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HOUSE BILL 2805

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State of Washington                      55th Legislature                      1998 Regular Session

By Representatives Alexander, Wolfe, DeBolt, Johnson, Romero and Cooke

Read first time 01/20/98. Referred to Committee on Commerce & Labor.

1            AN ACT Relating to public employment; amending RCW 41.06.030,  
2 41.06.110, 41.06.150, 41.06.152, 41.06.160, 41.06.167, 41.06.170,  
3 41.06.170, 41.06.186, 41.06.196, 41.06.270, 41.06.350, 41.06.400,  
4 41.06.410, 41.06.450, 41.06.475, 41.06.490, 41.06.500, 41.64.090,  
5 28B.12.060, 34.05.030, 34.12.020, 41.04.340, 41.50.804, 43.06.425,  
6 43.33A.100, 43.131.090, 49.46.010, 13.40.320, 39.29.006, 47.46.040,  
7 72.09.100, 49.74.030, 49.74.040, 72.10.030, and 82.01.070; adding new  
8 sections to chapter 41.06 RCW; adding a new section to chapter 28A.400  
9 RCW; adding a new section to chapter 35.21 RCW; adding a new section to  
10 chapter 36.32 RCW; adding a new section to chapter 41.08 RCW; adding a  
11 new section to chapter 41.12 RCW; adding a new section to chapter 41.14  
12 RCW; adding a new section to chapter 41.56 RCW; creating new sections;  
13 repealing RCW 41.64.010, 41.64.020, 41.64.030, 41.64.040, 41.64.050,  
14 41.64.060, 41.64.070, 41.64.080, 41.64.090, 41.64.100, 41.64.110,  
15 41.64.120, 41.64.130, 41.64.140, 41.64.910, 41.06.163, 41.06.165,  
16 28A.400.285, 41.06.380, and 41.06.382; and providing effective dates.

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

18            NEW SECTION.    **Sec. 1.**    The legislature finds that there is a  
19 significant benefit in providing government services through a

1 competitive system in which both public and private entities  
2 participate. The legislature also finds that updating the state civil  
3 service system and improving the system's classification of jobs to  
4 more clearly distinguish between management and nonmanagement personnel  
5 are needed to bring the system into the twenty-first century. The  
6 legislature additionally finds that extending collective bargaining to  
7 wages and conditions of employment and making state agencies  
8 responsible for what they do rather than how they do it will improve  
9 government accountability.

10 **Sec. 2.** RCW 41.06.030 and 1993 c 281 s 20 are each amended to read  
11 as follows:

12 A department of personnel(~~(, governed by the Washington personnel~~  
13 ~~resources board and administered by a director of personnel,)) is~~  
14 hereby established as a separate agency within the state government.

15 **Sec. 3.** RCW 41.06.110 and 1993 c 281 s 25 are each amended to read  
16 as follows:

17 (1) There is hereby created a Washington personnel resources board  
18 composed of three members appointed by the governor, subject to  
19 confirmation by the senate. The members of the personnel board serving  
20 June 30, 1993, shall be the members of the Washington personnel  
21 resources board, and they shall complete their terms as under the  
22 personnel board. Each odd-numbered year thereafter the governor shall  
23 appoint a member for a six-year term. Each member shall continue to  
24 hold office after the expiration of the member's term until a successor  
25 has been appointed. Persons so appointed shall have clearly  
26 demonstrated an interest and belief in the merit principle, shall not  
27 hold any other employment with the state, shall not have been an  
28 officer of a political party for a period of one year immediately prior  
29 to such appointment, and shall not be or become a candidate for  
30 partisan elective public office during the term to which they are  
31 appointed;

32 (2) Each member of the board shall be compensated in accordance  
33 with RCW 43.03.250. The members of the board may receive any number of  
34 daily payments for official meetings of the board actually attended.  
35 Members of the board shall also be reimbursed for travel expenses  
36 incurred in the discharge of their official duties in accordance with  
37 RCW 43.03.050 and 43.03.060.

1 (3) At its first meeting following the appointment of all of its  
2 members, and annually thereafter, the board shall elect a chair and  
3 vice-chair from among its members to serve one year. The presence of  
4 at least two members of the board shall constitute a quorum to transact  
5 business. A written public record shall be kept by the board of all  
6 actions of the board. The director of personnel shall serve as  
7 secretary.

8 (4) The board may appoint and compensate hearing officers to hear  
9 and conduct appeals (~~(until December 31, 1982)~~). Such compensation  
10 shall be paid on a contractual basis for each hearing, in accordance  
11 with the provisions of chapter 43.88 RCW and rules adopted pursuant  
12 thereto, as they relate to personal service contracts.

13 **Sec. 4.** RCW 41.06.150 and 1996 c 319 s 2 are each amended to read  
14 as follows:

15 The (~~board~~) director shall adopt rules, consistent with the  
16 purposes and provisions of this chapter(~~(, as now or hereafter~~  
17 ~~amended,)~~) and with the best standards of personnel administration,  
18 regarding the basis and procedures to be followed for:

19 (1) The reduction, dismissal, suspension, or demotion of an  
20 employee;

21 (2) Certification of names for vacancies, including departmental  
22 promotions(~~(, with the number of names equal to six more names than~~  
23 ~~there are vacancies to be filled, such names representing applicants~~  
24 ~~rated highest on eligibility lists: PROVIDED, That when other~~  
25 ~~applicants have scores equal to the lowest score among the names~~  
26 ~~certified, their names shall also be certified))~~);

27 (3) Examinations for all positions in the competitive and  
28 noncompetitive service;

29 (4) Appointments;

30 (5) Training and career development;

31 (6) Probationary periods of six to twelve months and rejections of  
32 probationary employees, depending on the job requirements of the class,  
33 except that entry level state park rangers shall serve a probationary  
34 period of twelve months;

35 (7) Transfers;

36 (8) Sick leaves and vacations;

37 (9) Hours of work;

1 (10) Layoffs when necessary and subsequent reemployment, both  
2 according to seniority;

3 (11) Collective bargaining, including:

4 (a) Determination of appropriate bargaining units within any  
5 agency(~~(:—PROVIDED,—That)~~). In making such determination the  
6 ~~((board))~~ director shall consider the duties, skills, and working  
7 conditions of the employees, the history of collective bargaining by  
8 the employees and their bargaining representatives, the extent of  
9 organization among the employees, and the desires of the employees.  
10 Employees who are members of the Washington management service may not  
11 be included in a bargaining unit;

12 ~~((12))~~ (b) Certification and decertification of exclusive  
13 bargaining representatives(~~(:—PROVIDED,—That)~~) subject to the  
14 following:

15 (i) After certification of an exclusive bargaining representative  
16 and upon the representative's request, the director shall hold an  
17 election among employees in a bargaining unit to determine by a  
18 majority whether to require as a condition of employment membership in  
19 the certified exclusive bargaining representative on or after the  
20 thirtieth day following the beginning of employment or the date of such  
21 election, whichever is the later, and the failure of an employee to  
22 comply with such a condition of employment constitutes cause for  
23 dismissal(~~(:—PROVIDED FURTHER,—That)~~);

24 (ii) No more often than once in each twelve-month period after  
25 expiration of twelve months following the date of the original election  
26 in a bargaining unit and upon petition of thirty percent of the members  
27 of a bargaining unit the director shall hold an election to determine  
28 whether a majority wish to rescind such condition of employment(~~(:—~~  
29 ~~PROVIDED FURTHER,—That)~~);

30 (iii) For purposes of this ~~((clause))~~ subsection, membership in the  
31 certified exclusive bargaining representative is satisfied by the  
32 payment of monthly or other periodic dues and does not require payment  
33 of initiation, reinstatement, or any other fees or fines and includes  
34 full and complete membership rights(~~(:—AND PROVIDED FURTHER,—That in~~  
35 ~~order)~~); and

36 (iv) To safeguard the right of nonassociation of public employees,  
37 based on bona fide religious tenets or teachings of a church or  
38 religious body of which such public employee is a member, such public  
39 employee shall pay to the union, for purposes within the program of the

1 union as designated by such employee that would be in harmony with his  
2 or her individual conscience, an amount of money equivalent to regular  
3 union dues minus any included monthly premiums for union-sponsored  
4 insurance programs, and such employee shall not be a member of the  
5 union but is entitled to all the representation rights of a union  
6 member;

7 ~~((13))~~ (c)(i) Agreements between agencies and certified exclusive  
8 bargaining representatives providing for grievance procedures and  
9 collective negotiations ((on all personnel matters over which the  
10 appointing authority of the appropriate bargaining unit of such agency  
11 may lawfully exercise discretion)) with respect to wages, hours, and  
12 terms and conditions of employment, except that collective negotiation  
13 is not permitted on the following subjects:

14 (A) Any retirement system or retirement benefit;

15 (B) Health care benefits or other employee insurance benefits,  
16 except for the dollar amount expended on behalf of each employee for  
17 health care benefits, subject to (c)(ii) of this subsection;

18 (C) Management rights;

19 (D) An agency's decision to purchase services by contract; or

20 (E) Rules adopted under this chapter.

21 (ii) Grievance procedures must specify that an employee who has a  
22 right to appeal an issue under this chapter or to contest the issue  
23 through the agreement's grievance procedure must specify an election of  
24 remedies. The election of remedies must require the employee to pursue  
25 the entire issue through the grievance procedure or through the appeal  
26 process, but not both. Any employee, when fully reinstated, shall be  
27 guaranteed all employee rights and benefits, including back pay, sick  
28 leave, vacation accrual, and retirement and federal old age, survivors,  
29 and disability insurance act credits, but without back pay for any  
30 period of suspension.

31 (iii) If a new collective bargaining agreement is concluded after  
32 the termination date of the previous collective bargaining agreement  
33 between the employer and an employee organization representing the same  
34 employees, the effective date of the new collective bargaining  
35 agreement may be the day after the termination of the previous  
36 collective bargaining agreement, and all benefits included in the new  
37 collective bargaining agreement, including wage or salary increases,  
38 may accrue beginning with that effective date.

1 (iv) Except as otherwise provided in this chapter, if a conflict  
2 exists between an executive order or agency policy relating to wages,  
3 hours, and terms and conditions of employment and a collective  
4 bargaining agreement negotiated under this subsection, the collective  
5 bargaining agreement shall prevail. A provision of a collective  
6 bargaining agreement that conflicts with a rule adopted under this  
7 chapter or a statute is invalid and unenforceable.

8 (v) For the purposes of this subsection, "management rights"  
9 includes, in addition to all powers, duties, and rights established by  
10 constitutional provision or statute, at least the following:

11 (A) The functions and programs of the agency, the use of  
12 technology, and the structure of the organization;

13 (B) The agency's budget and the size of the agency work force,  
14 including determining the financial basis for layoffs;

15 (C) The right to direct and supervise employees; and

16 (D) The right to take whatever actions are deemed necessary to  
17 carry out the mission of the state and its agencies during emergencies;

18 ((+14+)) (d) Authorization for written agreements ((may)) to  
19 contain provisions for payroll deductions of employee organization dues  
20 upon authorization by the employee member and for the cancellation of  
21 such payroll deduction by the filing of a proper prior notice by the  
22 employee with the appointing authority and the employee organization((+)  
23 PROVIDED, That))i

24 (e) Procedures for negotiating collective bargaining agreements,  
25 subject to the following:

26 (i)(A) Except for institutions of higher education, the agency  
27 shall be represented by the governor or governor's designee for the  
28 purpose of negotiating compensation and fringe benefit provisions.  
29 Negotiations regarding the dollar amount expended on behalf of each  
30 employee for health care benefits must be conducted in one coalition of  
31 all the exclusive bargaining representatives subject to this section  
32 and any provision agreed to shall be included in all collective  
33 bargaining agreements negotiated by the parties.

