

## Talking Points on SB 5021, HB 1016 and SB 5313

February 1, 2021

[SB 5021](#) (fixing the high-5 retirement calculation problem caused by furloughs)

- [Senate Bill Report](#)
- [Fiscal Note](#)

Bill Summary (courtesy of AWAAG member Phil Ferester):

The bill retroactively fixes two issues for various different DRS-managed retirement programs. AWAAG members probably care most about § 4 (Plan 3) and § 7 (PERS retirement systems). Specifically, the bill clarifies that a member's "average final compensation" (AFC) is not affected by reductions in staffing like furloughs or the shared work program.

AFC refers to the average, highest 60 months of a member's compensation while working. It could be a member's last 5 years of employment, but won't always be the last 5 years (e.g., if a member is demoted, or voluntarily takes a position with fewer responsibilities). Additionally, the bill clarifies that a member's service credits are not affected by those same staffing reductions.

These are two key components in the formula that determines what members receive as their defined benefit pension. For example, in PERS 3, your defined benefit = AFC \* years of service \* .01 (or 1%). For those in PERS 2, the formula is the same except for the last multiplier (which is .02 or 2%).

This fix is temporally limited to forgone compensation during the 2019-2021 and 2021-2023 biennia. In 2020, AWAAG members were subject to five days of mandatory furloughs—one day per week in July, and one day in August. In addition, AWAAG's 2021-2023 Collective Bargaining Agreement includes a "Budget Savings" MOU that requires employees to take one furlough day per month throughout the biennium (subject to a re-opener provision). This bill would apply to all furloughs taken in 2020, as well as the furloughs we have agreed to take in the 2021-2023 biennium.

Suggested Talking Points:

- This bill accomplishes two critical fixes in the defined benefit pension formula, to the average final compensation and the service credit.
- While no state employees like taking a pay cut, we agreed to participate in furloughs—both last year and in the coming biennium—in order to help shoulder the burden of the budget shortfall facing the State as a result of the covid-19 pandemic.
- Employee pensions provide critical income to retired state employees. The short-term sacrifice made by state employees subject to furloughs should not be exacerbated by forcing those nearing retirement to choose between postponing retirement and experiencing reduced pensions for the rest of their lives.

[HB 1016](#) (making Juneteenth a legal holiday)

- [House Bill Report](#)
- [Fiscal Note](#)

Bill Summary:

The bill designates June 19, known as Juneteenth or Emancipation Day, as a state legal holiday under RCW 1.16.050. On June 19, 1865—over two years after President Lincoln issued the Emancipation Proclamation—news finally reached Texas that the Civil War had ended and slavery had been abolished. The Legislature’s stated purpose in making Juneteenth an official legal holiday is to encourage Washingtonians to educate ourselves about the history of slavery in the United States, to celebrate the end of that atrocity, and to revisit our solidarity and commitment to antiracism.

AWAAG’s 2021-2023 Collective Bargaining Agreement includes a “Budget Savings” MOU that requires employees to take one furlough day per month throughout the biennium. The MOU has a provision that allows either party to re-open the MOU for one of three reasons: to negotiate adjustments to the furloughs required; to establish a longevity provision; and to establish a personal leave day in recognition of the Juneteenth holiday. By making Juneteenth a legal holiday under state law, passage of this bill would mean that we would no longer need to negotiate with management to establish an extra personal leave day for that purpose. As a result, in the event that the forecasted budget shortfalls do not come to fruition and we re-open the MOU, we can focus on minimizing the amount or nature of furloughs imposed on our members—without sacrificing the value and priority we place in recognizing the importance of Juneteenth.

Suggested Talking Points:

- Observing Juneteenth is a way to commemorate the end of slavery in the United States, honor all those who have paved the road to freedom, and allow for critical reflection on the progress that must continue.
- Making Juneteenth a legal holiday is consistent with AWAAG’s values and priorities as set forth in the Budget Savings MOU of our 2021-2023 Collective Bargaining Agreement.

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[SB 5313](#) (preventing insurers from denying gender affirming healthcare)

Bill Summary:

The bill prevents health insurance carriers from denying gender affirming healthcare, like reconstructive surgery for secondary sex characteristics and electrolysis, which are often categorically excluded from insurance plans as ‘cosmetic.’ This bill builds on last year’s SHB 2338, which expanded the applicability of discrimination prohibitions to all health insurance plans that are regulated by the Office of the Insurance Commissioner.

A team of advocates from QLaw Foundation of Washington and Legal Voice have been working to gather public records to investigate the extent of healthcare discrimination in Washington. They have received many records of complaints discussing how being denied healthcare has led to horrifying outcomes for the complainant, including suicide attempts, other forms of self-harm, and continued discrimination in other areas of their life because people perceive them as the 'other' due to the nature of their features that signal their status as being someone who is gender diverse. Not one of these complaints about healthcare discrimination resulted in the coverage determination being overturned or legal action being taken against the insurer.

Although gender identity discrimination is illegal in Washington, there is currently no way for aggrieved gender diverse people to enforce their rights. This bill aims to close that loophole by providing a private right of action against insurers for denying claims for medically necessary care that comports with accepted standards of care for gender identity treatments. It creates a singular unified standard upon which insurance plans that Washington State has jurisdiction over to ensure a minimum standard of coverage.

#### Suggested Talking Points:

- This bill closes a significant loophole in Washington antidiscrimination law by providing our gender diverse siblings who face healthcare discrimination with an opportunity to seek justice.
- Healthcare that alleviates distress from gender incongruence and is prescribed by physicians is *medically necessary*, not cosmetic.
- Access to gender affirming healthcare is an intersectional issue that cuts across multiple communities and identities, often with Black, Indigenous, and Persons of Color (BIPOC) people who are gender diverse facing significant greater discrimination.
- Access to gender affirming healthcare is a safety issue for gender diverse people because of both the mental health outcomes as well as the reduction in external violence against our gender diverse siblings.
- Our gender diverse siblings deserve better access to healthcare than they are currently receiving. They deserve safety, security, and the chance to improve their overall quality of life like the rest of us.