ENGROSSED SUBSTITUTE HOUSE BILL 1622

State of Washington 69th Legislature 2025 Regular Session

By House Appropriations (originally sponsored by Representatives Parshley, Doglio, Fosse, Ramel, Ortiz-Self, Bergquist, Couture, Timmons, Obras, Reed, Bronoske, Bernbaum, Low, Nance, Schmidt, Simmons, Cortes, Stonier, Farivar, Scott, Peterson, Macri, Paul, Mena, Tharinger, Stearns, Berry, Donaghy, Gregerson, Taylor, Goodman, Hill, Kloba, Fitzgibbon, Salahuddin, Caldier, Thai, Fey, Davis, Shavers, Santos, Hunt, Griffey, Richards, Duerr, Zahn, and Thomas)

READ FIRST TIME 02/28/25.

- 1 AN ACT Relating to allowing bargaining over matters related to
- 2 the use of artificial intelligence; amending RCW 41.56.021,
- 3 41.80.005, 41.80.040, and 41.80.430; adding a new section to chapter
- 4 41.56 RCW; adding a new section to chapter 41.80 RCW; and creating
- 5 new sections.

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- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 **Sec. 1.** RCW 41.56.021 and 2007 c 136 s 1 are each amended to 8 read as follows:
 - (1) In addition to the entities listed in RCW 41.56.020, this chapter applies to employees of institutions of higher education who are exempted from civil service pursuant to RCW 41.06.070(2), with the following exceptions:
 - (a) Executive employees, including all members of the governing board of each institution of higher education and related boards; all presidents and vice presidents; deans, directors, and chairs; and executive heads of major administrative or academic divisions;
 - (b) Managers who perform any of the following functions:
- 18 (i) Formulate, develop, or establish institutional policy, or 19 direct the work of an administrative unit;
- 20 (ii) Manage, administer, and control a program, including its 21 physical, financial, or personnel resources;

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- 1 (iii) Have substantial responsibility for human resources 2 administration, legislative relations, public information, internal 3 audits and investigations, or the preparation and administration of 4 budgets;
 - (iv) Functionally is above the first level of supervision and exercises authority that is not merely routine or clerical in nature and requires the consistent use of independent judgment;
 - (c) Employees who, in the regular course of their duties, act as a principal assistant, administrative assistant, or personal assistant to employees as defined by (a) of this subsection;
 - (d) Confidential employees;

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- (e) Employees who assist assistant attorneys general who advise and represent managers or confidential employees in personnel or labor relations matters, or who advise or represent the state in tort actions.
- (2) Employees subject to this section shall not be included in any unit of employees certified under RCW 41.56.022, 41.56.024, or 41.56.203, chapter 41.76 RCW, or chapter 41.80 RCW. Employees whose eligibility for collective bargaining is covered by chapter 28B.52, 41.76, or 41.80 RCW are exempt from the provisions of this chapter.
- (3) Institutions of higher education and the exclusive bargaining representatives shall not agree to any proposal that would prevent the implementation of approved affirmative action plans or that would be inconsistent with the comparable worth agreement that provided the basis for the salary changes implemented beginning with the 1983-1985 biennium to achieve comparable worth.
- (4) Institutions of higher education and the exclusive bargaining representative shall not bargain over rights of management that, in addition to all powers, duties, and rights established by constitutional provision or statute, shall include but not be limited to the following:
 - (a) The functions and programs of the institution ((, the));
- (b) The use of technology((, and the)), except as provided in section 5 of this act;
 - (c) The structure of the organization;
- $((\frac{b}{b}))$ <u>(d)</u> The institution's budget and the size of its workforce, including determining the financial basis for layoffs;
 - (((-(c))) (e) The right to direct and supervise employees;

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- 1 (((d))) <u>(f)</u> The right to take whatever actions are deemed 2 necessary to carry out the mission of the state and the institutions 3 of higher education during emergencies;
 - (((e))) <u>(g)</u> Retirement plans and retirement benefits; or

- $((\frac{f}{f}))$ (h) Health care benefits or other employee insurance benefits, except as provided in RCW 41.80.020.
- **Sec. 2.** RCW 41.80.005 and 2023 c 136 s 2 are each amended to 8 read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