34 (B) For negotiations with institutions of higher education, the  
35 governing board of an institution of higher education may elect to have  
36 its compensation and fringe benefit negotiations conducted by the  
37 governor or governor's designee;

38 (ii) After ratification of a tentative agreement by the exclusive  
39 bargaining representative, the compensation and fringe benefit

1 provisions in the tentative agreement must be submitted by the governor  
2 to the joint committee on employment relations, which shall consist of  
3 the following members: The majority leader of the house of  
4 representatives; the majority leader of the senate; the chair and the  
5 ranking minority member of the senate committee on ways and means, or  
6 successor committee; and the chair and the ranking minority member of  
7 the house of representatives committee on appropriations, or successor  
8 committee. If the joint committee does not approve the submission, the  
9 tentative agreement must be returned to the parties for renegotiation.  
10 If the joint committee approves the submission, the governor shall  
11 submit a request for funds necessary to implement the compensation and  
12 fringe benefit provisions of the tentative agreement within ten days of  
13 the date on which the committee approved the submission or, if the  
14 legislature is not in session, within ten days after the legislature  
15 next convenes. Requests for funds necessary to implement the  
16 provisions of tentative agreements negotiated by institutions of higher  
17 education shall not be submitted to the joint committee unless such  
18 requests:

19 (A) Have been submitted to the director of the office of financial  
20 management before September 1st of the year they are negotiated; and

21 (B) Have been certified by the director of the office of financial  
22 management as being feasible financially for the state.

23 The legislature must approve or reject the submission of the  
24 request for funds as a whole. If the legislature rejects or fails to  
25 act on the submission, the submission may be returned, on the joint  
26 committee's request, to the joint committee. If no request is made by  
27 the joint committee within ten days of the legislature's rejection or  
28 failure to act, either party may reopen all or part of the agreement.

29 If, after the compensation and fringe benefit provisions of an  
30 agreement are approved by the legislature, a significant revenue  
31 shortfall occurs resulting in reduced appropriations, both parties  
32 shall immediately enter into collective negotiations for a mutually  
33 agreed upon modification of the agreement; and

34 (iii) Collective negotiations regarding compensation and fringe  
35 benefits must first commence no later than October 1, 2000, for two-  
36 year collective bargaining agreements that, subject to legislative  
37 ratification under this subsection, are to become effective July 1,  
38 2001. For subsequent agreements, negotiations regarding compensation  
39 and fringe benefits must commence by October 1st of each even-numbered

1 year for two-year collective bargaining agreements to become effective  
2 the following July 1, subject to legislative ratification under this  
3 subsection.

4 (f) Nothing contained ((herein)) in this chapter:

5 (i) Permits or grants to any employee the right to strike or refuse  
6 to perform his or her official duties; or

7 (ii) Authorizes the director or the board to arbitrate any matter  
8 relating to the negotiation of collective bargaining agreements;

9 ~~((15))~~ (12) Adoption and revision of a comprehensive  
10 classification plan for all positions in the classified service, based  
11 on investigation and analysis of the duties and responsibilities of  
12 each such position.

13 (a) The ~~((board))~~ director shall not adopt job classification  
14 revisions or class studies unless implementation of the proposed  
15 revision or study will result in net cost savings, increased  
16 efficiencies, or improved management of personnel or services, and the  
17 proposed revision or study has been approved by the director of  
18 financial management in accordance with chapter 43.88 RCW.

19 (b) Beginning July 1, 1995, through June 30, 1997, in addition to  
20 the requirements of (a) of this subsection:

21 (i) The board may approve the implementation of salary increases  
22 resulting from adjustments to the classification plan during the 1995-  
23 97 fiscal biennium only if:

24 (A) The implementation will not result in additional net costs and  
25 the proposed implementation has been approved by the director of  
26 financial management in accordance with chapter 43.88 RCW;

27 (B) The implementation will take effect on July 1, 1996, and the  
28 total net cost of all such actions approved by the board for  
29 implementation during the 1995-97 fiscal biennium does not exceed the  
30 amounts specified by the legislature specifically for this purpose; or

31 (C) The implementation is a result of emergent conditions.  
32 Emergent conditions are defined as emergency situations requiring the  
33 establishment of positions necessary for the preservation of the public  
34 health, safety, or general welfare, which do not exceed \$250,000 of the  
35 moneys identified in section 718(2), chapter 18, Laws of 1995 2nd sp.  
36 sess.

37 (ii) The board shall approve only those salary increases resulting  
38 from adjustments to the classification plan if they are due to  
39 documented recruitment and retention difficulties, salary compression



1 or inversion, increased duties and responsibilities, or inequities.  
2 For these purposes, inequities are defined as similar work assigned to  
3 different job classes with a salary disparity greater than 7.5 percent.

4 (iii) Adjustments made to the higher education hospital special pay  
5 plan are exempt from (b)(i) through (ii) of this subsection.

6 (c) Reclassifications, class studies, and salary adjustments to be  
7 implemented during the 1997-99 and subsequent fiscal biennia are  
8 governed by (a) of this subsection and RCW 41.06.152;

9 ~~((16))~~ (13) Allocation and reallocation of positions within the  
10 classification plan;

11 ~~((17))~~ (14) Adoption and revision of a state salary schedule to  
12 reflect the prevailing rates in Washington state private industries and  
13 other governmental units but the rates in the salary schedules or plans  
14 shall be increased if necessary to attain comparable worth under an  
15 implementation plan under RCW 41.06.155 and that, for institutions of  
16 higher education and related boards, shall be competitive for positions  
17 of a similar nature in the state or the locality in which an  
18 institution of higher education or related board is located, such  
19 adoption and revision subject to approval by the director of financial  
20 management in accordance with the provisions of chapter 43.88 RCW;

21 ~~((18))~~ (15) Increment increases within the series of steps for  
22 each pay grade based on length of service for all employees whose  
23 standards of performance are such as to permit them to retain job  
24 status in the classified service;

25 ~~((19))~~ (16) Providing for veteran's preference as required by  
26 existing statutes, with recognition of preference in regard to layoffs  
27 and subsequent reemployment for veterans and their surviving spouses by  
28 giving such eligible veterans and their surviving spouses additional  
29 credit in computing their seniority by adding to their unbroken state  
30 service, as defined by the ~~((board))~~ director, the veteran's service in  
31 the military not to exceed five years. For the purposes of this  
32 section, "veteran" means any person who has one or more years of active  
33 military service in any branch of the armed forces of the United States  
34 or who has less than one year's service and is discharged with a  
35 disability incurred in the line of duty or is discharged at the  
36 convenience of the government and who, upon termination of such service  
37 has received an honorable discharge, a discharge for physical reasons  
38 with an honorable record, or a release from active military service  
39 with evidence of service other than that for which an undesirable, bad

1 conduct, or dishonorable discharge shall be given: PROVIDED, HOWEVER,  
2 That the surviving spouse of a veteran is entitled to the benefits of  
3 this section regardless of the veteran's length of active military  
4 service: PROVIDED FURTHER, That for the purposes of this section  
5 "veteran" does not include any person who has voluntarily retired with  
6 twenty or more years of active military service and whose military  
7 retirement pay is in excess of five hundred dollars per month;

8 ((+20+)) (17) Permitting agency heads to delegate the authority to  
9 appoint, reduce, dismiss, suspend, or demote employees within their  
10 agencies if such agency heads do not have specific statutory authority  
11 to so delegate: PROVIDED, That the ((board)) director may not  
12 authorize such delegation to any position lower than the head of a  
13 major subdivision of the agency;

14 ((+21+)) (18) Assuring persons who are or have been employed in  
15 classified positions before July 1, 1993, will be eligible for  
16 employment, reemployment, transfer, and promotion in respect to  
17 classified positions covered by this chapter;

18 ((+22+)) (19) Affirmative action in appointment, promotion,  
19 transfer, recruitment, training, and career development; development  
20 and implementation of affirmative action goals and timetables; and  
21 monitoring of progress against those goals and timetables.

22 The ((board)) director shall consult with the human rights  
23 commission in the development of rules pertaining to affirmative  
24 action. The department of personnel shall transmit a report annually  
25 to the human rights commission which states the progress each state  
26 agency has made in meeting affirmative action goals and timetables.

27 **Sec. 5.** RCW 41.06.152 and 1996 c 319 s 1 are each amended to read  
28 as follows:

29 (1) The board shall adopt only those job classification revisions,  
30 class studies, and salary adjustments under RCW 41.06.150(15) that:

31 (a) Are due to documented recruitment and retention difficulties,  
32 salary compression or inversion, increased duties and responsibilities,  
33 or inequities. For these purposes, inequities are defined as similar  
34 work assigned to different job classes with a salary disparity greater  
35 than 7.5 percent; and

36 (b) Are such that the office of financial management has reviewed  
37 the agency's fiscal impact statement and has concurred that the agency  
38 can absorb the biennialized cost of the reclassification, class study,

1 or salary adjustment within the agency's current authorized level of  
2 funding for the current fiscal biennium and subsequent fiscal biennia.

3 (2) In addition to reclassifications, class studies, and salary  
4 adjustments under subsection (1)(b) of this section, the board may  
5 approve other reclassifications, class studies, and salary adjustments  
6 that meet the requirements of subsection (1)(a) of this section and  
7 have been approved under the procedures established under this  
8 subsection.

9 Before the department of personnel's biennial budget request is due  
10 to the office of financial management, the board shall prioritize  
11 requests for reclassifications, class studies, and salary adjustments  
12 for the next fiscal biennium. The board shall prioritize according to  
13 such criteria as are developed by the board consistent with RCW  
14 41.06.150(~~((+15+))~~) (12)(a).

15 The board shall submit the prioritized list to the governor's  
16 office and the fiscal committees of the house of representatives and  
17 senate at the same time the department of personnel's biennial budget  
18 request is submitted. The office of financial management shall review  
19 the biennial cost of each proposed salary adjustment on the board's  
20 prioritized list.

21 In the biennial appropriations acts, the legislature may establish  
22 a level of funding, from the state general fund and other accounts, to  
23 be applied by the board to the prioritized list. Upon enactment of the  
24 appropriations act, the board may approve reclassifications, class  
25 studies, and salary adjustments only to the extent that the total cost  
26 does not exceed the level of funding established in the appropriations  
27 acts and the board's actions are consistent with the priorities  
28 established in the list. The legislature may also specify or otherwise  
29 limit in the appropriations act the implementation dates for actions  
30 approved by the board under this section.

31 (3) This section does not apply to the higher education hospital  
32 special pay plan or to any adjustments to the classification plan under  
33 RCW 41.06.150(~~((+15+))~~) (12) that are due to emergent conditions.  
34 Emergent conditions are defined as emergency conditions requiring the  
35 establishment of positions necessary for the preservation of the public  
36 health, safety, or general welfare.

