
ENGROSSED SUBSTITUTE HOUSE BILL 1214

State of Washington 52nd Legislature 1991 Regular Session

By House Committee on State Government (originally sponsored by Representatives Anderson, Spanel, Fraser, R. Johnson and Riley).

Read first time March 5, 1991.

1 AN ACT Relating to state employees; and amending RCW 41.04.340 and
2 41.04.255.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 41.04.340 and 1990 c 162 s 1 are each amended to read
5 as follows:

6 (1) An attendance incentive program is established for all eligible
7 employees. As used in this section the term "eligible employee" means
8 any employee of the state, other than teaching and research faculty at
9 the state and regional universities and The Evergreen State College,
10 entitled to accumulate sick leave and for whom accurate sick leave
11 records have been maintained. No employee may receive compensation
12 under this section for any portion of sick leave accumulated at a rate
13 in excess of one day per month. The state and regional universities
14 and The Evergreen State College shall maintain complete and accurate
15 sick leave records for all teaching and research faculty.

1 (~~An attendance incentive program is established for all eligible~~
2 ~~employees.~~) (2) In January of the year following any year in which a
3 minimum of sixty days of sick leave is accrued, and each January
4 thereafter, any eligible employee may receive remuneration for unused
5 sick leave accumulated in the previous year at a rate equal to one
6 day's monetary compensation of the employee for each four full days of
7 accrued sick leave in excess of sixty days. Sick leave for which
8 compensation has been received shall be deducted from accrued sick
9 leave at the rate of four days for every one day's monetary
10 compensation.

11 (3) At the time of separation from state service due to retirement
12 or death, an eligible employee or the employee's estate (~~shall~~) may
13 elect to receive remuneration at a rate equal to one day's current
14 monetary compensation of the employee for each four full days of
15 accrued sick leave(~~(: PROVIDED, That community college districts may~~
16 ~~delay until July 1, 1981, payment due any eligible employee or~~
17 ~~employee's estate: PROVIDED FURTHER, That there shall be added to any~~
18 ~~such delayed payment interest at the rate of eight percent per year))).~~

19 (4) Pursuant to this subsection, in lieu of cash remuneration the
20 state may, with equivalent funds, provide eligible employees with a
21 benefit plan providing for reimbursement of medical expenses. The
22 committee for deferred compensation shall develop any benefit plan
23 established under this subsection, but may offer and administer the
24 plan only if (a) each eligible employee has the option of whether to
25 receive cash remuneration or to have his or her employer transfer
26 equivalent funds to the plan; and (b) the committee has received an
27 opinion from the United States internal revenue service stating that
28 participating employees, prior to the time of receiving reimbursement
29 for expenses, will incur no United States income tax liability on the
30 amount of the equivalent funds transferred to the plan.

1 (~~Moneys~~) (5) Remuneration or benefits received under this section
2 shall not be included for the purpose of computing a retirement
3 allowance under any public retirement system in this state.

4 (6) With the exception of subsection (3) of this section, this
5 section shall be administered, and rules shall be promulgated to carry
6 out its purposes, by the state personnel board and the higher education
7 personnel board for persons subject to chapters 41.06 and 28B.16 RCW,
8 respectively, and by their respective personnel authorities for other
9 eligible employees: PROVIDED, That determination of classes of
10 eligible employees shall be subject to approval by the office of
11 financial management.

12 (7) Should the legislature revoke any remuneration or benefits
13 granted under this section, no affected employee shall be entitled
14 thereafter to receive such benefits as a matter of contractual right.

15 **Sec. 2.** RCW 41.04.255 and 1982 c 107 s 2 are each amended to read
16 as follows:

17 In addition to its other powers prescribed under this chapter, the
18 committee for deferred compensation is authorized to offer to state
19 employees one or more individual retirement account plans established
20 under applicable state or federal law. The committee for deferred
21 compensation is also authorized to administer the medical benefits plan
22 identified in RCW 41.04.340.