- (1) "Agency" means any agency as defined in RCW 41.06.020 and covered by chapter 41.06 RCW. "Agency" also includes the assistant attorneys general of the attorney general's office and the administrative law judges of the office of administrative hearings, regardless of whether those employees are exempt under chapter 41.06 RCW. "Agency" does not include a comprehensive cancer center participating in a collaborative arrangement as defined in RCW 28B.10.930 that is operated in conformance with RCW 28B.10.930.
- (2) (a) "Artificial intelligence" means the use of machine learning and related technologies that use data to train statistical models for the purpose of enabling computer systems to perform tasks normally associated with human intelligence or perception, such as computer vision, speech or natural language processing, translation, decision making, and content generation.
- (b) For purposes of this subsection, "machine learning" means the process by which artificial intelligence is developed using data and algorithms to draw inferences thereupon to automatically adapt or improve its accuracy without explicit programming.
- (3) "Collective bargaining" means the performance of the mutual obligation of the representatives of the employer and the exclusive bargaining representative to meet at reasonable times and to bargain in good faith in an effort to reach agreement with respect to the subjects of bargaining specified under RCW 41.80.020. The obligation to bargain does not compel either party to agree to a proposal or to make a concession, except as otherwise provided in this chapter.
- $((\frac{3}{3}))$ (4) "Commission" means the public employment relations commission.
- $((\frac{4}{}))$ (5) "Confidential employee" means an employee who, in the 39 regular course of his or her duties, assists in a confidential

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- 1 capacity persons who formulate, determine, and effectuate management policies with regard to labor relations or who, in the regular course 2 of his or her duties, has authorized access to information relating 3 to the effectuation or review of the employer's collective bargaining 4 policies, or who assists or aids a manager. "Confidential employee" 5 6 also includes employees who assist assistant attorneys general who 7 advise and represent managers or confidential employees in personnel or labor relations matters. 8
- 9 (((+5))) (6) "Director" means the director of the public 10 employment relations commission.
- (((6))) <u>(7)</u> "Employee" means any employee, including employees whose work has ceased in connection with the pursuit of lawful activities protected by this chapter, covered by chapter 41.06 RCW.

 "Employee" includes assistant attorneys general of the office of the attorney general and administrative law judges of the office of administrative hearings, regardless of their exemption under chapter 41.06 RCW. "Employee" does not include:
- 18 (a) Employees covered for collective bargaining by chapter 41.56 19 RCW;
 - (b) Confidential employees;

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- (c) Members of the Washington management service excluded from collective bargaining under RCW 41.80.430;
 - (d) Internal auditors in any agency; or
 - (e) Any employee of the commission, the office of financial management, or the office of risk management within the department of enterprise services.
 - ((+7)) (8) "Employee organization" means any organization, union, or association in which employees participate and that exists for the purpose, in whole or in part, of collective bargaining with employers.
- 31 $((\frac{8}{(8)}))$ <u>(9)</u> "Employer" means the state of Washington.
- $((\frac{(9)}{(9)}))$ (10) "Exclusive bargaining representative" means any employee organization that has been certified under this chapter as the representative of the employees in an appropriate bargaining unit.
- 36 (((10))) <u>(11)</u> "Institutions of higher education" means the 37 University of Washington, Washington State University, Central 38 Washington University, Eastern Washington University, Western 39 Washington University, The Evergreen State College, and the various 40 state community colleges.

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- (((11))) <u>(12)</u> "Labor dispute" means any controversy concerning terms, tenure, or conditions of employment, or concerning the association or representation of persons in negotiating, fixing, maintaining, changing, or seeking to arrange terms or conditions of employment with respect to the subjects of bargaining provided in this chapter, regardless of whether the disputants stand in the proximate relation of employer and employee.
- 8 $((\frac{(12)}{(12)}))$ <u>(13)</u> "Manager" means "manager" as defined in RCW 9 41.06.022.
- 10 (((13))) <u>(14)</u> "Supervisor" means an employee who has authority, 11 in the interest of the employer, to hire, transfer, suspend, lay off, 12 recall, promote, discharge, direct, reward, or discipline employees, 13 or to adjust employee grievances, or effectively to recommend such 14 action, if the exercise of the authority is not of a merely routine 15 nature but requires the consistent exercise of individual judgment.
- 16 $((\frac{(14)}{(14)}))$ <u>(15)</u> "Unfair labor practice" means any unfair labor 17 practice listed in RCW 41.80.110.
- 18 $((\frac{(15)}{)})$ <u>(16)</u> "Uniformed personnel" means duly sworn police 19 officers employed as members of a police force established pursuant 20 to RCW 28B.10.550.
- 21 **Sec. 3.** RCW 41.80.040 and 2020 c 357 s 913 are each amended to 22 read as follows:
 - The employer shall not bargain over rights of management which, in addition to all powers, duties, and rights established by constitutional provision or statute, shall include but not be limited to the following:
 - (1) The functions and programs of the employer ((, the));
- 28 <u>(2) The</u> use of technology((, and the)), except as provided in 29 section 6 of this act;
 - (3) The structure of the organization;