37 **Sec. 6.** RCW 41.06.160 and 1993 c 281 s 29 are each amended to read  
38 as follows:

1       (1) In preparing classification and salary schedules as set forth  
2 in RCW 41.06.150 (~~as now or hereafter amended~~), the department of  
3 personnel shall give full consideration to prevailing rates in other  
4 public employment and in private employment in this state. (~~For this~~  
5 ~~purpose~~) The department shall (~~undertake comprehensive salary and~~  
6 ~~fringe benefit surveys, with such surveys to be conducted in the year~~  
7 ~~prior to the convening of every other one hundred five day regular~~  
8 ~~session of the state legislature. In the year prior to the convening~~  
9 ~~of each one hundred five day regular session during which a~~  
10 ~~comprehensive salary and fringe benefit survey is not conducted, the~~  
11 ~~department shall plan and conduct a trend salary and fringe benefit~~  
12 ~~survey. This survey shall measure average salary and fringe benefit~~  
13 ~~movement for broad occupational groups which has occurred since the~~  
14 ~~last comprehensive salary and fringe benefit survey was conducted. The~~  
15 ~~results of each comprehensive and trend salary and fringe benefit~~  
16 ~~survey~~) use an appropriate mix of data gathered from surveys conducted  
17 by the department and from surveys conducted by other entities to  
18 determine the prevailing rates. The prevailing rate results shall be  
19 (~~completed and~~) forwarded by September (~~30~~) 30th of each even-  
20 numbered year with a recommended state salary schedule to the governor  
21 and director of financial management for their use in preparing budgets  
22 to be submitted to the succeeding legislature. (~~A copy of the data~~  
23 ~~and supporting documentation shall be furnished by the department of~~  
24 ~~personnel~~) The information shall also be forwarded to the standing  
25 committees for appropriations of the senate and house of  
26 representatives.

27       (~~In the case of comprehensive salary and fringe benefit surveys,~~  
28 ~~the department shall furnish the following supplementary data in~~  
29 ~~support of its recommended salary schedule:~~

30       (1) A total dollar figure which reflects the recommended increase  
31 or decrease in state salaries as a direct result of the specific salary  
32 and fringe benefit survey that has been conducted and which is  
33 categorized to indicate what portion of the increase or decrease is  
34 represented by salary survey data and what portion is represented by  
35 fringe benefit survey data;

36       (2) An additional total dollar figure which reflects the impact of  
37 recommended increases or decreases to state salaries based on other  
38 factors rather than directly on prevailing rate data obtained through  
39 the survey process and which is categorized to indicate the sources of

1 the requests for deviation from prevailing rates and the reasons for  
2 the changes;

3 (3) A list of class codes and titles indicating recommended monthly  
4 salary ranges for all state classes under the control of the department  
5 of personnel with those salary ranges which do not substantially  
6 conform to the prevailing rates developed from the salary and fringe  
7 benefit survey distinctly marked and an explanation of the reason for  
8 the deviation included;

9 (4) A supplemental salary schedule which indicates the additional  
10 salary to be paid state employees for hazardous duties or other  
11 considerations requiring extra compensation under specific  
12 circumstances. Additional compensation for these circumstances shall  
13 not be included in the basic salary schedule but shall be maintained as  
14 a separate pay schedule for purposes of full disclosure and visibility;  
15 and

16 (5) A supplemental salary schedule which indicates those cases  
17 where the board determines that prevailing rates do not provide similar  
18 salaries for positions that require or impose similar responsibilities,  
19 judgment, knowledge, skills, and working conditions. This  
20 supplementary salary schedule shall contain proposed salary adjustments  
21 necessary to eliminate any such dissimilarities in compensation.  
22 Additional compensation needed to eliminate such salary dissimilarities  
23 shall not be included in the basic salary schedule but shall be  
24 maintained as a separate salary schedule for purposes of full  
25 disclosure and visibility.

26 It is the intention of the legislature that requests for funds to  
27 support recommendations for salary deviations from the prevailing rate  
28 survey data shall be kept to a minimum, and that the requests be fully  
29 documented when forwarded by the department of personnel.))

30 (2) Salary and fringe benefit survey information collected from  
31 private employers which identifies a specific employer with the salary  
32 and fringe benefit rates which that employer pays to its employees  
33 shall not be subject to public disclosure under chapter 42.17 RCW.

34 ((The first comprehensive salary and fringe benefit survey required  
35 by this section shall be completed and forwarded to the governor and  
36 the director of financial management by September 30, 1986. The first  
37 trend salary and fringe benefit survey required by this section shall  
38 be completed and forwarded to the governor and the director of  
39 financial management by September 30, 1988.))

1       **Sec. 7.** RCW 41.06.167 and 1991 c 196 s 1 are each amended to read  
2 as follows:

3       The department of personnel shall undertake comprehensive  
4 compensation surveys for officers and entry-level officer candidates of  
5 the Washington state patrol, with such surveys to be conducted in the  
6 year prior to the convening of every other one hundred five day regular  
7 session of the state legislature. ~~((In the year prior to the convening  
8 of each one hundred five day regular session during which a  
9 comprehensive compensation survey is not conducted, the department  
10 shall conduct a trend compensation survey. This survey shall measure  
11 average compensation movement which has occurred since the last  
12 comprehensive compensation survey was conducted. The results of each  
13 comprehensive and trend survey shall be completed and forwarded by  
14 September 30th, after review and preparation of recommendations by the  
15 chief of the Washington state patrol, to the governor and director of  
16 financial management for their use in preparing budgets to be submitted  
17 to the succeeding legislature. A copy of the data and supporting  
18 documentation shall be furnished by the department of personnel to the  
19 legislative transportation committee and the standing committees for  
20 appropriations of the senate and house of representatives. The office  
21 of financial management shall analyze the survey results and conduct  
22 investigations which may be necessary to arbitrate differences between  
23 interested parties regarding the accuracy of collected survey data and  
24 the use of such data for salary adjustment.~~

25       Surveys conducted by the department of personnel for the Washington  
26 state patrol shall be undertaken in a manner consistent with  
27 statistically accurate sampling techniques, including comparisons of  
28 medians, base ranges, and weighted averages of salaries. The surveys  
29 shall compare competitive labor markets of law enforcement officers.  
30 This service performed by the department of personnel shall be on a  
31 reimbursable basis in accordance with the provisions of RCW 41.06.080.

32       A comprehensive compensation survey plan and the recommendations of  
33 the chief of the Washington state patrol shall be submitted jointly by  
34 the department of personnel and the Washington state patrol to the  
35 director of financial management, the legislative transportation  
36 committee, the committee on ways and means of the senate, and the  
37 committee on appropriations of the house of representatives six months  
38 before the beginning of each periodic survey.))

1       **Sec. 8.** RCW 41.06.170 and 1993 c 281 s 31 are each amended to read  
2 as follows:

3       (1) The (~~board or~~) director, in the adoption of rules governing  
4 suspensions for cause, shall not authorize an appointing authority to  
5 suspend an employee for more than fifteen calendar days as a single  
6 penalty or more than thirty calendar days in any one calendar year as  
7 an accumulation of several penalties. The (~~board or~~) director shall  
8 require that the appointing authority give written notice to the  
9 employee not later than one day after the suspension takes effect,  
10 stating the reasons for and the duration thereof.

11       (2) Any employee who is reduced, dismissed, suspended, or demoted,  
12 after completing his or her probationary period of service as provided  
13 by the rules of the (~~board~~) director, or any employee who is  
14 adversely affected by a violation of the state civil service law,  
15 chapter 41.06 RCW, or rules adopted under it, shall have the right to  
16 appeal (~~to the personnel appeals board created by RCW 41.64.010~~) not  
17 later than thirty days after the effective date of such action to the  
18 personnel appeals board. The employee shall be furnished with  
19 specified charges in writing when a reduction, dismissal, suspension,  
20 or demotion action is taken. Such appeal shall be in writing.

21       (3) Any employee whose position has been exempted after July 1,  
22 1993, shall have the right to appeal (~~to the personnel appeals board~~  
23 ~~created by RCW 41.64.010~~) not later than thirty days after the  
24 effective date of such action to the personnel appeals board.

25       (4) An employee incumbent in a position at the time of its  
26 allocation or reallocation, or the agency utilizing the position, may  
27 appeal the allocation or reallocation to the personnel appeals board  
28 (~~created by RCW 41.64.010~~). Notice of such appeal must be filed in  
29 writing within thirty days of the action from which appeal is taken.

30       **Sec. 9.** RCW 41.06.170 and 1998 c . . . s 8 (section 8 of this act)  
31 are each amended to read as follows:

32       (1) The director, in the adoption of rules governing suspensions  
33 for cause, shall not authorize an appointing authority to suspend an  
34 employee for more than fifteen calendar days as a single penalty or  
35 more than thirty calendar days in any one calendar year as an  
36 accumulation of several penalties. The director shall require that the  
37 appointing authority give written notice to the employee not later than

1 one day after the suspension takes effect, stating the reasons for and  
2 the duration thereof.

3 (2) Any employee who is reduced, dismissed, suspended, or demoted,  
4 after completing his or her probationary period of service as provided  
5 by the rules of the director, or any employee who is adversely affected  
6 by a violation of the state civil service law, chapter 41.06 RCW, or  
7 rules adopted under it, shall have the right to appeal, either  
8 individually or through the employee's authorized representative, not  
9 later than thirty days after the effective date of such action to the  
10 Washington personnel ((appeals)) resources board. The employee shall  
11 be furnished with specified charges in writing when a reduction,  
12 dismissal, suspension, or demotion action is taken. Such appeal shall  
13 be in writing. The board shall furnish the agency concerned with a  
14 copy of the appeal in advance of the hearing. The board or hearings  
15 officer will process an appeal, or a review of a hearings officer's  
16 recommended decision, if any, as quickly as is feasible to provide  
17 prompt resolution of the appeal.

18 (3) Any employee whose position has been exempted after July 1,  
19 1993, shall have the right to appeal, either individually or through  
20 the employee's authorized representative, not later than thirty days  
21 after the effective date of such action to the Washington personnel  
22 ((appeals)) resources board.

23 (4) An employee incumbent in a position at the time of its  
24 allocation or reallocation, or the agency utilizing the position, may  
25 appeal the allocation or reallocation to the Washington personnel  
26 ((appeals)) resources board. Notice of such appeal must be filed in  
27 writing within thirty days of the action from which appeal is taken.

28 (5) The board may consolidate two or more appeals when the cases  
29 present issues appropriate for joint resolution.

30 (6) A decision of the Washington personnel resources board under  
31 subsection (3) or (4) of this section is final and not subject to  
32 appeal.

33 **NEW SECTION. Sec. 10.** (1) The board may appoint, following  
34 consultation with employee organizations and employing agencies, one or  
35 more hearings officers to conduct hearings and make recommended  
36 decisions in accordance with rules adopted by the board. The hearings  
37 officer shall conduct hearings in the same manner and shall have the  
38 same authority as provided in hearings by the board. The recommended



1 decision must be forthwith served upon the parties and transmitted to  
2 the board.

3 (2)(a) Within thirty days of service of the recommended decision of  
4 a hearings officer, any party adversely affected may request the board  
5 to review the recommended decision. The request for review must  
6 include a statement of the issues to which the party takes exception.  
7 The board's review is limited to the stated issues and the requesting  
8 party is deemed to have waived all objections or irregularities not  
9 specifically stated in the request. The requesting party must provide  
10 written argument in support of the exceptions and may, at the  
11 discretion of the board, provide oral argument. The board's decision  
12 is subject to section 12 of this act.

13 (b) If a request for review of a hearings officer's decision is not  
14 filed as required by this section, the recommended decision of the  
15 hearings officer shall be adopted by the board as the board's decision.

16 NEW SECTION. **Sec. 11.** (1) Hearings on appeals under this chapter  
17 shall be open to the public, except for cases in which the board  
18 determines there is substantial reason for not having an open hearing  
19 or in cases where the employee so requests, and shall be informal with  
20 technical rules of evidence not applying to the proceedings except the  
21 rules of privilege recognized by law. Both the employee and his or her  
22 employing agency shall be notified reasonably in advance of the hearing  
23 and may select representatives of their choosing, present and  
24 cross-examine witnesses, and give evidence before the board.

