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September 24, 2024

OPINION AND AWARD
INTEREST ARBITRATION PROCEEDINGS
PURSUANT TO REVISED CODE of WASHINGTON
(RCW) 41.80.200

In the Matter of a Dispute Between)	
)	
State of Washington Department of Corrections, Employer)	
and)	2025-2027 Collective Bargaining Agreement
Teamsters Local 117, Union)	
_____)	

Appearances:

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For the Employer:

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For the Union:

Sarena Davis
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Rebekah Whitney
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Donna Lytle
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STATUTORY AND CONTRACTUAL FRAMEWORK AND PROCEDURAL BACKGROUND

The parties have a collective bargaining agreement (CBA) in place that runs through June 30, 2025. In the spring and summer of 2024, they entered into negotiations over a successor agreement with a term of July 1, 2025 – June 30, 2027. After ten negotiating sessions and five sessions with a mediator from the Washington Public Employment Relations Commission (PERC), the parties resolved all contract sections except for seventeen articles / appendices.

In accordance with Washington state statute, the parties submitted requests to WA PERC to be certified for interest arbitration on these seventeen issues. Both parties submitted the following issues:

- Article 17 – Overtime
- Article 32 – Compensation
- Appendix F – Assignment Pay
- Appendix G – Specific Increases
- Appendix I – Registered Nurses and Licensed Practical Nurses

The Union submitted the following additional issues:

- Article 14 – Drug and Alcohol Free Workplace
- Article 21 – Vacation Leave
- Article 27 – Severe Inclement Weather / Natural Disaster Leave
- Article 29 – Personnel and Working Files
- Article 35 – Layoff and Recall
- Article 36 – Uniforms Tolls and Equipment
- Article 37 – Licensure and Certification

On August 5, 2024, PERC Executive Director Michael P. Sellars certified the parties as requested. The parties selected the undersigned arbitrator to serve as the arbitrator in this matter. A virtual hearing was held on the Zoom platform on August 22, 23, 26, 27, 28, 29 and 30, 2024. The parties presented evidence through witness testimony and documents in support of their respective positions. The parties were ably represented by their advocates. The parties agreed that the arbitrator is to retain jurisdiction over interpretation of the award for sixty days after the award is issued.

Before the arbitration hearing commenced, and during off-the-record discussions during the arbitration proceedings, the parties reached tentative agreement on several certified disputed articles. The issues remaining to be decided by the interest arbitrator are the following:

Article 32 – Compensation

Article 35 – Layoff and Recall

Appendix F – Assignment Pay

Appendix G – Targeted Increases

Appendix I – RNs & LPNs

The parties made closing oral arguments on September 5, 2024 (on the record but outside the presence of the arbitrator) and the matter was submitted for decision. The decision of the arbitrator is final and binding. However, the award must first be reviewed by the State’s Office of Financial Management (OFM) to determine if the award is financially feasible. If it is, the award goes to the Governor’s office to be incorporated into the Governor’s budget and submitted to the legislature. If it is not deemed financially feasible, the award is nullified.

Relevant Washington State Statute

RCW 41.80.200 Department of corrections-Interest arbitration for certain employees. (1) In order to maintain dedicated and uninterrupted services to the supervision of criminal offenders that are in state correctional facilities and on community supervision, it is the legislature's intent to grant certain employees of the department of corrections interest arbitration rights as an alternative means of settling disputes.

(6) (a) In making its determination, the arbitrator shall take into consideration the following factors:

(i) The financial ability of the department of corrections to pay for the compensation and benefit provisions of a collective bargaining agreement;

(ii) The constitutional and statutory authority of the employer;

(iii) Stipulations of the parties;

(iv) Comparison of the wages, hours, and conditions of employment of personnel involved in the proceedings with the wages, hours, and conditions of employment of like personnel of like state government employers of similar size in the western United States;

(v) The ability of the department of corrections to retain employees;

(vi) The overall compensation presently received by department of corrections employees, including direct wage compensation, vacations, holidays, and other paid excused time, pensions, insurance benefits, and all other direct or indirect monetary benefits received;

(vii) Changes in any of the factors listed in this subsection during the pendency of the proceedings; and

(viii) Such other factors which are normally or traditionally taken into consideration in the determination of matters that are subject to bargaining under RCW 41.80.020(1).

(8) (b) A decision of the arbitrator is final and binding on the parties, and may be enforced at the instance of either party, the arbitrator, or the commission in the superior court for the county where the dispute arose. However, the decision of the arbitrator is not binding on the legislature and, if the legislature does not approve the funds necessary to implement provisions pertaining to the compensation and fringe benefit provision of an interest arbitration award, the provisions are not binding on the state or department of corrections.

FACTS

The Employer and the Bargaining Unit: Washington State's Department of Corrections (DOC) operates prisons and community corrections in the 13th largest state in the nation, with eleven prisons and over 14,000 incarcerated individuals. The members of Teamsters Local 117 are employed in the prison division. They work in the state's prisons, the state penitentiary, and the state's correctional work camps.

In a separate bargaining unit, the Union also represents a newly organized group of higher-level corrections employees covered under the Washington Management Service. Those employees are not subject to interest arbitration. As of this writing, the State is at the bargaining table with Teamsters Local 117 over that agreement.

5,454 bargaining unit employees are assigned 151 classifications. Many of those classifications are in DOC only. The remaining are in classifications that are also represented in other WA state government departments. Total budgeted positions in Teamsters-represented positions are 6,742. By this measure, 19% of Teamster-represented positions are vacant.

The Union represents a “wall to wall” unit within the prison division of DOC. Higher ranking employees – such as lieutenants and captains – are not eligible for representation.

The single largest classification is corrections and custody officer 2 (CO2), with 2,707 incumbents. Next highest is CO3 with 337, registered nurse (RN) with 151, correctional industries supervisor (CIS) 2 with 137, and classification counsellor (CC) 2 with 124. Administrative assistant 3s total 117. The corrections specialist series has a total of 242 incumbents. All other classes have fewer than 100 incumbents.

The State’s Economic Forecast: In the State’s most recent economic forecast, the Executive Summary states that “the economy continues to expand although inflation remains elevated.” The report noted a revenue decrease of \$189 million from previous projections for the 2025 – 2027 biennium. Nonetheless, the Revenue Forecast Council is projecting a \$5 billion (7.5%) revenue increase during the biennium of this disputed CBA (2025 – 2027) over the current biennium (2023 – 2025). The Council is also projecting a \$5.5 billion (7.7%) revenue increase in the 2027-2029 biennium over the 2025-2027 biennium.

Consumer Price Index: Cost-of-living increases continue to be a concern in the Seattle, WA metropolitan area and in the state of Washington. The following is excerpted from June 2024 Revenue Review of the Washington State Economic and Revenue Forecast Council:

From April 2023 to April 2024, the Seattle CPI rose 4.4% compared to the 3.4% increase in the U.S. City average index. Inflation has come down since reaching a peak in June 2022, but has remained elevated so far this year. Shelter costs in both Washington and the U.S. continue to outpace topline inflation, increasing 5.9% and 5.5% respectively in April. Core inflation (excluding food and energy) remains elevated, particularly in Seattle. Seattle core CPI rose 4.9% in April compared to 3.6% for the U.S. City average.

