being based on the prior year. WEA lobbyist Lorrell Noahr spoke to the House Appropriations Committee, commenting on the CPI limitation contained in the bill:

Compensation increases are limited to inflation at three percent in this bill for school year 18-19. This works against the goal of implementing professional compensation next year and presents a significant math challenge when beginning teacher salaries are increasing by eleven percent. We recommend removing this provision from the bill..." <sup>9</sup>

However, the Legislature did *not* remove the portion of the bill to which Ms. Noahr was directing her comments and the compensation increase limitation about which she expressed concerns remained as subsection (1)(a) of Section 208 in E2SSB when the bill was passed into law.

2.13 Petitioners' client-school districts believe they are legally bound to follow the restrictions imposed by RCW 41.59.800 while local bargaining affiliates of the WEA believe that RCW 41.59.800 has been amended to eliminate any such restrictions. This contrast between the interpretation of RCW 41.59.800 asserted by WEA local affiliates and the interpretation as asserted by the Petitioners' client-school districts creates an untenable obstacle to public collective bargaining involving public school certificated employees. This difference of understanding will eventually affect

PETITION FOR DECLARATORY ORDER - 8
Petition(2)

<sup>&</sup>lt;sup>7</sup> See <u>Bill Analysis</u>, House Appropriations Committee, (Feb.24, 2018) (referring to the "exceptions added to the "temporary limits on salary increases" in EHB 2242); and <u>House Bill Report</u>, (March 8, 2018) (same).

<sup>&</sup>lt;sup>8</sup> See TVW, Video of 2/24/18, 10 a.m. House Appropriations Committee, online at https://www.tvw.org/watch/?eventID=2018021320, at 3:44:20 (visited May 30, 2018).

<sup>9</sup> Id., at 3:58:11.

hundreds of bargaining tables and will impact the Commission as well, as numerous local bargaining teams seek assistance with mediation or require hearing officers in the coming months.

- 2.14 The Superintendent of Public Instruction has been asked to provide further guidance on this disputed interpretation of RCW 41.59.800 and issued a communication declining to do so. Instead, the Superintendent noted that chapter 41.59 RCW is a statute within the purview and authority of the Commission, not his office. The Superintendent also encouraged parties to decide the meaning of the law at the bargaining table.
- 2.15 Although petitioners believe the interpretation of RCW 41.59.800(1) advocated on behalf of their client-school districts is the appropriate interpretation of state law, such clients are primarily interested in the Commission taking action to adopt an interpretation and to issue much-needed clarification and/or guidance on this fundamental question impacting collective bargaining for the 2018-19 school year. Since a declaratory order has the same status as any other order entered in an adjudicative proceeding conducted by the Commission, <sup>10</sup> an order interpreting amended RCW 41.59.800(1) consistent with the Petitioners' understanding would be in the interest of all the parties engaged in collective bargaining. By providing guidance regarding whether a statutory limitation for increases exists in the statute as written, all parties would benefit and collective bargaining will move forward more productively.

## III. ISSUE TO BE ADDRSSED IN THE DECLARATORY ORDER

3.1 Whether RCW 41.59.800(1)(a) limits increases generally to the total average certificated instructional staff salaries consistent with the 3.1% CPI cap, or whether

<sup>&</sup>lt;sup>10</sup> WAC 391-08-520 (9). PETITION FOR DECLARATORY ORDER - 9 Petition(2)

subsection (1)(b) of that law was intended by the Legislature to *remove* any restrictions on increases to the average total salary for certificated instructional staff in the 2018-19 school year otherwise required by subsection (1)(a), provided that such increases are imbedded in a newly-developed salary schedule?

#### IV. RELIEF REQUESTED

- 4.1 Petitioners, on behalf of their client-school districts, request a declaratory order pursuant to RCW 34.05.240 and WAC 391-08-520 that will provide the interpretation and guidance requested above and explain the restrictions that the law places on compensation increases available for the 2018-2019 school year;
- 4.2 This relief is requested because, based on the reasons and facts stated above, there is uncertainty and ensuing controversy arising from differing interpretations of RCW 41.59.800(1) that necessitate resolution;
- 4.3 This relief is required because the uncertainty and resulting controversy will adversely impact Petitioners' client-school districts, who are required to follow the law and negotiate compensation for staff within any parameters or restrictions established by the Legislature;
- 4.4 Such a declaratory order will not serve merely as an advisory opinion, but will instead provide necessary clarification to all parties regarding the ability of school districts to negotiate salary increases for 2018-19; will mitigate the likelihood of bargaining to impasse during the coming months; and will assist all parties in avoiding positions that may later be interpreted as unfair labor practices for refusal to bargain in good faith; and
- 4.5 The benefits of having such a declaratory order from the Commission will far outweigh any possible adverse effects of such an order.

DATED this 28 day of June, 2018.

PETITION FOR DECLARATORY ORDER - 10 Petition(2)

PATTERSON BUCHANAN FOBES & LEITCH, INC., P.S.

By:	: Cum n lnd-		
	Curtis Leonard, WSBA 38976		
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Charles Walind, WSBA 19974

Warren Hopkins

Amie Brandmire

PETITION FOR DECLARATORY ORDER - 11 Petition(2)

PATTERSON BUCHANAN FOBES & LEITCH, INC., P.S.

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## **CERTIFICATE OF SERVICE**

I, Christopher Moore, hereby declare that on this 29<sup>th</sup> day of June, 2018, I caused to be delivered via the method listed below the document to which this Certificate of Service is attached (plus any exhibits and/or attachments) to the following:

ATTORNEY NAME & ADDRESS	METHOD OF DELIVERY
Public Employment Relations Commission	■ Electronic Mail
P.O. Box 40919	ABC Legal Messenger Service
Olympia, WA 98504	Regular U.S. Mail
filing@perc.wa.gov	Other:
Washington Education Association	Electronic Mail
32032 Weyerhaeuser Way S	■ ABC Legal Messenger Service
Federal Way, WA 98001	Regular U.S. Mail
	Other:

I certify under penalty of perjury, under the laws of the State of Washington, that the foregoing is true and correct.

DATED this 29<sup>th</sup> day of June, 2018 at Seattle, Washington.

/s/Christopher Moore Christopher Moore Legal Assistant From: Christopher J. Moore
To: PERC, Filing (PERC)

Cc: Curtis M. Leonard; Chuck W. Lind; warren@ernn.com; Brandmire, Amie H.

Subject: In the Matter of the Petition of Curtis Leonard, Charles Lind, Warren Hopkins, and Amie Brandmire for and on

behalf of their Public School District Clients for a Declaratory Order - Petition

**Date:** Friday, June 29, 2018 12:25:38 PM

Attachments: image001.png

707305.pdf

To the Public Employment Relations Commission,

Please see attached Petition for a Declaratory Order pursuant to RCW 34.05.240 and WAC 391.08.520 requesting an interpretation and clarification of RCW 41.59.800. This document is being submitted to correct a document labeled as case no. 128580-U-16. If you have any questions or need additional information, please feel free to contact Charles Lind at <a href="mailto:cwl@pattersonbuchanan.com">cwl@pattersonbuchanan.com</a> and Chris Moore at <a href="mailto:cim@pattersonbuchanan.com">cim@pattersonbuchanan.com</a>.

Thank you for your time and consideration,

### Christopher J. Moore | Legal Assistant

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