25 (2) Members of the board or the executive secretary may, and shall  
26 at the request of either party, issue subpoenas and subpoenas duces  
27 tecum. All testimony shall be on oath administered by a member of the  
28 board. The board shall certify to the superior court the facts of any  
29 refusals to obey a subpoena, take the oath, or testify. The court  
30 shall summarily hear the evidence on the refusal and, if the evidence  
31 warrants, punish the refusal in the same manner and to the same extent  
32 as for contempt committed before, or in connection with the proceedings  
33 of, the court.

34 (3) The board shall prepare an official record of the hearing,  
35 including all testimony, recorded manually or by mechanical device, and  
36 exhibits, but the board may not be required to transcribe the record  
37 unless requested by the employee, who shall be furnished with a  
38 complete transcript upon payment of a reasonable charge. However,

1 payment of the cost of a transcript used on appeal shall await  
2 determination of the appeal and shall be made by the employing agency  
3 if the employee prevails.

4 NEW SECTION. **Sec. 12.** (1) Within sixty days after the conclusion  
5 of an appeal hearing under this chapter, the board shall make and fully  
6 record in its permanent records the following: (a) Findings of fact;  
7 (b) conclusions of law when the construction of a rule, regulation, or  
8 statute is in question; (c) reasons for the action taken; and (d) the  
9 board's order based thereon. The order is final and not appealable to  
10 court, except as provided in section 13 of this act.

11 (2) The board shall simultaneously send a copy of the findings,  
12 conclusions, and order by certified mail to the employing agency and to  
13 the employee or the employee's designated representative.

14 NEW SECTION. **Sec. 13.** (1) Within thirty days after the mailing of  
15 a recorded order under section 11 of this act, the employee may appeal  
16 a decision and order of the board made under RCW 41.06.170(2) to the  
17 superior court of Thurston county on one or more of the grounds that  
18 the order was:

19 (a) Founded on or contained an error of law, which shall  
20 specifically include error in construction or application of any  
21 pertinent rules or regulations;

22 (b) Contrary to a preponderance of the evidence as disclosed by the  
23 entire record with respect to any specified finding or findings of  
24 fact;

25 (c) Materially affected by unlawful procedure;

26 (d) Based on violation of any constitutional provision; or

27 (e) Arbitrary or capricious.

28 (2) The grounds for appeal shall be stated in a written notice of  
29 appeal filed with the court, with copies thereof served on the director  
30 of personnel or a member of his or her staff or a member of the board  
31 and on the employing agency, all within the time stated.

32 (3) Within thirty days after service of a notice of appeal, or  
33 within such further time as the court may allow, the board shall  
34 transmit to the court a certified transcript, with exhibits, of the  
35 hearing; but by stipulation between the employing agency and the  
36 employee the transcript may be shortened, and either party unreasonably  
37 refusing to stipulate to such limitation may be ordered by the court to

1 pay the additional cost involved. The court may require or permit  
2 subsequent corrections or additions to the transcript.

3 NEW SECTION. **Sec. 14.** (1) The court shall review the hearing  
4 without a jury on the basis of the transcript and exhibits, except that  
5 in case of alleged irregularities in procedure before the board not  
6 shown by the transcript the court may order testimony to be given  
7 thereon. The court shall upon request by either party hear oral  
8 argument and receive written briefs.

9 (2) The court may affirm the order of the board, remand the matter  
10 for further proceedings before the board, or reverse or modify the  
11 order if it finds that the objection thereto is well taken on any of  
12 the grounds stated. Appellate review of the order of the superior  
13 court may be sought as in other civil cases.

14 **Sec. 15.** RCW 41.06.186 and 1993 c 281 s 32 are each amended to  
15 read as follows:

16 The (~~Washington personnel resources board~~) director shall adopt  
17 rules designed to terminate the state employment of any employee whose  
18 performance is so inadequate as to warrant termination.

19 **Sec. 16.** RCW 41.06.196 and 1993 c 281 s 33 are each amended to  
20 read as follows:

21 The (~~Washington personnel resources board~~) director shall adopt  
22 rules designed to remove from supervisory positions those supervisors  
23 who in violation of the rules adopted under RCW 41.06.186 have  
24 tolerated the continued employment of employees under their supervision  
25 whose performance has warranted termination from state employment.

26 **Sec. 17.** RCW 41.06.270 and 1979 c 151 s 61 are each amended to  
27 read as follows:

28 A disbursing officer shall not pay any employee holding a position  
29 covered by this chapter unless the employment is in accordance with  
30 this chapter or the rules, regulations and orders issued hereunder.  
31 The (~~board and the~~) directors of personnel and financial management  
32 shall jointly establish procedures for the certification of payrolls.

33 **Sec. 18.** RCW 41.06.350 and 1993 c 281 s 36 are each amended to  
34 read as follows:

1       The (~~Washington personnel resources board~~) director is authorized  
2 to receive federal funds now available or hereafter made available for  
3 the assistance and improvement of public personnel administration,  
4 which may be expended in addition to the department of personnel  
5 service fund established by RCW 41.06.280.

6       **Sec. 19.** RCW 41.06.400 and 1980 c 118 s 4 are each amended to read  
7 as follows:

8       (1) In addition to other powers and duties specified in this  
9 chapter, the (~~board~~) director shall, by rule, prescribe the purpose  
10 and minimum standards for training and career development programs and,  
11 in so doing, regularly consult with and consider the needs of  
12 individual agencies and employees.

13       (2) In addition to other powers and duties specified in this  
14 chapter, the director shall:

15       (a) Provide for the evaluation of training and career development  
16 programs and plans of agencies (~~based on minimum standards established~~  
17 ~~by the board~~). The director shall report the results of such  
18 evaluations to the agency which is the subject of the evaluation;

19       (b) Provide training and career development programs which may be  
20 conducted more efficiently and economically on an interagency basis;

21       (c) Promote interagency sharing of resources for training and  
22 career development;

23       (d) Monitor and review the impact of training and career  
24 development programs to ensure that the responsibilities of the state  
25 to provide equal employment opportunities are diligently carried out.  
26 (~~The director shall report to the board the impact of training and~~  
27 ~~career development programs on the fulfillment of such~~  
28 ~~responsibilities.~~)

29       (3) At an agency's request, the director may provide training and  
30 career development programs for an agency's internal use which may be  
31 conducted more efficiently and economically by the department of  
32 personnel.

33       **Sec. 20.** RCW 41.06.410 and 1980 c 118 s 5 are each amended to read  
34 as follows:

35       Each agency subject to the provisions of this chapter shall:

36       (1) Prepare an employee training and career development plan which  
37 shall at least meet minimum standards established by the (~~board~~)

1 director. A copy of such plan shall be submitted to the director for  
2 purposes of administering the provisions of RCW 41.06.400(2);

3 (2) Provide for training and career development for its employees  
4 in accordance with the agency plan;

5 (3) Report on its training and career development program  
6 operations and costs to the director in accordance with reporting  
7 procedures adopted by the (~~board~~) director;

8 (4) Budget for training and career development in accordance with  
9 procedures of the office of financial management.

10 **Sec. 21.** RCW 41.06.450 and 1993 c 281 s 37 are each amended to  
11 read as follows:

12 (1) (~~By January 1, 1983, the Washington personnel resources~~  
13 ~~board~~) The director shall adopt rules applicable to each agency to  
14 ensure that information relating to employee misconduct or alleged  
15 misconduct is destroyed or maintained as follows:

16 (a) All such information determined to be false and all such  
17 information in situations where the employee has been fully exonerated  
18 of wrongdoing, shall be promptly destroyed;

19 (b) All such information having no reasonable bearing on the  
20 employee's job performance or on the efficient and effective management  
21 of the agency, shall be promptly destroyed;

22 (c) All other information shall be retained only so long as it has  
23 a reasonable bearing on the employee's job performance or on the  
24 efficient and effective management of the agency.

25 (2) Notwithstanding subsection (1) of this section, an agency may  
26 retain information relating to employee misconduct or alleged  
27 misconduct if:

28 (a) The employee requests that the information be retained; or

29 (b) The information is related to pending legal action or legal  
30 action may be reasonably expected to result.

31 (3) In adopting rules under this section, the (~~Washington~~  
32 ~~personnel resources board~~) director shall consult with the public  
33 disclosure commission to ensure that the public policy of the state, as  
34 expressed in chapter 42.17 RCW, is adequately protected.

35 **Sec. 22.** RCW 41.06.475 and 1993 c 281 s 38 are each amended to  
36 read as follows:

1       The (~~Washington personnel resources board~~) director shall adopt  
2 rules, in cooperation with the secretary of social and health services,  
3 for the background investigation of persons being considered for state  
4 employment in positions directly responsible for the supervision, care,  
5 or treatment of children or developmentally disabled persons.

6       **Sec. 23.** RCW 41.06.490 and 1990 c 204 s 3 are each amended to read  
7 as follows:

8       (1) In addition to the rules adopted under RCW 41.06.150, the  
9 (~~board~~) director shall adopt rules establishing a state employee  
10 return-to-work program. The program shall, at a minimum:

11       (a) Direct each agency to adopt a return-to-work policy. The  
12 program shall allow each agency program to take into consideration the  
13 special nature of employment in the agency;

14       (b) Provide for eligibility in the return-to-work program, for a  
15 minimum of two years from the date the temporary disability commenced,  
16 for any permanent employee who is receiving compensation under RCW  
17 51.32.090 and who is, by reason of his or her temporary disability,  
18 unable to return to his or her previous work, but who is physically  
19 capable of carrying out work of a lighter or modified nature;

20       (c) Allow opportunity for return-to-work state-wide when  
21 appropriate job classifications are not available in the agency that is  
22 the appointing authority at the time of injury;

23       (d) Require each agency to name an agency representative  
24 responsible for coordinating the return-to-work program of the agency;

25       (e) Provide that applicants receiving appointments for classified  
26 service receive an explanation of the return-to-work policy;

27       (f) Require training of supervisors on implementation of the  
28 return-to-work policy, including but not limited to assessment of the  
29 appropriateness of the return-to-work job for the employee; and

30       (g) Coordinate participation of applicable employee assistance  
31 programs, as appropriate.

32       (2) The agency full-time equivalents necessary to implement the  
33 return-to-work program established under this section shall be used  
34 only for the purposes of the return-to-work program and the net  
35 increase in full-time equivalents shall be temporary.

36       **Sec. 24.** RCW 41.06.500 and 1996 c 319 s 4 are each amended to read  
37 as follows:

1 (1) Except as provided in RCW 41.06.070, notwithstanding any other  
2 provisions of this chapter, the director is authorized to adopt, after  
3 consultation with state agencies and employee organizations, rules for  
4 managers as defined in RCW 41.06.022. These rules shall not apply to  
5 managers employed by institutions of higher education or related boards  
6 or whose positions are exempt. The rules shall govern recruitment,  
7 appointment, classification and allocation of positions, examination,  
8 training and career development, hours of work, probation,  
9 certification, compensation, transfer, affirmative action, promotion,  
10 layoff, reemployment, performance appraisals, discipline, and any and  
11 all other personnel practices for managers. These rules shall be  
12 separate from rules adopted by the board for other employees, and to  
13 the extent that the rules adopted apply only to managers shall take  
14 precedence over rules adopted by the board, and are not subject to  
15 review by the board.