The following chart is excerpted from exhibits created for the arbitration hearing, showing the increase in CPI for the year prior to the listed dates and Teamster wage increases. It should be noted that bargaining unit members live both inside and outside the Seattle metropolitan area. Averaging the lower average CPI figures in the U.S. cities index with the Seattle index might be the best way to judge the impact of inflation on unit members’ spending power.

Year	Seattle Consumer Price Index Increase	Teamster General Wage Increases
7/1/2015	1.5%	5.5%
7/1/2016	1.9%	4.3%

7/1/2017	2.7%	4.5%
7/1/2018	3.2%	6.0%
7/1/2019	2.5%	4.0%
7/1/2020	1.7%	4.0%
7/1/2021	4.7%	0
7/1/2022	7.8%	4.0%
7/1/2023	5.8%	6.0%
7/1/2024	3.3%	4.0%
Ten-year totals	35.1%	42.35

Salary Survey: The State contracted with The Segal Group to conduct a survey of benchmark classification compensation in five western states in early 2024. The survey used forty-five classifications covering 72% of Teamster-represented positions. The states surveyed were Arizona, Colorado, Nevada, Oregon and Utah.

Of the most populous classes, the survey found matches for CO2, RN2, CIS2 and CC2. The survey used a sophisticated model that accounts for differences in cost-of-living in the surveyed states. Salaries in the five surveyed states were adjusted upward, ranging from 3% in Oregon to 16% in Utah, to account for the higher cost-of-living in Washington. Both base pay and total compensation were surveyed.

The results of the total compensation survey showed that Washington lagged the market in six benchmark classes (defined by Segal as <95% of average). Significantly, by far the largest classification, CO2, was at 89% of the five-state average. The Segal survey found that RN was above market (at 109%), CIS2 below market (at 94%), and CC at market (at 99%). For one of the larger classification series, corrections specialists, the Segal survey found insufficient matches.

Five other benchmark classes were found to be below market measured by total compensation. The remaining classifications were at or above market or had insufficient data.

The Union, with the assistance of the Teamsters International and outside consultant Carla Pusateri, conducted its own compensation survey. The Union survey used the same five states surveyed by the Employer. The Union also surveyed County corrections employees' compensation in Washington counties in which State prisons are located. Unlike the Employer's survey, the Union found appropriate matches for corrections specialists.

In support of its proposal for longevity increases, the Union also surveyed the comps on total compensation at 25 years of service.

Of the most populous classes at the ten-year employment mark, the Union found that the CO2 is 14% behind the market, RN 2% above market, classification counselor is 16% below, correctional industries supervisor 7% below market, administrative assistant 8% below, and corrections specialist 10% below market. Compared to the surveyed counties' COs at a salary midpoint, the Union found that CO2s are 17% behind the average.

Other State Bargaining Units: As of the arbitration hearing in this matter, no other state bargaining units had reached tentative agreements on 2025-27 contracts. The undersigned arbitrator issued a decision on August 5, 2024, for the Washington State Ferries and the Inlandboatmen's Union. The decision awarded 4% general wage increases each year of the two-year agreement and two classification-specific wage adjustments. That decision, as of this writing, had not been certified by the OFM as financially feasible.

The Teamsters unit has strong historical ties to the DOC community corrections unit represented by the Washington Federation of State Employees (WFSE). Many key classifications are in both units, including the CO series and the CS series. Differences in wage rates between similar WFSE-represented positions outside the prisons and Teamsters-represented positions inside the prisons, sometimes referred to as the "prison premium," are further discussed later in this decision.

History of Interest Arbitration Awards for DOC and Teamsters Local 117: The parties have relied on arbitration decisions to resolve their contract negotiations for at least the past four two-year cycles. All four awards were deemed financially feasible by the OFM, incorporated into the Governor's budget, and adopted by the legislature. The following chart, prepared by the undersigned arbitrator, summarizes key points in the last four decisions, highlighting pay increases for the most populous job classifications in the bargaining unit. The purpose of this chart is not to provide a comprehensive analysis of these complex awards, but merely to show the overall pattern.

Term of Agreement	Arbitrator	Date Issued	State's Wage Proposal	Union's Wage Proposal	Arbitrator's Award	Notes
2017 - 2019	Howell Lankford	9/27/16	3% 7/1/17	3.5% 7/1/17	General wage increases of 4.5% on	The Union also proposed a formula to adjust

- d. **Secretary series reallocated to Administrative Assistant series – 3 to 6 range increase**
 - e. **Pharmacist 2 – 3 range increase**
- 4) **Article 35 – Layoff and Recall – CCL**
 - 5) **Appendix F – Assignment Pay - CCL**
 - 6) **Appendix I – Registered Nurses and Licensed Practical Nurses** - Allow contract nurses to sign up for overtime shifts a month in advance. Deletes a ban on nurses refusing to work overtime shifts for which they have signed up.

James Dannen was chief negotiator for the State at this bargaining table. Mr. Dannen stated that the secretary series statewide is being abolished and those positions are being reallocated to the administrative assistant series, with a resulting raise. The State’s proposals for the cooks and food service managers were intended to elevate the “lowest-paid positions.”

The Employer costed the Union’s economic proposal at \$264 million for the two years. It costed its own proposal at \$26 million. The cost of providing a 1% pay increase (including salary-driven benefits) in 2025 is about \$6.5 million.¹

General Wage Increases: Mr. Dannen stated that the 2% and 0% offered by the Employer was “in line with what’s being passed at other tables.” Unlike previous years, he testified, revenue increase projections have been declining. “Every revenue projection that comes out...falls short of the previous projection.”

Salary Adjustments: Mr. Dannen testified that the Union did not show any examples where DOC had selectively adjusted current employees’ salaries when new employees were hired. He stated that a grievance is in progress but has not yet reached his level of the grievance procedure. The State wants to retain the ability to hire new employees above the first step, he said.

Specialty teams premium: Lead negotiator Dannen stated that the State opposes the Union’s proposal since the overtime-exempt members of specialty teams are already eligible for exchange time when they work over 45 hours in a week.

¹ The Employer uses the number of budgeted positions, not filled positions, in making cost estimates on proposals. This is not the method ordered by the arbitrator to be employed when negotiating the Appendix G TWIs, as explained in the decision portion of this award. Those estimates will be based on filled positions.

Lump Sum: Mr. Dannen testified that a lump sum in compensation for COVID-era work is already being discussed between the parties in the grievance forum. He also stated that the Employer found no comparable lump sums being paid in the surveyed agencies. The State, he said, is moving away from the kind of bonus payments that were made under COVID.

Longevity Steps: Lead negotiator Dannen testified that the State opposes the addition of longevity steps. The Union sought and won the compression of the former 6-year delay between steps L and M to a one-year interval. All other non-DOC State contracts, he stated, still have six years between steps L and M, and no additional steps. Employees with higher seniority have opportunities to increase their pay through general wage increases and promotions.