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- $((\frac{(2)}{(2)}))$ (4) The employer's budget, which includes for purposes of any negotiations conducted during the 2019-2021 fiscal biennium any specification of the funds or accounts that must be appropriated by the legislature to fulfill the terms of an agreement, and the size of the agency workforce, including determining the financial basis for layoffs;
- (((+3))) (5) The right to direct and supervise employees;

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- 1 (((4+))) (6) The right to take whatever actions are deemed 2 necessary to carry out the mission of the state and its agencies 3 during emergencies; and
 - (((+5))) (7) Retirement plans and retirement benefits.
- 5 **Sec. 4.** RCW 41.80.430 and 2023 c 136 s 3 are each amended to 6 read as follows:
 - (1) (a) Washington management service members who are not otherwise excluded from bargaining under (b) of this subsection are granted the right to collectively bargain.
 - (b) The following Washington management service members are excluded from bargaining:
- 12 (i) Employees in positions within Washington management salary 13 band 3, salary band 4, and medical band, as defined by the office of 14 financial management;
 - (ii) Human resource managers;
 - (iii) Budget managers;

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- (iv) Risk and litigation managers;
- (v) Employees in positions whose official primary duties include conducting employee-related investigations including, but not limited to, a possible unfair practice under chapter 49.60 RCW, a possible violation of other federal, state, or local laws or an employing agency's internal policies, and employee misconduct or performance;
- (vi) Employees in positions that report directly to an assistant secretary, deputy secretary, agency director, or equivalent, of an agency; and
- (vii) Employees in positions excluded under RCW $41.80.005((\frac{(6)}{(6)}))$ (7).
 - (c) Bargaining over wages will be limited to Washington management service salary band levels, not individual Washington management service classifications or positions.
 - (2) (a) Except as provided in (b) of this subsection, the only units that may be designated for the purpose of collective bargaining under this chapter are a supervisory or nonsupervisory unit, as determined by the commission, of all salary band 1 and salary band 2 Washington management service members within an agency that are not otherwise excluded from bargaining under this section.
- 37 (b) Subject to the public employment relations commission's 38 review and to avoid excessive fragmentation, more than two bargaining 39 units that otherwise meet the parameters in (a) of this subsection

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- may be designated within a major administrative division of the 1 following agencies: The department of corrections, the department of 2 social and health services, the department of children, youth, and 3 families, the department of transportation, the department of health, 4 the state health care authority, the department of natural resources, 5 the department of enterprise services, the department of ecology, the 6 7 employment security department, and the department of wildlife. 8
- 9 (3) The governor or the governor's designee and an exclusive 10 bargaining representative shall negotiate for eligible Washington 11 management service members within the bargaining agreements under RCW 12 41.80.010(2)(a)(i).
- 13 (4) No collective bargaining agreement entered into under this 14 section with an exclusive bargaining representative of members of the 15 Washington management service may take effect prior to July 1, 2025.
- NEW SECTION. Sec. 5. A new section is added to chapter 41.56 RCW to read as follows:
 - (1) An employer shall bargain over the decision to adopt artificial intelligence technology or modify the current uses of artificial intelligence technology if the adoption or modification affects employees' wages or performance evaluations. An employer is not required to bargain over the implementation or modification of artificial intelligence technology if the implementation or modification is part of an update made by a third party to technology already in use by employees and does not meaningfully impact employee's wages or performance evaluations.
 - (2) For the purposes of this section:

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- 28 (i) "Artificial intelligence" has the same meaning as defined in 29 RCW 41.80.005;
- 30 (ii) "Third party" means an individual or entity that provides 31 services such as technology services, digital services, equipment, or 32 software, but does not have an employment or a coemployment 33 relationship with the employer.
- NEW SECTION. Sec. 6. A new section is added to chapter 41.80 RCW to read as follows:
- 36 (1) An employer shall bargain over the decision to adopt 37 artificial intelligence technology or modify the current uses of 38 artificial intelligence technology if the adoption or modification

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affects employees' wages or performance evaluations. An employer is not required to bargain over the implementation or modification of artificial intelligence technology if the implementation or modification is part of an update made by a third party to technology already in use by employees and does not meaningfully impact employee's wages or performance evaluations.

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- (2) For the purposes of this section, "third party" means an individual or entity that provides services such as technology services, digital services, equipment, or software, but does not have an employment or a coemployment relationship with the employer.
- NEW SECTION. Sec. 7. Contracts in effect prior to the effective date of this section remain unaffected by sections 5 and 6 of this act until the contract expires or is renewed or reopened.
- NEW SECTION. Sec. 8. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2025, in the omnibus appropriations act, this act is null and void.

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