16 (2) In establishing rules for managers, the director shall adhere  
17 to the following goals:

18 (a) Development of a simplified classification system that  
19 facilitates movement of managers between agencies and promotes upward  
20 mobility;

21 (b) Creation of a compensation system consistent with the policy  
22 set forth in RCW 41.06.150(~~((+17))~~) (14). The system shall provide  
23 flexibility in setting and changing salaries, and shall require review  
24 and approval by the director in the case of any salary changes greater  
25 than five percent proposed for any group of employees;

26 (c) Establishment of a performance appraisal system that emphasizes  
27 individual accountability for program results and efficient management  
28 of resources; effective planning, organization, and communication  
29 skills; valuing and managing workplace diversity; development of  
30 leadership and interpersonal abilities; and employee development;

31 (d) Strengthening management training and career development  
32 programs that build critical management knowledge, skills, and  
33 abilities; focusing on managing and valuing workplace diversity;  
34 empowering employees by enabling them to share in workplace decision  
35 making and to be innovative, willing to take risks, and able to accept  
36 and deal with change; promoting a workplace where the overall focus is  
37 on the recipient of the government services and how these services can  
38 be improved; and enhancing mobility and career advancement  
39 opportunities;

1 (e) Permitting flexible recruitment and hiring procedures that  
2 enable agencies to compete effectively with other employers, both  
3 public and private, for managers with appropriate skills and training;  
4 allowing consideration of all qualified candidates for positions as  
5 managers; and achieving affirmative action goals and diversity in the  
6 workplace;

7 (f) Providing that managers may only be reduced, dismissed,  
8 suspended, or demoted for cause; and

9 (g) Facilitating decentralized and regional administration.

10 **Sec. 25.** RCW 41.64.090 and 1993 c 281 s 41 are each amended to  
11 read as follows:

12 (1) The board shall have jurisdiction to decide appeals filed on or  
13 after July 1, 1981, and before July 1, 2001, of employees under the  
14 jurisdiction of the Washington personnel resources board pursuant to  
15 RCW 41.06.170(~~(, as now or hereafter amended)~~)).

16 (2) The board shall have jurisdiction to decide appeals filed on or  
17 after July 1, 1993, and before July 1, 2001, of employees of  
18 institutions of higher education and related boards under the  
19 jurisdiction of the Washington personnel resources board pursuant to  
20 RCW 41.06.170. An appeal under this subsection by an employee of an  
21 institution of higher education or a related board shall be held in the  
22 county in which the institution is located or the county in which the  
23 person was employed when the appeal was filed.

24 NEW SECTION. **Sec. 26.** A new section is added to chapter 28A.400  
25 RCW to read as follows:

26 (1)(a) A school district or educational service district may  
27 purchase services by contract with individuals, nonprofit  
28 organizations, businesses, or other entities.

29 (b) A school district or educational service district that intends  
30 to purchase services by contract must notify any exclusive bargaining  
31 representative who represents an employee whose employment status will  
32 be directly affected by the contract. The exclusive bargaining  
33 representative shall have the right to offer alternatives to the  
34 proposed contract and such alternatives must be considered by the  
35 school district or educational service district in making the final  
36 decision to contract for services. This subsection (1)(b) does not  
37 apply to:



1 (i) The purchase of services or to any contracting for services  
2 that was authorized by law before the effective date of this section;  
3 or

4 (ii) Temporary, nonongoing, or nonrecurring service contracts, or  
5 contracts for services previously performed by employees in director or  
6 supervisor, professional, or technical positions.

7 (2) Any provision contrary to or in conflict with this section in  
8 a collective bargaining agreement in effect on the effective date of  
9 this section is not effective beyond the expiration date of the  
10 agreement.

11 **Sec. 27.** RCW 28B.12.060 and 1994 c 130 s 6 are each amended to  
12 read as follows:

13 The higher education coordinating board shall adopt rules as may be  
14 necessary or appropriate for effecting the provisions of this chapter,  
15 and not in conflict with this chapter, in accordance with the  
16 provisions of chapter 34.05 RCW, the state higher education  
17 administrative procedure act. Such rules shall include provisions  
18 designed to make employment under the work-study program reasonably  
19 available, to the extent of available funds, to all eligible students  
20 in eligible post-secondary institutions in need thereof. The rules  
21 shall include:

22 (1) Providing work under the state work-study program that will not  
23 result in the displacement of employed workers or impair existing  
24 contracts for services;

25 (2) Furnishing work only to a student who:

26 (a) Is capable, in the opinion of the eligible institution, of  
27 maintaining good standing in such course of study while employed under  
28 the program covered by the agreement; and

29 (b) Has been accepted for enrollment as at least a half-time  
30 student at the eligible institution or, in the case of a student  
31 already enrolled in and attending the eligible institution, is in good  
32 standing and in at least half-time attendance there either as an  
33 undergraduate, graduate or professional student; and

34 (c) Is not pursuing a degree in theology;

35 (3) Placing priority on providing:

36 (a) Work opportunities for students who are residents of the state  
37 of Washington as defined in RCW 28B.15.012 and 28B.15.013 except  
38 resident students defined in RCW 28B.15.012(2)(e);

1 (b) Job placements in fields related to each student's academic or  
2 vocational pursuits, with an emphasis on off-campus job placements  
3 whenever appropriate; and

4 (c) Off-campus community service placements;

5 (4) Provisions to assure that in the state institutions of higher  
6 education, utilization of this work-study program:

7 (a) Shall only supplement and not supplant classified positions  
8 under jurisdiction of chapter 41.06 RCW;

9 (b) That all positions established which are comparable shall be  
10 identified to a job classification under the ((~~Washington personnel~~  
11 ~~resources board's~~) director of personnel's classification plan and  
12 shall receive equal compensation;

13 (c) Shall not take place in any manner that would replace  
14 classified positions reduced due to lack of funds or work; and

15 (d) That work study positions shall only be established at entry  
16 level positions of the classified service unless the overall scope and  
17 responsibilities of the position indicate a higher level; and

18 (5) Provisions to encourage job placements in occupations that meet  
19 Washington's economic development goals, especially those in  
20 international trade and international relations. The board shall  
21 permit appropriate job placements in other states and other countries.

22 **Sec. 28.** RCW 34.05.030 and 1994 c 39 s 1 are each amended to read  
23 as follows:

24 (1) This chapter shall not apply to:

25 (a) The state militia, or

26 (b) The board of clemency and pardons, or

27 (c) The department of corrections or the indeterminate sentencing  
28 review board with respect to persons who are in their custody or are  
29 subject to the jurisdiction of those agencies.

30 (2) The provisions of RCW 34.05.410 through 34.05.598 shall not  
31 apply:

32 (a) To adjudicative proceedings of the board of industrial  
33 insurance appeals except as provided in RCW 7.68.110 and 51.48.131;

34 (b) Except for actions pursuant to chapter 46.29 RCW, to the  
35 denial, suspension, or revocation of a driver's license by the  
36 department of licensing;

37 (c) To the department of labor and industries where another statute  
38 expressly provides for review of adjudicative proceedings of a

1 department action, order, decision, or award before the board of  
2 industrial insurance appeals;

3 (d) To actions of the Washington personnel resources board(~~(7)~~) or  
4 the director of personnel(~~(7 or the personnel appeals board)~~); or

5 (e) To the extent they are inconsistent with any provisions of  
6 chapter 43.43 RCW.

7 (3) Unless a party makes an election for a formal hearing pursuant  
8 to RCW 82.03.140 or 82.03.190, RCW 34.05.410 through 34.05.598 do not  
9 apply to a review hearing conducted by the board of tax appeals.

10 (4) The rule-making provisions of this chapter do not apply to  
11 reimbursement unit values, fee schedules, arithmetic conversion  
12 factors, and similar arithmetic factors used to determine payment rates  
13 that apply to goods and services purchased under contract for clients  
14 eligible under chapter 74.09 RCW.

15 (5) All other agencies, whether or not formerly specifically  
16 excluded from the provisions of all or any part of the Administrative  
17 Procedure Act, shall be subject to the entire act.

18 **Sec. 29.** RCW 34.12.020 and 1995 c 331 s 1 are each amended to read  
19 as follows:

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

22 (1) "Office" means the office of administrative hearings.

23 (2) "Administrative law judge" means any person appointed by the  
24 chief administrative law judge to conduct or preside over hearings as  
25 provided in this chapter.

26 (3) "Hearing" means an adjudicative proceeding within the meaning  
27 of RCW 34.05.010(1) conducted by a state agency under RCW 34.05.413  
28 through 34.05.476.

29 (4) "State agency" means any state board, commission, department,  
30 or officer authorized by law to make rules or to conduct adjudicative  
31 proceedings, except those in the legislative or judicial branches, the  
32 growth management hearings boards, the utilities and transportation  
33 commission, the pollution control hearings board, the shorelines  
34 hearings board, the forest practices appeals board, the environmental  
35 hearings office, the board of industrial insurance appeals, the  
36 Washington personnel resources board, the public employment relations  
37 commission, (~~(the personnel appeals board,7)~~) and the board of tax  
38 appeals.

1        NEW SECTION.    **Sec. 30.**    A new section is added to chapter 35.21 RCW  
2 to read as follows:

3        (1)(a) Notwithstanding the establishment of a career, civil, or  
4 merit service system or the adoption of a charter provision or  
5 ordinance to the contrary, a city or town, including a code city, may  
6 purchase services by contract with individuals, nonprofit  
7 organizations, businesses, or other entities.

8        (b) A city or town that intends to purchase services by contract  
9 must notify an exclusive bargaining representative who represents any  
10 employee whose employment status will be directly affected by the  
11 contract. The exclusive bargaining representative shall have the right  
12 to offer alternatives to the proposed contract and such alternatives  
13 must be considered by the city or town in making the final decision to  
14 contract for services. This subsection (1)(b) does not apply to the  
15 purchase of services or to any contracting for services that was  
16 authorized by law before the effective date of this section.

17        (2) Any provision contrary to or in conflict with this section in  
18 a collective bargaining agreement in effect on the effective date of  
19 this section is not effective beyond the expiration date of the  
20 agreement.

21        NEW SECTION.    **Sec. 31.**    A new section is added to chapter 36.32 RCW  
22 to read as follows:

23        (1)(a) Notwithstanding the establishment of a career, civil, or  
24 merit service system or the adoption of a charter provision or  
25 ordinance to the contrary, a county legislative authority may purchase  
26 services by contract with individuals, nonprofit organizations,  
27 businesses, or other entities.

28        (b) A county legislative authority that intends to purchase  
29 services by contract must notify an exclusive bargaining representative  
30 who represents any employee whose employment status will be directly  
31 affected by the contract. The exclusive bargaining representative  
32 shall have the right to offer alternatives to the proposed contract and  
33 such alternatives must be considered by the county legislative  
34 authority in making the final decision to contract for services. This  
35 subsection (1)(b) does not apply to the purchase of services or to any  
36 contracting for services that was authorized by law before the  
37 effective date of this section.

1 (2) Any provision contrary to or in conflict with this section in  
2 a collective bargaining agreement in effect on the effective date of  
3 this section is not effective beyond the expiration date of the  
4 agreement.

5 NEW SECTION. **Sec. 32.** A new section is added to chapter 41.06 RCW  
6 to read as follows:

7 (1)(a) This chapter does not prohibit any agency, as defined in RCW  
8 41.06.020, or institution of higher education, as defined in RCW  
9 28B.10.016, or related board, from purchasing services by contract with  
10 individuals, nonprofit organizations, businesses, or other entities.