The State estimated the longevity proposals as impacting 1,592 unit members at a first-year cost of \$13.5 million, or the equivalent of a 2% general wage increase for the entire unit.

Standby Pay: Mr. Dannen stated that exempt employees on standby can put in for exchange time if their actual work hours exceed 45 hours in a week. He believes that affected employees may not be aware of that. He stated that the Employer rejected the proposal to increase the standby pay since the Union did not state it as a priority. The State costed the Union's proposal at .2% in the first year.

Targeted Wage Increases: DOC's proposals, Mr. Dannen stated, were in alignment with the state's policy under the Pro-Equity Anti-Racism Initiative (PEAR). This legislation intends for the lowest-paid state workers to be given a salary boost. The legislation motivated DOC's proposals for cooks and foodservice managers, proposals that the Union accepted.

Several of the proposals made by the State and accepted by the Teamsters stemmed from statewide initiatives. The reallocation of the safety officer and secretary series were based on statewide proposals. DOC also proposed a three-range increase for pharmacists, based on recruitment and retention issues. The Union proposed a greater increase for pharmacists.

As for the other Union TWI proposals, Mr. Dannen stated that the Union's survey information and expert testimony was not presented during bargaining. On cross-examination, he acknowledged that an earlier version of the Union's compensation survey was presented at the bargaining table. Mr. Dannen stated that DOC relied on the Segal survey for its information. 83% of the Teamsters classes on that survey were at or above market, he testified.

Mr. Dannen stated that DOC recognized that the CO series is behind market but believed that the various premium and assignment pays available to those employees make the true gap narrower. He also

testified that DOC management believes that “there wasn’t really any problem to be currently addressed with recruiting corrections officers.”

Nurse Overtime: The Employer had one non-economic proposal that it brought forward in the final stage of the arbitration process. Identified as a top DOC priority, this proposal would allow contract nurses to sign up for voluntary overtime shifts one month in advance. The proposed new addition to Appendix I is as follows:

The parties agree that pursuant to State Law limiting the circumstances under which overtime for licensed nurses can be mandated overtime and to bring the agency up to current industry practice thereby reducing attrition and enhancing recruitment efforts, that the employer may allow all nursing staff, including contracted agency provided staff, to sign up and be scheduled for voluntary overtime up to 30 days in advance of the voluntary overtime shift.

Appendix I is a complex agreement the parties have negotiated to create an orderly process for assigning voluntary overtime to registered and licensed practical nurses. It creates an order of assignment, beginning with on-call nurses, then nurses with regular schedules working additional shifts, followed by nurses currently on a contract with DOC through an agency (non-bargaining unit members).

Currently, only regular and on-call employees may sign up for voluntary overtime from a list of available opportunities “for an entire month...posted by the fifteenth of the preceding month.” [Article 17.2C] The Employer’s proposed change allows contract nurses to also sign up under the 17.2C process. However, it maintains the right of the bargaining unit members to bump into an available overtime shift, with the following proposed clause:

Bargaining unit members will maintain priority in the assignment of voluntary overtime.

“And we clarified,” Mr. Dannen testified, “that that language meant that all the way up until the moment that this contracted staff person might actually work the overtime, a bargaining unit member could take that shift instead.”

The Employer’s proposed change also deletes a “no refusal” clause currently in the CBA at Appendix I.4 that reads as follows:

Nurses who are on-duty who have signed-up on the voluntary overtime list for the next scheduled shift may not refuse an assignment of overtime.

The impetus for the Employer’s proposal, according to its chief negotiator, was a new state law² that bars nurse mandatory overtime except under specified circumstances. DOC is under a statutory mandate to staff prison medical facilities with a certain number of staff per incarcerated individual. The Employer’s goal is to maximize the use of voluntary overtime and minimize mandatory overtime that would have to meet certain state guidelines.

This change was so important to DOC that it addressed another Union concern in the same appendix by proposing to eliminate a “no refusal” clause, allowing nurses to change their minds about working an overtime shift without penalty.

THE UNION’S PROPOSAL

The following is the Teamsters proposal on disputed issues submitted to the arbitrator for decision.

- 7) Article 32.1 – Pay Range Assignments 6% wage increase effective July 1, 2025;
6% wage increase effective July 1, 2026;**
- 8) Targeted Wage Increases (TWIs) – Appendix G - (by proposed range increases - each range is approximately 2.5%)**
 - a. Auto Mechanics Supervisor – 2**
 - b. Marine Engine Mechanic – 7**
 - c. Classification counselor series - 3**
 - d. Corrections Specialist series – 5**
 - e. Construction & Maintenance Project Series – 2**
 - f. Correctional Records Technician Series – 3**
 - g. Corrections & Custody Officer Series – 3**
 - h. Dentist series - 4**
 - i. Electronic Tech 4 – 4**
 - j. Electronic Tech and electronics supervisor – 2**
 - k. Fiscal analyst, fiscal tech and management analyst series - 4**
 - l. Human Resource Consultant series – 2**
 - m. Mail processing driver - 3**
 - n. Maintenance Mechanic Series and skilled trades – 2 (except 3 for carpenter supervisor**
 - o. Pharmacist 2 – 7**
 - p. Psych Social Worker 4 – 1 (and move to standard scale)**
 - q. Psychology Associate, Psychologist series, Correctional Mental Health Counselor Series – 1**
 - r. Occupational Nurse Consultant and Registered Nurse 4 – 1**

² RCW 49.28.140 reads, in relevant part, as follows: “No employee of a health care facility may be required to work overtime. Attempts to compel or force employees to work overtime are contrary to public policy, and any such requirement contained in a contract, agreement, or understanding is void.” A healthcare employer must show it made “reasonable efforts” to obtain staffing before mandating overtime.

- s. **Religious Coordinator – 3**
 - t. **Safety Officer series – 5**
 - u. **Stationary Engineer series – 3**
 - v. **Warehouse Operator series – 3**
 - w. **Wastewater TP Operator series – 1**
 - x. **Ferry Operator - 3**
-
- 9) **Salary adjustments – Article 32.8 – Delete section**
 - 10) **Standby pay – Article 32.20 – Increase pay from \$100 to \$250 and from \$50 to \$100**
 - 11) **Specialty teams premium – Article 32.24 – Overtime-exempt employees eligible for OT during deployments and training**
 - 12) **Lump sum – Article 32.29 - \$5,000 lump sum for all current unit members who were employed 10/1/21 to 5/25/23**
 - 13) **Longevity premium – Article 32 – Add a provision for a 2-range increase at 15 years and 2 additional ranges for each additional five year increment in service**
 - 14) **Layoff position eligibility – Article 35 – Delete the word “range” from 35.8 and 35.10C**
 - 15) **Shift sergeants at stand alone camps – Appendix F - 2 range increase**

Sarena Davis was the Union’s lead negotiator for the current round of bargaining. She is the director of corrections and law enforcement for the Union. She has been employed by the Union since 2010, working her way up to director and chief negotiator. She worked as a corrections officer and sergeant at DOC from 1998 until she went to work for the Union. She has been directly involved in every contract cycle with DOC since 2008.

She described the prisons as “little cities’ requiring 150 different classifications - in security, maintenance and healthcare - to keep them running. She stated that, since the 2021 Washington Supreme Court’s Blake decision overturned sentences for a large category of nonviolent offenders, the number of violent offenders as a proportion of incarcerated persons in the prisons has increased. This has created a more dangerous work environment for Teamsters-represented prison staff, she testified.

Ms. Davis testified that, due to the dangerous and stressful nature of the work, a “prison premium” has existed for many years. Employees in the same classification in the prison are at a higher salary range than employees in the same classification working outside the prison. “We have had a steady [pay] increase based on the risks that our members take,” she testified.

General Wage Increases: The parties, according to Ms. Davis, resolved “nothing on compensation” during bargaining this year. The Union’s proposal for 6% general wage increases is based on “cost of living,” she stated. She acknowledged that the parties reached agreement on range increases for food service and clerical employees.

Salary Adjustments: On the Union proposal to delete Article 32.8, Ms. Davis testified that in the last contract, the Employer proposed to add the 32.8 language regarding salary adjustments, and the Union agreed. The language is as follows:

The Employer may increase an employee’s step within the salary range to address issues related to recruitment, or retention. Such an increase may not result in a salary greater than the top step of the range

Ms. Davis testified that, prior to this language, the Union would reach out to the Employer when it became aware of existing employees making less than new hires. This primarily occurred for COs. The parties would “enter into MOUs” and the issues were resolved. Now, she stated, the Union has had to resort to grievances when management has declined to act.

A grievance filed by the Union on January 25, 2024, was in the arbitration record. This grievance, filed by Union representative Corey Doty, alleges that the Employer has violated Article 32.8 by hiring COs at Step J while existing COs are at Step G. The Employer responded on May 7, 2024. James Key, Deputy Assistant Secretary of Prisons wrote, in relevant part:

I have agreed to review the list of the MOU dated January 20, 2022 and see if any members were missed. I have also agreed, per your request, to waive the timelines of this grievance while we work together through this process. Therefore, your requested remedy to adjust the effected members’ salaries to remove the pay disparity will be reviewed and we can discuss those findings, if any are identified, on how to address those moving forward.

Ms. Davis stated that the Union is “getting ready to go to GRP (Grievance Resolution Panel),” a pre-arbitration step. The parties’ CBA has binding arbitration of grievances.

Specialty teams premium: According to Ms. Davis, the Union currently has healthcare members, such as psychology associates, who are in classifications not eligible for overtime pay. They may also volunteer to serve on specialty teams, such as the Crisis Negotiation Team, the Emergency Response Team, and the Inmate Recovery Team.

Under the current CBA, overtime-exempt unit members can accrue “exchange time,” a form of time off, for work beyond 45 hours in a workweek. Ms. Davis contends that not all exempt employees have a work schedule that allows them to use the exchange time they have accrued.

Ms. Davis contends that the psychology associate, for example, is overtime-exempt for the “work she’s doing as a psych associate,” not for special deployments. “It deters them from wanting to participate,” she stated. The Union seeks to provide hourly overtime pay for overtime-exempt employees when in special teams training or deployment.

Lump Sum: Ms. Davis stated that the purpose of this proposal is to pay employees who worked through COVID. She testified as follows:

During COVID, we filed a statewide grievance based on safety and security concerns. During that period of time, many of our men and women were working in excess of 16-hour days, they were working without having the complement of the right amount of employees in their particular living unit, and sometimes, they were asked to do the work as if they were fully staffed without having the proper staff.

That grievance was scheduled for grievance arbitration, but on January 22, 2024, the parties jointly agreed to cancel the arbitration date because they were in mediation over the issues. The grievance is still pending.

Longevity Steps: Due to the difficulty of recruiting for many of the bargaining unit positions, the State hires many new employees at the middle or top of the scale. The result is that many employees get few if any raises other than the negotiated increases. This was the motivation for the Union’s longevity pay proposal, Ms. Davis stated. The Union’s survey also showed that the DOC salaries lagged furthest behind at the 25-year mark, showing the need for longevity steps, she stated.

In the last round of bargaining, the State proposed to eliminate an existing longevity step in all CBAs. That longevity step was converted to a regular step that went into effect one year after the prior step. The Union accepted that proposal, since it meant that their members would reach the top step years before they had previously.

Targeted Wage Increases: Ms. Davis testified at length about the Union’s various TWI proposals, based on survey results and internal alignment issues. Due to the nature of the decision reached in this opinion and award, as explained below, the Union’s arguments on behalf of the TWI proposals are not recited in detail.

Standby Pay: Certain groups of overtime-exempt classifications, including registered nurses and others specifically named in the CBA, receive \$100 per day when assigned standby status. All other overtime-exempt employees receive \$50. These amounts were last adjusted in 2019.

Layoff Language: The Union referenced a layoff that occurred due to the closure of the Larch prison unit in 2023. Some laid-off members sought to transfer into community corrections positions without loss of pay. Based on current contract language, laid-off members were only allowed to accept vacant positions at the same range, not at the same salary. The significance of this is that WFSE-represented positions that are at the same range as Teamsters-represented positions are at a lower salary.

Because of the Larch experience, the Union proposed that laid-off members be allowed to transfer into a community corrections position that is at the same salary but at a higher WFSE range.

Shift Sergeants: At stand-alone camps, CO3s (sergeants) have two different assignments. One is a unit sergeant, in charge of the subunit in the camp. That individual supervises the CO2s in the unit. Another assignment is a shift sergeant, who has overall responsibility for the camp on a shift. No lieutenants are assigned to these facilities.

The Union argued that, due to the higher level of responsibility, the shift sergeant should receive a two-range increase.

Nurse Overtime The Union proposes status quo on voluntary nurse overtime. The Union believes that the DOC overutilizes contract nurses, and that allowing them to sign up for overtime in advance will exacerbate this trend.

EMPLOYER'S POSITION

The Employer's general wage proposal is "reasonable, financially feasible for the State, and it's fair," the State asserts in its closing statement. The gap between the Union's and the State's proposals, the State estimates, is \$238 million.

The Employer rejects the Union's proposal to delete Article 32.8, salary adjustments, because "the union is hoping to resolve [the issue] here at interest arbitration and potentially double-dip, again, at the grievance arbitration. And, as such, the arbitrator should decline to award the union's requested language here."

On standby pay, the State notes that “the stand-by rate was increased as part of the 2019-2021 contract and did not warrant that time granting an increase.”

The Employer rejects the Union’s proposal to grant overtime to overtime-exempt employees on special teams deployments and training. They “already receive an additional two-range increase on top of their base salary for being part of the specialty teams,” DOC argues, and can receive exchange time for work over 45 hours per week.

Regarding the lump sum proposal, the State is “moving away” from lump sums at this time. Also, the Employer notes a “pending grievance pertaining to this article and, as such, the arbitrator should decline to award the union's requested language.”

The State opposes the Union’s longevity pay proposal, arguing that members are “not stuck in their roles.”