11 (b) An agency or institution of higher education that intends to  
12 purchase services by contract must notify an exclusive bargaining  
13 representative who represents any employee whose employment status will  
14 be directly affected by the contract. The exclusive bargaining  
15 representative shall have the right to offer alternatives to the  
16 proposed contract and such alternatives must be considered by the  
17 agency or institution of higher education in making the final decision  
18 to contract for services. This subsection (1)(b) does not apply to the  
19 purchase of services or to any contracting for services that was  
20 authorized by law before the effective date of this section.

21 (2) Any provision contrary to or in conflict with this section in  
22 a collective bargaining agreement in effect on the effective date of  
23 this section is not effective beyond the expiration date of the  
24 agreement.

25 **Sec. 33.** RCW 41.04.340 and 1997 c 232 s 2 are each amended to read  
26 as follows:

27 (1) An attendance incentive program is established for all eligible  
28 employees. As used in this section the term "eligible employee" means  
29 any employee of the state, other than eligible employees of the  
30 community and technical colleges and the state board for community and  
31 technical colleges identified in RCW 28B.50.553, and teaching and  
32 research faculty at the state and regional universities and The  
33 Evergreen State College, entitled to accumulate sick leave and for whom  
34 accurate sick leave records have been maintained. No employee may  
35 receive compensation under this section for any portion of sick leave  
36 accumulated at a rate in excess of one day per month. The state and  
37 regional universities and The Evergreen State College shall maintain

1 complete and accurate sick leave records for all teaching and research  
2 faculty.

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

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

28 (5) Remuneration or benefits received under this section shall not  
29 be included for the purpose of computing a retirement allowance under  
30 any public retirement system in this state.

31 (6) With the exception of subsection (4) of this section, this  
32 section shall be administered, and rules shall be adopted to carry out  
33 its purposes, by the (~~Washington personnel resources board~~) director  
34 of personnel for persons subject to chapter 41.06 RCW: PROVIDED, That  
35 determination of classes of eligible employees shall be subject to  
36 approval by the office of financial management.

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

1        NEW SECTION. Sec. 34. A new section is added to chapter 41.08 RCW  
2 to read as follows:

3        (1)(a) This chapter does not prohibit any city, town, or  
4 municipality from purchasing services by contract with individuals,  
5 nonprofit organizations, businesses, or other entities.

6        (b) A city, town, or municipality that intends to purchase services  
7 by contract must notify any exclusive bargaining representative who  
8 represents an employee whose employment status will be directly  
9 affected by the contract. The exclusive bargaining representative  
10 shall have the right to offer alternatives to the proposed contract and  
11 such alternatives must be considered by the city, town, or municipality  
12 in making the final decision to contract for services. This subsection  
13 (1)(b) does not apply to the purchase of services or to any contracting  
14 for services that was authorized by law before the effective date of  
15 this section.

16        (2) Any provision contrary to or in conflict with this section in  
17 a collective bargaining agreement in effect on the effective date of  
18 this section is not effective beyond the expiration date of the  
19 agreement.

20        NEW SECTION. Sec. 35. A new section is added to chapter 41.12 RCW  
21 to read as follows:

22        (1)(a) This chapter does not prohibit any city, town, or  
23 municipality from purchasing services by contract with individuals,  
24 nonprofit organizations, businesses, or other entities.

25        (b) A city, town, or municipality that intends to purchase services  
26 by contract must notify any exclusive bargaining representative who  
27 represents an employee whose employment status will be directly  
28 affected by the contract. The exclusive bargaining representative  
29 shall have the right to offer alternatives to the proposed contract and  
30 such alternatives must be considered by the city, town, or municipality  
31 in making the final decision to contract for services. This subsection  
32 (1)(b) does not apply to the purchase of services or to any contracting  
33 for services that was authorized by law before the effective date of  
34 this section.

35        (2) Any provision contrary to or in conflict with this section in  
36 a collective bargaining agreement in effect on the effective date of  
37 this section is not effective beyond the expiration date of the  
38 agreement.

1        NEW SECTION.    **Sec. 36.**    A new section is added to chapter 41.14 RCW  
2 to read as follows:

3        (1)(a) This chapter does not prohibit any appointing authority from  
4 purchasing services by contract with individuals, nonprofit  
5 organizations, businesses, or other entities.

6        (b) An appointing authority that intends to purchase services by  
7 contract must notify any exclusive bargaining representative who  
8 represents an employee whose employment status will be directly  
9 affected by the contract. The exclusive bargaining representative  
10 shall have the right to offer alternatives to the proposed contract and  
11 such alternatives must be considered by the appointing authority in  
12 making the final decision to contract for services. This subsection  
13 (1)(b) does not apply to the purchase of services or to any contracting  
14 for services that was authorized by law before the effective date of  
15 this section.

16        (2) Any provision contrary to or in conflict with this section in  
17 a collective bargaining agreement in effect on the effective date of  
18 this section is not effective beyond the expiration date of the  
19 agreement.

20        **Sec. 37.**    RCW 41.50.804 and 1993 c 281 s 40 are each amended to  
21 read as follows:

22        Nothing contained in this chapter shall be construed to alter any  
23 existing collective bargaining agreement until any such agreement has  
24 expired or until any such bargaining unit has been modified by action  
25 of the ((~~Washington personnel resources board~~)) director of personnel  
26 as provided by law.

27        NEW SECTION.    **Sec. 38.**    A new section is added to chapter 41.56 RCW  
28 to read as follows:

29        (1)(a) This chapter does not:

30        (i) Prohibit a public employer from purchasing services by contract  
31 with individuals, nonprofit organizations, businesses, or other  
32 entities; and

33        (ii) Permit collective bargaining over the public employer's  
34 decision to purchase services by contract.

35        (b) A public employer that intends to purchase services by contract  
36 must notify any exclusive bargaining representative who represents an  
37 employee whose employment status will be directly affected by the



1 contract. The exclusive bargaining representative shall have the right  
2 to offer alternatives to the proposed contract and such alternatives  
3 must be considered by the public employer in making the final decision  
4 to contract for services. This subsection (1)(b) does not apply to the  
5 purchase of services or to any contracting for services that was  
6 authorized by law before the effective date of this section.

7 (2) Any provision contrary to or in conflict with this section in  
8 a collective bargaining agreement in effect on the effective date of  
9 this section is not effective beyond the expiration date of the  
10 agreement.

11 **Sec. 39.** RCW 43.06.425 and 1993 c 281 s 48 are each amended to  
12 read as follows:

13 The (~~Washington personnel resources board~~) director of personnel  
14 shall adopt rules to provide that:

15 (1) Successful completion of an internship under RCW 43.06.420  
16 shall be considered as employment experience at the level at which the  
17 intern was placed;

18 (2) Persons leaving classified or exempt positions in state  
19 government in order to take an internship under RCW 43.06.420: (a)  
20 Have the right of reversion to the previous position at any time during  
21 the internship or upon completion of the internship; and (b) shall  
22 continue to receive all fringe benefits as if they had never left their  
23 classified or exempt positions;

24 (3) Participants in the undergraduate internship program who were  
25 not public employees prior to accepting a position in the program  
26 receive sick leave allowances commensurate with other state employees;

27 (4) Participants in the executive fellows program who were not  
28 public employees prior to accepting a position in the program receive  
29 sick and vacation leave allowances commensurate with other state  
30 employees.

31 **Sec. 40.** RCW 43.33A.100 and 1993 c 281 s 50 are each amended to  
32 read as follows:

33 The state investment board shall maintain appropriate offices and  
34 employ such personnel as may be necessary to perform its duties.  
35 Employment by the investment board shall include but not be limited to  
36 an executive director, investment officers, and a confidential  
37 secretary, which positions are exempt from classified service under

1 chapter 41.06 RCW. Employment of the executive director by the board  
2 shall be for a term of three years, and such employment shall be  
3 subject to confirmation of the state finance committee: PROVIDED, That  
4 nothing shall prevent the board from dismissing the director for cause  
5 before the expiration of the term nor shall anything prohibit the  
6 board, with the confirmation of the state finance committee, from  
7 employing the same individual as director in succeeding terms.  
8 Compensation levels for the investment officers employed by the  
9 investment board shall be established by the ((Washington personnel  
10 resources board)) director of personnel.

11 As of July 1, 1981, all employees classified under chapter 41.06  
12 RCW and engaged in duties assumed by the state investment board on July  
13 1, 1981, are assigned to the state investment board. The transfer  
14 shall not diminish any rights granted these employees under chapter  
15 41.06 RCW nor exempt the employees from any action which may occur  
16 thereafter in accordance with chapter 41.06 RCW.

17 All existing contracts and obligations pertaining to the functions  
18 transferred to the state investment board in ((this 1980 act)) chapter  
19 3, Laws of 1981 shall remain in full force and effect, and shall be  
20 performed by the board. None of the transfers directed by ((this 1980  
21 act)) chapter 3, Laws of 1981 shall affect the validity of any act  
22 performed by a state entity or by any official or employee thereof  
23 prior to July 1, 1981.

24 **Sec. 41.** RCW 43.131.090 and 1993 c 281 s 54 are each amended to  
25 read as follows:

26 Unless the legislature specifies a shorter period of time, a  
27 terminated state agency shall continue in existence until June 30th of  
28 the next succeeding year for the purpose of concluding its affairs:  
29 PROVIDED, That the powers and authority of the state agency shall not  
30 be reduced or otherwise limited during this period. Unless otherwise  
31 provided:

32 (1) All employees of terminated state agencies classified under  
33 chapter 41.06 RCW, the state civil service law, shall be transferred as  
34 appropriate or as otherwise provided in the procedures adopted by the  
35 ((Washington personnel resources board)) director of personnel pursuant  
36 to RCW 41.06.150;

37 (2) All documents and papers, equipment, or other tangible property  
38 in the possession of the terminated state agency shall be delivered to

1 the custody of the agency assuming the responsibilities of the  
2 terminated agency or if such responsibilities have been eliminated,  
3 documents and papers shall be delivered to the state archivist and  
4 equipment or other tangible property to the department of general  
5 administration;

6 (3) All funds held by, or other moneys due to, the terminated state  
7 agency shall revert to the fund from which they were appropriated, or  
8 if that fund is abolished to the general fund;

9 (4) Notwithstanding the provisions of RCW 34.05.020, all rules made  
10 by a terminated state agency shall be repealed, without further action  
11 by the state agency, at the end of the period provided in this section,  
12 unless assumed and reaffirmed by the agency assuming the related legal  
13 responsibilities of the terminated state agency;

14 (5) All contractual rights and duties of a state agency shall be  
15 assigned or delegated to the agency assuming the responsibilities of  
16 the terminated state agency, or if there is none to such agency as the  
17 governor shall direct.