As for TWIs, “this union and their members are outpacing their peers within DOC and the State. So with respect to a number of proposals, increases can happen over several cycles. This group received several targeted increases last cycle, and it may not happen all at once,” the State contends in its closing remarks.

The State argues that its TWI proposals are soundly based on equity, market and recruitment and retention issues.

The Union’s shift sergeant proposal “violates the nature of what assignment pay is intended for,” the State asserts. “Assignment pay is provided in recognition of doing additional work on top of the employee's regular job. The union's proposal, if granted, would grant the shift sergeants at camps additional compensation for just doing their regular daily jobs.”

On the Union’s layoff proposal, “the word ‘range’ is included in other State contracts, and if removed from the Teamster contract, it could set a dangerous precedent that the word ‘range’ be removed from other contracts” the DOC contends. “If the union's proposal is granted, the effect would allow this union to trample over other employees outside this bargaining unit, like the Federation.”

The State’s Appendix I overtime proposal is its non-monetary “priority” this bargaining round. It is “advantageous to the union members and it’s also advantageous to DOC,” the State argues. It also reflects the Union’s feedback by allowing members who have signed up to refuse the overtime assignment up until the beginning of the overtime shift, the State asserts.

The State points out the differences in methodology used by DOC and the Union in their compensation surveys. It favors its choices of comparators, methods of valuing pension and health benefits, metrics of vacant position analysis, and benchmarking decisions.

In conclusion the State asserts that “the employer’s compensation proposals are financially feasible, legally sufficient, and fair. Likewise, the employer’s contract language changes are equally sufficient and fair to both the employer and the union.”

UNION’S POSITION

The Union argues that “the employer, throughout the course of our contract negotiations, has insisted on an inadequate proposal; namely, around its economics.” The State’s proposal is “unprecedentedly low.” The State is “financially stable, and there is no justification for its miserly offer,” the Union continues. The State is “hoping that by lowballing the union, the arbitrator will simply split the difference, which will result in an erosion of the prison premium which has been recognized and historically negotiated between the parties,” the Union adds.

The Union contends that “DOC can afford to pay its correctional employees equitably. Despite what the State has implied throughout the course of negotiations and throughout the hearing, the fact is that the State’s general fund balance is increasing.” The State “could not point to an example of a Teamsters 117 contract being found financially infeasible,” the Union pointed out in its closing statement.

The Union argues “that its data shows that the union’s proposals are justified by its wage survey and also recruitment and retention data.” The Union “disagrees with the particular value method used by the employer,” to analyze health benefits. The Union also disagrees with many of the Segal survey’s positions matches.

The Union contends that both surveys “do agree on some items, and specifically they agree that the following classifications are generally behind the market: that's the Classification Counselor 2 classification, the Corrections and Custody Officer 2 classification, the Dentist classification, the Electronics Technician 4, the Human Resources Consultant Assistant 2, and the Pharmacist 2. And the union would, for that reason, urge the arbitrator to take a look at those classifications for a general wage increase as the union is proposing.”

As for county comparators, “all of the arbitrators who have previously considered the issue about whether or not County comparables are a factor that an arbitrator should consider have concluded that it is appropriate to survey the County comparables.”

As for the “prison premium,” the Union asserts that “the comparison here is with correctional employees in other states, a certain correctional differential is built into those numbers and into this award... the union believes that that historical differential needs to be maintained... any targeted range increases that apply to WFSE employees and any general increase that boosts their wages should also be applied to the Teamsters 117 employees to avoid eroding the prison premium.” The Union’s closing argument emphasizes the stressful and dangerous nature of prison work.

As far as recruitment and retention, “evidence, including member testimony and data provided by the Department of Corrections, shows that DOC is having trouble attracting and retaining a workforce due to its inadequate compensation.” The Union highlights vacancy rates and days positions are vacant to illustrate this problem.

The Union’s general wage proposal is intended to keep up with inflation. The arbitrator should consider the fact that only three of the five comparator states have collective bargaining agreements for prison employees. Those states with CBAs should be given more weight, the Union argues.

The Union also wants the arbitrator to consider relationships between classifications when awarding TWIs. This applies to positions such as occupational nurse consultant, marine engine mechanic, corrections specialist, and psychiatric social worker. The Union also asks the arbitrator to consider the compelling testimony from a religious coordinator, an imaging technologist, an electrical technician, and a correctional records technician as the basis for the Union’s TWI proposals.

The Union asks the arbitrator to accept its “salary adjustments” proposal because the process “has turned into a grievance mill.” On standby pay, the Union’s proposal for an increase is “just some way of acknowledging those employees for the difficult work they do being on standby pay, in addition to their regular work.”

On overtime for exempt members of specialty teams, the Union argues that exchange pay is not adequate to deal with the additional and important work these unit members perform. Overtime pay is the “only way to ensure that all members of specialty teams are fairly and equitably compensated for the extra work that those employees voluntarily take on.”

On the lump sum, the Union notes that “although there is a pending grievance on this matter, there is nothing that prevents the issue from being resolved here through the interest arbitration process, thereby mooting the need to reschedule a separate arbitration hearing.”

The Union contends that “a chief source of wage erosion relative to employees in comparator states” is the absence of longevity pay. “Both parties’ wage surveys show custody officers falling further behind comparators at the 15 and 20 years of service mark.” The Union rejects the State’s claim that promotions alleviate the problem, noting that comparator states offer promotions as well.

On the Union’s layoff proposal, “eliminating the word ‘range’ will bring Article 35 in line with the spirit of that provision and the intention of that provision by focusing on the comparative dollar amount of salaries, rather than arbitrary range distinctions and range numbers.”

Witness testimony that shift sergeants at work camps have “additional and distinct duties” from unit sergeants went un rebutted, the Union argues. Assignment pay is the way to compensate for this.

As to the State’s overtime proposal in Appendix I, the Union asserts that “the employer has not met its burden of showing that such a drastic change is necessary... The real solution is to fully staff health services with full-time employees who know the Department’s policies and procedures and know how to safely operate in a prison environment.”

In summary, the Union “asks the arbitrator to reject the State’s inadequate proposal and, instead, consider the union’s proposal which does follow those statutory factors and which will compensate the members of this bargaining unit for the work that they do every single day to help protect and keep Washington safe.”

ANALYSIS of STATUTORY FACTORS

RCW 41.80.200 requires that that an arbitrator consider the following statutory factors in rendering a decision in an interest arbitration dispute between the Department of Corrections and one of its unions. As detailed below, not all the factors are relevant to each issue in the instant dispute. Under the catch-all clause under section 6(a) (viii), based on the parties’ presentations, the undersigned arbitrator has identified the cost of living, internal comparisons, principles of contract negotiation and interpretation, and past agreements as factors that are normally considered.

1) Financial Ability: The Employer, in this instance, is not making the argument that it cannot afford the Union’s proposal. It is simply contending that, given the competing priorities facing the State, it would not be prudent to give a pay increase of the magnitude proposed by Teamsters Local 117.

In the State’s most recent economic forecast, the Executive Summary states that “the economy continues to expand although inflation remains elevated.” The report noted a revenue

decrease of \$189 million from previous projections for the 2025 – 2027 biennium. Nonetheless, the Revenue Forecast Council is projecting a \$5 billion (7.5%) revenue increase during the biennium of this disputed CBA (2025 – 2027) over the current biennium (2023 – 2025). The Council is also projecting a \$5.5 billion (7.7%) revenue increase in the 2027-2029 biennium over the 2025-2027 biennium.

The record is clear that revenue projections for the State of Washington general government are trending upward. The State can afford to provide a contract with pay increases that will help it achieve its mission of fulfilling its mandate to provide a modern, humane and efficient corrections system. Within the projected financial constraints, the Employer has the means to pay for a CBA that is based on increases in the cost of living, as well as additional targeted increases designed to bring the State into better alignment with the market.

2) Constitutional and Statutory Authority of the Employer: It is not clear what this factor entails. The parties did not emphasize it in their presentations. It may mean the obvious – that the arbitrator’s decision is not binding on the Governor or the legislature. Nothing in this arbitration award undermines or conflicts with the Employer’s authority.

3) Stipulations of the parties: The parties’ tentative agreements, reached prior to and during the arbitration process, are their stipulations in this instance.

4) Comparisons of wages, hours, benefits, and conditions of employment with employees in other states: The salaries paid by the DOC tend to lag the market, even based on the Employer’s own survey. In some key classes, the lag is considerably greater than the guideline of 5% under market set by the Employer’s survey consultant.

Compensation survey comparisons are not an exact science. One built-in factor that makes comparisons difficult is time displacement. The survey, by statutory necessity, is conducted in early January 2024 for increases that will not go into effect until July 2025. The comparison market is constantly evolving as CBAs are negotiated in unionized states and Governors and legislatures set salaries in nonunion states. Job description comparisons are also inexact. On the other hand, the 80% ratio of filled positions to budgeted positions is concerning.

The arbitrator’s takeaway from this complex set of factors is that key segments of the bargaining unit lag market wages. The Employer’s proposal is not adequate to prevent a further erosion of market standing. A total of 2% over two years, plus a few market-based adjustments for sparsely populated classes, as proposed by the Employer, will not come close to reversing the negative trend.

The Union's wage proposal, during a time of modest revenue growth and strong competing interests for state funding, is also way off the mark. The undersigned arbitrator's decision attempts to balance the reality of the market lag with the state's economic reality.

5) The ability of the department of corrections to retain employees: Another highly significant factor in assessing the import of market surveys is recruitment and retention. If the Employer is having difficulty filling positions and is losing trained employees in lateral transfers to rival employers, a salary lag may be to blame. Other less tangible factors, such as working conditions, may also factor in. In the instant case, the loss of employees to rival employers was presented primarily anecdotally, not statistically.

The parties disagree as to whether it is relevant to compare the CO series and other DOC employees to county corrections employees. By statute, the legislature intended total compensation to be compared to employees working for other states, not counties. However, the "ability to retain" statutory factor folds in the relevance of county employment. If higher pay and / or benefits are resulting in a loss of existing DOC employees to competitor county employers, this is a factor an interest arbitrator must consider.

6) Changes in any of the foregoing circumstances during the arbitration proceeding: No changes to the statutory factors during the arbitration proceeding were in evidence.

7) Overall compensation received: Healthcare and retirement benefits are outside the purview of this interest arbitration proceeding. The parties disagreed on how the State's healthcare and retirement benefits stacked up against the competitors. This affected their calculation of total compensation. The differences generated by these competing approaches are not significant enough to alter the outcome of this award.

8) Other factors that are normally or traditionally taken into consideration:

a) Cost of living: Over the last ten years, Teamsters DOC wages have more than kept pace with inflation. During that decade, wages have exceeded the Seattle CPI by 7%. The wage proposal presented by the State might cause bargaining unit wages to fall below inflation. While the Seattle CPI is moderating, it probably will exceed 3% per year over the next two years.

b) Comparison with other DOC collective bargaining agreements: See discussion of "prison premium" below.

c) Past Collective Bargaining Agreements: Interest arbitrators often use past agreements reached by the parties as guidance for their ordered decisions. In the instant case, the parties have no recent history of reaching agreements. Evidence in the record shows that the parties have resorted to interest arbitration to resolve disputed issues in all recent bargaining cycles.

A typical pattern in recent years has been a decision rendered by the interest arbitrator that was, on wages, somewhat higher than the employer's offer but considerably lower than the union's proposal, as shown in the chart above.

A review of recent interest arbitration awards shows that the Employer's proposal was consistently well below the maximum it was willing to accept. In recent years, the OFM has deemed financially feasible and incorporated into the Governor's budget contract terms that were more costly than those the Employer had proposed to the arbitrator. This pattern makes the undersigned arbitrator optimistic that the OFM will find the award outlined below financially feasible, an outcome that will be beneficial to both parties.

d) **Principles of Contract Negotiation and Interpretation:** Several of the issue disputes in this case involve one party seeking new contract language and the other proposing the status quo. The burden of persuasion, in these instances, lies with the change-seeking party. An interest arbitrator should not upend provisions negotiated by the parties in prior agreements without compelling reasons to do so. One metric in this regard is whether the union, when it is the change-seeking party, has tested the existing language through the grievance arbitration process. In the instant case, the union has not thoroughly pressure-tested the existing language on several issues to the satisfaction of this interest arbitrator.

DISCUSSION AND DECISIONS BY ISSUE

In large part due to the parties' reliance on the arbitrator to make bargaining compromises, the parties found themselves far apart on compensation. The following is a summary of the undersigned arbitrator's analysis of the parties' proposals measured against the statutory factors, followed by the arbitrator's decision on each issue.

Article 32.1 – Pay Range Assignments – A 4% annual wage increase will be, in essence, a hold-steady contract that will balance fiscal realities with the need to keep wages on pace with the cost of living. The following statutory factors are determinative in the Article 32.1 dispute: financial ability to pay, comparison to employees in other states, recruitment and retention, overall compensation received, and other factors normally taken into consideration (cost-of-living, comparison with other state bargaining units, and past CBAs). **Based on these factors, the arbitrator awards a 4% increase each of the two years of the CBA, effective on July 1, 2025, and July 1, 2026.**

Lump Sum – Article 32.29 – The primary reason for rejecting the Union’s proposal for a bonus is that the matter is presently in the grievance procedure. The undersigned arbitrator assumes that, since the Union filed a grievance under the existing CBA, the Union believes the Employer has violated the CBA. Until and unless that grievance is settled or a grievance arbitrator rules on it, the current language has not been sufficiently tested.

Secondarily, the lump sum proposal dates from the years of the now-passed pandemic. Bonus money can be better utilized for ongoing pay increases. Bonuses to existing employees do not assist the Employer in recruiting new employees. For this reason, the arbitration award does not adopt the Union’s proposal of a \$5,000 bonus.