18 **Sec. 42.** RCW 49.46.010 and 1997 c 203 s 3 are each amended to read  
19 as follows:

20 As used in this chapter:

21 (1) "Director" means the director of labor and industries;

22 (2) "Wage" means compensation due to an employee by reason of  
23 employment, payable in legal tender of the United States or checks on  
24 banks convertible into cash on demand at full face value, subject to  
25 such deductions, charges, or allowances as may be permitted by rules of  
26 the director;

27 (3) "Employ" includes to permit to work;

28 (4) "Employer" includes any individual, partnership, association,  
29 corporation, business trust, or any person or group of persons acting  
30 directly or indirectly in the interest of an employer in relation to an  
31 employee;

32 (5) "Employee" includes any individual employed by an employer but  
33 shall not include:

34 (a) Any individual (i) employed as a hand harvest laborer and paid  
35 on a piece rate basis in an operation which has been, and is generally  
36 and customarily recognized as having been, paid on a piece rate basis  
37 in the region of employment; (ii) who commutes daily from his or her  
38 permanent residence to the farm on which he or she is employed; and

1 (iii) who has been employed in agriculture less than thirteen weeks  
2 during the preceding calendar year;

3 (b) Any individual employed in casual labor in or about a private  
4 home, unless performed in the course of the employer's trade, business,  
5 or profession;

6 (c) Any individual employed in a bona fide executive,  
7 administrative, or professional capacity or in the capacity of outside  
8 salesman as those terms are defined and delimited by rules of the  
9 director. However, those terms shall be defined and delimited by the  
10 (~~Washington personnel resources board pursuant to~~) director of  
11 personnel under chapter 41.06 RCW for employees employed under the  
12 director of personnel's jurisdiction;

13 (d) Any individual engaged in the activities of an educational,  
14 charitable, religious, state or local governmental body or agency, or  
15 nonprofit organization where the employer-employee relationship does  
16 not in fact exist or where the services are rendered to such  
17 organizations gratuitously. If the individual receives reimbursement  
18 in lieu of compensation for normally incurred out-of-pocket expenses or  
19 receives a nominal amount of compensation per unit of voluntary service  
20 rendered, an employer-employee relationship is deemed not to exist for  
21 the purpose of this section or for purposes of membership or  
22 qualification in any state, local government or publicly supported  
23 retirement system other than that provided under chapter 41.24 RCW;

24 (e) Any individual employed full time by any state or local  
25 governmental body or agency who provides voluntary services but only  
26 with regard to the provision of the voluntary services. The voluntary  
27 services and any compensation therefor shall not affect or add to  
28 qualification, entitlement or benefit rights under any state, local  
29 government, or publicly supported retirement system other than that  
30 provided under chapter 41.24 RCW;

31 (f) Any newspaper vendor or carrier;

32 (g) Any carrier subject to regulation by Part 1 of the Interstate  
33 Commerce Act;

34 (h) Any individual engaged in forest protection and fire prevention  
35 activities;

36 (i) Any individual employed by any charitable institution charged  
37 with child care responsibilities engaged primarily in the development  
38 of character or citizenship or promoting health or physical fitness or

1 providing or sponsoring recreational opportunities or facilities for  
2 young people or members of the armed forces of the United States;

3 (j) Any individual whose duties require that he or she reside or  
4 sleep at the place of his or her employment or who otherwise spends a  
5 substantial portion of his or her work time subject to call, and not  
6 engaged in the performance of active duties;

7 (k) Any resident, inmate, or patient of a state, county, or  
8 municipal correctional, detention, treatment or rehabilitative  
9 institution;

10 (l) Any individual who holds a public elective or appointive office  
11 of the state, any county, city, town, municipal corporation or quasi  
12 municipal corporation, political subdivision, or any instrumentality  
13 thereof, or any employee of the state legislature;

14 (m) All vessel operating crews of the Washington state ferries  
15 operated by the department of transportation;

16 (n) Any individual employed as a seaman on a vessel other than an  
17 American vessel;

18 (6) "Occupation" means any occupation, service, trade, business,  
19 industry, or branch or group of industries or employment or class of  
20 employment in which employees are gainfully employed;

21 (7) "Retail or service establishment" means an establishment  
22 seventy-five percent of whose annual dollar volume of sales of goods or  
23 services, or both, is not for resale and is recognized as retail sales  
24 or services in the particular industry.

25 **Sec. 43.** RCW 13.40.320 and 1997 c 338 s 38 are each amended to  
26 read as follows:

27 (1) The department of social and health services shall establish  
28 and operate a medium security juvenile offender basic training camp  
29 program. The department shall site a juvenile offender basic training  
30 camp facility in the most cost-effective facility possible and shall  
31 review the possibility of using an existing abandoned and/or available  
32 state, federally, or military-owned site or facility.

33 (2) The department may contract under this chapter with private  
34 companies, the national guard, or other federal, state, or local  
35 agencies to operate the juvenile offender basic training camp(~~(~~  
36 ~~notwithstanding the provisions of RCW 41.06.380)~~). Requests for  
37 proposals from possible contractors shall not call for payment on a per  
38 diem basis.

1 (3) The juvenile offender basic training camp shall accommodate at  
2 least seventy offenders. The beds shall count as additions to, and not  
3 be used as replacements for, existing bed capacity at existing  
4 department of social and health services juvenile facilities.

5 (4) The juvenile offender basic training camp shall be a structured  
6 and regimented model lasting one hundred twenty days emphasizing the  
7 building up of an offender's self-esteem, confidence, and discipline.  
8 The juvenile offender basic training camp program shall provide  
9 participants with basic education, prevocational training, work-based  
10 learning, live work, work ethic skills, conflict resolution counseling,  
11 substance abuse intervention, anger management counseling, and  
12 structured intensive physical training. The juvenile offender basic  
13 training camp program shall have a curriculum training and work  
14 schedule that incorporates a balanced assignment of these or other  
15 rehabilitation and training components for no less than sixteen hours  
16 per day, six days a week.

17 The department shall adopt rules for the safe and effective  
18 operation of the juvenile offender basic training camp program,  
19 standards for an offender's successful program completion, and rules  
20 for the continued after-care supervision of offenders who have  
21 successfully completed the program.

22 (5) Offenders eligible for the juvenile offender basic training  
23 camp option shall be those with a disposition of not more than sixty-  
24 five weeks. Violent and sex offenders shall not be eligible for the  
25 juvenile offender basic training camp program.

26 (6) If the court determines that the offender is eligible for the  
27 juvenile offender basic training camp option, the court may recommend  
28 that the department place the offender in the program. The department  
29 shall evaluate the offender and may place the offender in the program.  
30 The evaluation shall include, at a minimum, a risk assessment developed  
31 by the department and designed to determine the offender's suitability  
32 for the program. No juvenile who is assessed as a high risk offender  
33 or suffers from any mental or physical problems that could endanger his  
34 or her health or drastically affect his or her performance in the  
35 program shall be admitted to or retained in the juvenile offender basic  
36 training camp program.

37 (7) All juvenile offenders eligible for the juvenile offender basic  
38 training camp sentencing option shall spend one hundred twenty days of  
39 their disposition in a juvenile offender basic training camp. If the

1 juvenile offender's activities while in the juvenile offender basic  
2 training camp are so disruptive to the juvenile offender basic training  
3 camp program, as determined by the secretary according to rules adopted  
4 by the department, as to result in the removal of the juvenile offender  
5 from the juvenile offender basic training camp program, or if the  
6 offender cannot complete the juvenile offender basic training camp  
7 program due to medical problems, the secretary shall require that the  
8 offender be committed to a juvenile institution to serve the entire  
9 remainder of his or her disposition, less the amount of time already  
10 served in the juvenile offender basic training camp program.

11 (8) All offenders who successfully graduate from the one hundred  
12 twenty day juvenile offender basic training camp program shall spend  
13 the remainder of their disposition on parole in a division of juvenile  
14 rehabilitation intensive aftercare program in the local community. The  
15 program shall provide for the needs of the offender based on his or her  
16 progress in the aftercare program as indicated by ongoing assessment of  
17 those needs and progress. The intensive aftercare program shall  
18 monitor postprogram juvenile offenders and assist them to successfully  
19 reintegrate into the community. In addition, the program shall develop  
20 a process for closely monitoring and assessing public safety risks.  
21 The intensive aftercare program shall be designed and funded by the  
22 department of social and health services.

23 (9) The department shall also develop and maintain a data base to  
24 measure recidivism rates specific to this incarceration program. The  
25 data base shall maintain data on all juvenile offenders who complete  
26 the juvenile offender basic training camp program for a period of two  
27 years after they have completed the program. The data base shall also  
28 maintain data on the criminal activity, educational progress, and  
29 employment activities of all juvenile offenders who participated in the  
30 program.

31 **Sec. 44.** RCW 39.29.006 and 1993 c 433 s 2 are each amended to read  
32 as follows:

33 As used in this chapter:

34 (1) "Agency" means any state office or activity of the executive  
35 and judicial branches of state government, including state agencies,  
36 departments, offices, divisions, boards, commissions, and educational,  
37 correctional, and other types of institutions.

1 (2) "Client services" means services provided directly to agency  
2 clients including, but not limited to, medical and dental services,  
3 employment and training programs, residential care, and subsidized  
4 housing.

5 (3) "Competitive solicitation" means a documented formal process  
6 providing an equal and open opportunity to qualified parties and  
7 culminating in a selection based on criteria which may include such  
8 factors as the consultant's fees or costs, ability, capacity,  
9 experience, reputation, responsiveness to time limitations,  
10 responsiveness to solicitation requirements, quality of previous  
11 performance, and compliance with statutes and rules relating to  
12 contracts or services.

13 (4) "Consultant" means an independent individual or firm  
14 contracting with an agency to perform a service or render an opinion or  
15 recommendation according to the consultant's methods and without being  
16 subject to the control of the agency except as to the result of the  
17 work. The agency monitors progress under the contract and authorizes  
18 payment.

19 (5) "Emergency" means a set of unforeseen circumstances beyond the  
20 control of the agency that either:

21 (a) Present a real, immediate threat to the proper performance of  
22 essential functions; or

23 (b) May result in material loss or damage to property, bodily  
24 injury, or loss of life if immediate action is not taken.

25 (6) "Evidence of competition" means documentation demonstrating  
26 that the agency has solicited responses from multiple firms in  
27 selecting a consultant.

28 (7) "Personal service" means professional or technical expertise  
29 provided by a consultant to accomplish a specific study, project, task,  
30 or other work statement. This term does not include purchased services  
31 as defined under subsection (9) of this section. This term does  
32 include client services.

33 (8) "Personal service contract" means an agreement, or any  
34 amendment thereto, with a consultant for the rendering of personal  
35 services to the state which is consistent with ((RCW 41.06.380))  
36 section 32 of this act.

37 (9) "Purchased services" means services provided by a vendor to  
38 accomplish routine, continuing and necessary functions. This term  
39 includes, but is not limited to, services acquired under RCW 43.19.190



1 or 43.105.041 for equipment maintenance and repair; operation of a  
2 physical plant; security; computer hardware and software maintenance;  
3 data entry; key punch services; and computer time-sharing, contract  
4 programming, and analysis.

5 (10) "Sole source" means a consultant providing professional or  
6 technical expertise of such a unique nature that the consultant is  
7 clearly and justifiably the only practicable source to provide the  
8 service. The justification shall be based on either the uniqueness of  
9 the service or sole availability at the location required.

10 (11) "Subcontract" means a contract assigning some of the work of  
11 a contract to a third party.

12 **Sec. 45.** RCW 47.46.040 and 1995 2nd sp.s. c 19 s 3 are each  
13 amended to read as follows:

14 (1) All projects designed, constructed, and operated under this  
15 authority must comply with all applicable rules and statutes in  
16 existence at the time the agreement is executed, including but not  
17 limited to the following provisions: Chapter 39.12 RCW, this title,  
18 (~~RCW 41.06.380~~) section 32 of this act, chapter 47.64 RCW, RCW  
19 49.60.180, and 49 C.F.R. Part 21.

20 (2) The secretary or a designee shall consult with legal,  
21 financial, and other experts within and outside state government in the  
22 negotiation and development of the agreements.

23 (3) Agreements shall provide for private ownership of the projects  
24 during the construction period. After completion and final acceptance  
25 of each project or discrete segment thereof, the agreement shall  
26 provide for state ownership of the transportation systems and  
27 facilities and lease to the private entity unless the state elects to  
28 provide for ownership of the facility by the private entity during the  
29 term of the agreement.

30 The state shall lease each of the demonstration projects, or  
31 applicable project segments, to the private entities for operating  
32 purposes for up to fifty years.