The following statutory factors are determinative in the Article 42.32 dispute: financial ability to pay, recruitment and retention, and other factors normally taken into consideration (comparison with other state bargaining units, past CBAs, and principles of contract negotiation and interpretation). **Based on these factors, the Employer’s proposal of no bonus is adopted.**

Targeted Wage Increases (TWIs) – Appendix G –On the critical topic of classification-specific increases, extreme opening positions have been presented to the arbitrator as “final” proposals. The Employer’s proposal, on the one hand, does not address market lags for key corrections classifications. The Union’s proposal, on the other hand, presents a far-too-costly package of class-specific proposals that resembles an initial, or “educational,” proposal. Both parties, apparently, were counting on the interest arbitrator to make Solomon-like decisions on equity adjustments, cobbling together a package acceptable to both the Teamsters and the department.

This arbitration award will not make those consequential class-specific decisions. They are better left to the parties. Even in the context of a statutory system permitting interest arbitration, a negotiated agreement reached by the parties is superior to anything an arbitrator can award. The interest arbitrator is a visitor, whereas the parties “live in” the CBA. They work with the contract day after day. They understand its origins, history, and interpretations. They understand the nuances of job classifications. They know which positions are harder to fill and keep filled. No amount of testimony during an arbitration hearing can substitute for the in-depth knowledge of the parties.

Instead, in the award detailed below, the arbitrator orders a funding pool for classification-specific increases that the parties are to utilize for time-limited negotiations. If the parties do not reach agreement, the default will be additional across-the-board increases for the entire bargaining unit. In either case, the cost to the Employer will be the same. The cost of 2% per year is set by this award. OFM can cost the combination of the general wage increases and the additional 2% of classification increases

(or general wage increases absent an agreement) as a 6% per year total increase. The undersigned arbitrator finds that an overall 6% total cost per year is necessary and sustainable.

The parties' experts – those who designed and conducted the surveys, those who analyzed the job descriptions and duties, those who crafted Appendix G proposals – have laid the groundwork for successful Appendix G negotiations. This arbitration decision provides the financial framework for reaching the necessary compromises. If the parties can agree on a basket of class-specific increases, it will help reset their relationship. It will lay a foundation for resolving other important labor-management issues looming on their horizons.

The arbitrator's decision to award 2% per year for classification-specific increases is based on the same factors identified for the general wage increase: financial ability to pay, comparison to employees in other states, recruitment and retention, overall compensation received, and other factors normally taken into consideration (cost-of-living, comparison with other state bargaining units, and past CBAs).

All classification-specific proposals already agreed to by the parties are adopted. In addition, a pool of 2% per year is awarded. The parties are to meet and confer as specified below to negotiate classification-specific increases using the 2% funds. Classifications for which the Employer has already made range increase proposals but the Union made greater proposals will also be eligible for increases. The parties may choose to utilize a portion of the 2% for across-the-board increases and a portion for classification-specific increases. If no agreement is reached, the 2% will be applied as additional across-the-board increases each year of the two-year agreement.

Salary adjustments – Article 32.8 – The burden is on the Union to show why the existing CBA language should be deleted. The Union did not meet that burden. The examples given by the Union were not detailed enough to show the need for change. No evidence was in the record that the Union had filed a grievance under the current language to protest what it characterized as selective application of a prior practice.

The following statutory factors are determinative in the Article 32.8 dispute: financial ability to pay, recruitment and retention, and other factors normally taken into consideration (past CBAs, and principles of contract negotiation and interpretation). Based on these factors, **the Employer's proposal of CCL is adopted.**

Standby pay – Article 32.20 – Standby pay is a critical tool of management to guarantee that proper staffing is available, especially in prison healthcare services. It is an appropriate way of compensating overtime-exempt employees for time when they are off-duty but must remain available to take calls. The Union's witness testified eloquently about the challenges of being on-call.

The parties have chosen to use flat dollar amounts for standby pay. The consequence is that standby pay does not keep up with inflation and pay rates in general. Since the last adjustment in 2019, base pay has increased by 25%. The dollar amounts in the Union's proposal cannot be justified on these grounds, but a lesser increase is appropriate.

The following statutory factors are determinative in the Article 32.20 dispute: financial ability to pay, recruitment and retention, survey of comparator agencies, and other factors normally taken into consideration (past CBAs). Based on these factors, **an increase from \$100 to \$175 for health services employees and from \$50 to \$75 for all other overtime-exempt employees is ordered.**

Specialty teams premium – Article 32.24 – A threshold issue for the arbitrator in this dispute is the nature of overtime-exempt compensation. By its very definition, employees so designated are not eligible for hourly, daily or weekly overtime pay. The parties have negotiated “exchange time” as compensation for overtime-exempt employees working additional hours beyond 45 hours in a week.

To write in an exception to the overtime-exemption for these specific activities could have unintended consequences for entire job classifications. Employees designated overtime-exempt have the presumptive right to challenge that designation and make a claim that they are eligible for overtime. The Union and the employees in this instance have not done so.

What strengthens the Employer's case for staying with current language are two factors – the specialty assignments in question are all voluntary. And the employees volunteering for these assignments receive ongoing specialty pay on top of their regular salaries.

The Union has not met its burden that this section of the contract needs to change. The following statutory factors are determinative in the Article 32.8 dispute: other factors normally taken into consideration (past CBAs, and principles of contract negotiation and interpretation). Based on these factors, **the Employer's proposal of CCL is adopted.**

Longevity premium – Article 32 – The Union is understandably concerned about the lack of step increases in the later years of a unit members' career. In part, this results from a proposal by the State and accepted by the Union in the last bargaining round. It was to change a step to a regular step from a more longevity-type step. This award compressed the step schedule. The Union accepted the change because it benefited unit members. They achieve top step now more quickly than under previous CBAs.

Surveys of the comparator states, and the nearby counties, show that the State of WA is somewhat out of sync with the typical longer step schedules for these classes of employees. The Union's proposal has a significant cost, equivalent to a 2% general increase for the entire unit. Yet it only benefits in the near term a small segment of the unit members, those with ten or more years of service. This is the type of proposal that should not be imposed by an interest arbitrator but negotiated by the parties as a part

of an overall economic settlement that is then ratified by the Union membership. The Union could bolster its case by showing that more senior employees are leaving DOC for employment in competing jurisdictions later in their careers.

The following statutory factors are determinative in the Article 32 longevity steps dispute: financial ability to pay, recruitment and retention, and other factors normally taken into consideration (past CBAs, comparison to other State of WA CBAs). Based on these factors, **the Employer's proposal of CCL is adopted.**

Layoff position eligibility – Article 35 – This arbitrator is cautious about ordering a contract change that might impinge on another bargaining unit's rights. This proposal concerns Teamster unit members moving into WFSE-represented positions in the event of a layoff. This is already allowed under the current language. However, the proposal expands the rights of Teamster members in a layoff, allowing them to transfer into an additional number of WFSE positions.

The Union's proposal is not the kind of proposal that should be imposed by an interest arbitrator. It should be handled through an MOU between the Employer and the two unions involved. Since no evidence was in the record that WFSE consented to this change, the Employer's position of CCL is adopted.

The Union has not met its burden of showing the need for the contract change. The following statutory factors are determinative in the Article 35 dispute: other factors normally taken into consideration (past CBAs, other State of WA CBAs, and principles of contract negotiation and interpretation). Based on these factors, **the Employer's proposal of CCL is adopted.**

Shift Sergeants at Stand Alone Camps – Appendix F – The Union has not met its burden of persuasion on this proposed change. The union's premise is that shift sergeants have more complex and higher-level duties than unit sergeants at work camps. The testimony of the shift sergeant from the Olympic site described, indeed, a challenging body of work. No unit sergeant testified.

To the undersigned arbitrator, this appears more like a bid to create a new, higher-paid job classification than a case for assignment pay. The State has a system to assess and modify job classifications. Perhaps this is the direction the Union should go in pursuing this change.

The Union has not met its burden of showing the need for the contract change. The following statutory factors are determinative in the Appendix F dispute: other factors normally taken into consideration (past CBAs, and principles of contract negotiation and interpretation). Based on these factors, **the Employer's proposal of CCL is adopted.**

Appendix I – Registered Nurses and Licensed Practical Nurses - The Union’s opposition to this management-proposed contract change is difficult for the neutral to understand. The change merely allows certified contract nurses to sign up for overtime shifts at the same time as the bargaining unit nurses. It gives the bargaining unit nurses the right to bump the contract nurse out of the overtime assignment until the very last minute. And, in a gesture responsive to the Union’s bargaining table concerns, it deletes the provision that locks the bargaining unit nurse into the overtime shift after he/she volunteers for it.

Management has persuasively argued that this change is necessary to allow DOC to be compliant with new state legislation restricting mandatory overtime for nurses. DOC has met its burden of showing the need for this contract change. The following statutory factors are determinative in the Appendix I dispute: other factors normally taken into consideration (past CBAs, and principles of contract negotiation and interpretation). Based on these factors, **the Employer’s proposal to modify Appendix I is adopted.**

General Observations and Recommendations

The Prison Premium: In this bargaining cycle, the undersigned arbitrator has had the privilege of serving as the arbitrator for both the Teamsters and WFSE contracts with DOC. Prior selected neutrals have served as arbitrator for one or the other, but not both. The dual selection has provided this arbitrator the unique opportunity to hear from all sides their perspectives on the chief issue that divides the two unions: the “prison premium.”

The prison premium refers to the pay differential between same or similar classifications of employees working inside and outside the prison walls. Historically, for reasons primarily stemming from interest arbitrators’ awards since the interest arbitration system was instituted by the state legislature in 2013, pay for the Teamster-represented classifications in the prisons has significantly outpaced the WFSE-represented classifications outside the prisons.

Based on arbitration awards from 2015 to 2020, the Teamsters unit received 29% in general wage increases, compared to 18% for the WFSE unit. Pay rates for individual classifications have also diverged. CO2s in the prisons are paid over \$4,000 more annually than CO2s in community corrections. CS3s in the prisons make \$12,000 more annually than WFSE-represented CS3s.

Both unions have made cogent and impassioned presentations about the prison premium. The WFSE, for its part, advocates for doing away with the differential. It cites the new state sentencing and custody philosophies and the dangers that its members face every day on the job. The Teamsters just as strongly argues for maintaining, if not enhancing, the premium. It cites the historical bargaining record, and the stress and danger of working in the sometimes-violent prison environment.

The takeaway of this arbitrator from twelve days of hearings is that both groups perform essential work to keep society safe. Unit members represented by both unions face stresses and uncertainties about their personal safety every day they swipe a timecard. This is true whether they monitor a cellblock or seek to apprehend a violent sentenced individual who has violated their sentence terms.

The prison premium is, ultimately, a product of the labor market. It is not a sign that one or the other job is more important or more dangerous than the other. The market, over time, can shift, and the premium may grow or shrink. Presently, the market assigns a premium to employees who work within prison walls and wires.

Both unions did a splendid job of advocating for their members in their respective arbitration proceedings. They made the strongest possible cases for the value of their members' work, as they should. The arbitration decisions in both cases reflect the strength of that advocacy.

When people compare the Teamsters and WFSE awards, as they no doubt will, they will find that the basic structure of the economic package in both decisions is the same. These awards do not erode the prison premium, nor do they expand the premium. While the market for these corrections positions is complex and varied, in general both groups lag the market in key classes by moderate amounts.

These awards also provide the parties with the identical mechanism to work on classification-specific adjustments. Both parties have a pool of 2% per year of the agreement at their disposal to negotiate range adjustments. These adjustments might result in a modification of the prison premium differential in some classifications. That is up to DOC and its partner unions. The unions and DOC also have other means, such as close analysis of job descriptions compared to actual duties, to address inequities.

A Recommendation for “Final Offer” Rules in Future Interest Arbitrations: As a general matter, the undersigned arbitrator recommends that, in future bargaining cycles, the parties voluntarily adopt a ground rule that the arbitrator must choose one side or the other's proposal on each issue in dispute. Such a ground rule would become a “stipulation of the parties” under RCW 41.80.200 and hence would be binding on the interest arbitrator.

The effect of this ground rule would be to encourage the parties to make final offers that are more in line with what they believe an arbitrator might award. By doing so, they would tend to move closer to each other in their offers and would be more likely to reach an agreement without an arbitrator's intervention. Such a ground rule, sometimes called “baseball” style arbitration, might serve to pause the arbitration treadmill the parties find themselves on, foster more successful negotiations, and improve their overall labor-management relationship.

AWARD

- 1) Effective July 1, 2025, all bargaining unit wage rates are to be increased by 4%.
- 2) Effective July 1, 2026, all bargaining unit wage rates are to be increased by 4%.
- 3) As soon after January 1, 2025, as feasible, the parties will meet to determine the current number of employees in each classification for which the Union has proposed increases under Appendix G that have not been agreed to or proposed by the Employer. The parties will also jointly calculate the cost of providing the entire bargaining unit a 2% increase on that date.
- 4) The parties will then meet and confer over the Union's Appendix G proposals and attempt to reach agreement on a package of increases with a total cost of 2% (based on the January 1 joint calculation) to be implemented on July 1, 2025, and an additional 2% to be implemented on July 1, 2026.
- 5) The parties may, by mutual agreement, utilize a portion of the 2% each year for Appendix G increases and a portion for general wage increases.
- 6) The parties will conclude the meet and confer session no later than March 31, 2025. If they fail to reach agreement on 2025 Appendix G increases, an additional 2% wage increase will be implemented for the entire bargaining unit on July 1, 2025. If they fail to reach agreement on the 2026 Appendix G increases, an additional 2% wage increase will be implemented for the entire bargaining unit on July 1, 2026.
- 7) Standby pay for overtime exempt employees in health services is to be increased from \$100 to \$175. Standby pay for all other overtime exempt employees is to be increased from \$50 to \$75.
- 8) The Employer's Appendix I proposal on overtime scheduling is adopted.
- 9) All other disputed provisions remain at current contract language or as previously agreed to by the parties.
- 10) The arbitrator retains jurisdiction for sixty days after issuance of the award for the purpose of award interpretation.



Paul D. Roose, Arbitrator

Date: September 24, 2024