33 (4) The department may exercise any power possessed by it to  
34 facilitate the development, construction, financing operation, and  
35 maintenance of transportation projects under this chapter. Agreements  
36 for maintenance services entered into under this section shall provide  
37 for full reimbursement for services rendered by the department or other  
38 state agencies. Agreements for police services for projects, involving

1 state highway routes, developed under agreements shall be entered into  
2 with the Washington state patrol. The agreement for police services  
3 shall provide that the state patrol will be reimbursed for costs on a  
4 comparable basis with the costs incurred for comparable service on  
5 other state highway routes. The department may provide services for  
6 which it is reimbursed, including but not limited to preliminary  
7 planning, environmental certification, and preliminary design of the  
8 demonstration projects.

9 (5) The plans and specifications for each project constructed under  
10 this section shall comply with the department's standards for state  
11 projects. A facility constructed by and leased to a private entity is  
12 deemed to be a part of the state highway system for purposes of  
13 identification, maintenance, and enforcement of traffic laws and for  
14 the purposes of applicable sections of this title. Upon reversion of  
15 the facility to the state, the project must meet all applicable state  
16 standards. Agreements shall address responsibility for reconstruction  
17 or renovations that are required in order for a facility to meet all  
18 applicable state standards upon reversion of the facility to the state.

19 (6) For the purpose of facilitating these projects and to assist  
20 the private entity in the financing, development, construction, and  
21 operation of the transportation systems and facilities, the agreements  
22 may include provisions for the department to exercise its authority,  
23 including the lease of facilities, rights of way, and airspace,  
24 exercise of the power of eminent domain, granting of development rights  
25 and opportunities, granting of necessary easements and rights of  
26 access, issuance of permits and other authorizations, protection from  
27 competition, remedies in the event of default of either of the parties,  
28 granting of contractual and real property rights, liability during  
29 construction and the term of the lease, authority to negotiate  
30 acquisition of rights of way in excess of appraised value, and any  
31 other provision deemed necessary by the secretary.

32 (7) The agreements entered into under this section may include  
33 provisions authorizing the state to grant necessary easements and lease  
34 to a private entity existing rights of way or rights of way  
35 subsequently acquired with public or private financing. The agreements  
36 may also include provisions to lease to the entity airspace above or  
37 below the right of way associated or to be associated with the private  
38 entity's transportation facility. In consideration for the reversion  
39 rights in these privately constructed facilities, the department may

1 negotiate a charge for the lease of airspace rights during the term of  
2 the agreement for a period not to exceed fifty years. If, after the  
3 expiration of this period, the department continues to lease these  
4 airspace rights to the private entity, it shall do so only at fair  
5 market value. The agreement may also provide the private entity the  
6 right of first refusal to undertake projects utilizing airspace owned  
7 by the state in the vicinity of the public-private project.

8 (8) Agreements under this section may include any contractual  
9 provision that is necessary to protect the project revenues required to  
10 repay the costs incurred to study, plan, design, finance, acquire,  
11 build, install, operate, enforce laws, and maintain toll highways,  
12 bridges, and tunnels and which will not unreasonably inhibit or  
13 prohibit the development of additional public transportation systems  
14 and facilities. Agreements under this section must secure and maintain  
15 liability insurance coverage in amounts appropriate to protect the  
16 project's viability and may address state indemnification of the  
17 private entity for design and construction liability where the state  
18 has approved relevant design and construction plans.

19 (9) Agreements shall include a process that provides for public  
20 involvement in decision making with respect to the development of the  
21 projects.

22 (10)(a) In carrying out the public involvement process required in  
23 subsection (9) of this section, the private entity shall proactively  
24 seek public participation through a process appropriate to the  
25 characteristics of the project that assesses and demonstrates public  
26 support among: Users of the project, residents of communities in the  
27 vicinity of the project, and residents of communities impacted by the  
28 project.

29 (b) The private entity shall conduct a comprehensive public  
30 involvement process that provides, periodically throughout the  
31 development and implementation of the project, users and residents of  
32 communities in the affected project area an opportunity to comment upon  
33 key issues regarding the project including, but not limited to: (i)  
34 Alternative sizes and scopes; (ii) design; (iii) environmental  
35 assessment; (iv) right of way and access plans; (v) traffic impacts;  
36 (vi) tolling or user fee strategies and tolling or user fee ranges;  
37 (vii) project cost; (viii) construction impacts; (ix) facility  
38 operation; and (x) any other salient characteristics.

1 (c) If the affected project area has not been defined, the private  
2 entity shall define the affected project area by conducting, at a  
3 minimum: (i) A comparison of the estimated percentage of residents of  
4 communities in the vicinity of the project and in other communities  
5 impacted by the project who could be subject to tolls or user fees and  
6 the estimated percentage of other users and transient traffic that  
7 could be subject to tolls or user fees; (ii) an analysis of the  
8 anticipated traffic diversion patterns; (iii) an analysis of the  
9 potential economic impact resulting from proposed toll rates or user  
10 fee rates imposed on residents, commercial traffic, and commercial  
11 entities in communities in the vicinity of and impacted by the project;  
12 (iv) an analysis of the economic impact of tolls or user fees on the  
13 price of goods and services generally; and (v) an analysis of the  
14 relationship of the project to state transportation needs and benefits.

15 The agreement may require an advisory vote by users of and  
16 residents in the affected project area.

17 (d) In seeking public participation, the private entity shall  
18 establish a local involvement committee or committees comprised of  
19 residents of the affected project area, individuals who represent  
20 cities and counties in the affected project area, organizations formed  
21 to support or oppose the project, if such organizations exist, and  
22 users of the project. The private entity shall, at a minimum,  
23 establish a committee as required under the specifications of RCW  
24 47.46.030(~~((5)(b) — (ii) — and — (iii))~~) (6)(b) (ii) and (iii) and  
25 appointments to such committee shall be made no later than thirty days  
26 after the project area is defined.

27 (e) Local involvement committees shall act in an advisory capacity  
28 to the department and the private entity on all issues related to the  
29 development and implementation of the public involvement process  
30 established under this section.

31 (f) The department and the private entity shall provide the  
32 legislative transportation committee and local involvement committees  
33 with progress reports on the status of the public involvement process  
34 including the results of an advisory vote, if any occurs.

35 (11) Nothing in this chapter limits the right of the secretary and  
36 his or her agents to render such advice and to make such  
37 recommendations as they deem to be in the best interests of the state  
38 and the public.

1       **Sec. 46.** RCW 72.09.100 and 1995 1st sp.s. c 19 s 33 are each  
2 amended to read as follows:

3       It is the intent of the legislature to vest in the department the  
4 power to provide for a comprehensive inmate work program and to remove  
5 statutory and other restrictions which have limited work programs in  
6 the past. For purposes of establishing such a comprehensive program,  
7 the legislature recommends that the department consider adopting any or  
8 all, or any variation of, the following classes of work programs:

9       (1) CLASS I: FREE VENTURE INDUSTRIES. The employer model  
10 industries in this class shall be operated and managed in total or in  
11 part by any profit or nonprofit organization pursuant to an agreement  
12 between the organization and the department. The organization shall  
13 produce goods or services for sale to both the public and private  
14 sector.

15       The customer model industries in this class shall be operated and  
16 managed by the department to provide Washington state manufacturers or  
17 businesses with products or services currently produced or provided by  
18 out-of-state or foreign suppliers. The correctional industries board  
19 of directors shall review these proposed industries before the  
20 department contracts to provide such products or services. The review  
21 shall include an analysis of the potential impact of the proposed  
22 products and services on the Washington state business community and  
23 labor market.

24       The department of corrections shall supply appropriate security and  
25 custody services without charge to the participating firms.

26       Inmates who work in free venture industries shall do so at their  
27 own choice. They shall be paid a wage comparable to the wage paid for  
28 work of a similar nature in the locality in which the industry is  
29 located, as determined by the director of correctional industries. If  
30 the director cannot reasonably determine the comparable wage, then the  
31 pay shall not be less than the federal minimum wage.

32       An inmate who is employed in the class I program of correctional  
33 industries shall not be eligible for unemployment compensation benefits  
34 pursuant to any of the provisions of Title 50 RCW until released on  
35 parole or discharged.

36       (2) CLASS II: TAX REDUCTION INDUSTRIES. Industries in this class  
37 shall be state-owned and operated enterprises designed to reduce the  
38 costs for goods and services for tax-supported agencies and for  
39 nonprofit organizations. The industries selected for development

1 within this class shall, as much as possible, match the available pool  
2 of inmate work skills and aptitudes with the work opportunities in the  
3 free community. The industries shall be closely patterned after  
4 private sector industries but with the objective of reducing public  
5 support costs rather than making a profit. The products and services  
6 of this industry, including purchased products and services necessary  
7 for a complete product line, may be sold to public agencies, to  
8 nonprofit organizations, and to private contractors when the goods  
9 purchased will be ultimately used by a public agency or a nonprofit  
10 organization. Clothing manufactured by an industry in this class may  
11 be donated to nonprofit organizations that provide clothing free of  
12 charge to low-income persons. Correctional industries products and  
13 services shall be reviewed by the correctional industries board of  
14 directors before offering such products and services for sale to  
15 private contractors. The board of directors shall conduct a yearly  
16 marketing review of the products and services offered under this  
17 subsection. Such review shall include an analysis of the potential  
18 impact of the proposed products and services on the Washington state  
19 business community. To avoid waste or spoilage and consequent loss to  
20 the state, when there is no public sector market for such goods,  
21 byproducts and surpluses of timber, agricultural, and animal husbandry  
22 enterprises may be sold to private persons, at private sale. Surplus  
23 byproducts and surpluses of timber, agricultural and animal husbandry  
24 enterprises that cannot be sold to public agencies or to private  
25 persons may be donated to nonprofit organizations. All sales of  
26 surplus products shall be carried out in accordance with rules  
27 prescribed by the secretary.

28 Security and custody services shall be provided without charge by  
29 the department of corrections.

30 Inmates working in this class of industries shall do so at their  
31 own choice and shall be paid for their work on a gratuity scale which  
32 shall not exceed the wage paid for work of a similar nature in the  
33 locality in which the industry is located and which is approved by the  
34 director of correctional industries.

35 Subject to approval of the correctional industries board,  
36 provisions of ((RCW 41.06.380 prohibiting contracting out work  
37 performed by classified employees)) section 32(1)(b) of this act shall  
38 not apply to contracts with Washington state businesses entered into by  
39 the department of corrections through class II industries.

1 (3) CLASS III: INSTITUTIONAL SUPPORT INDUSTRIES. Industries in  
2 this class shall be operated by the department of corrections. They  
3 shall be designed and managed to accomplish the following objectives:

4 (a) Whenever possible, to provide basic work training and  
5 experience so that the inmate will be able to qualify for better work  
6 both within correctional industries and the free community. It is not  
7 intended that an inmate's work within this class of industries should  
8 be his or her final and total work experience as an inmate.

9 (b) Whenever possible, to provide forty hours of work or work  
10 training per week.

11 (c) Whenever possible, to offset tax and other public support  
12 costs.

13 Supervising, management, and custody staff shall be employees of  
14 the department.

15 All able and eligible inmates who are assigned work and who are not  
16 working in other classes of industries shall work in this class.

17 Except for inmates who work in work training programs, inmates in  
18 this class shall be paid for their work in accordance with an inmate  
19 gratuity scale. The scale shall be adopted by the secretary of  
20 corrections.

21 (4) CLASS IV: COMMUNITY WORK INDUSTRIES. Industries in this class  
22 shall be operated by the department of corrections. They shall be  
23 designed and managed to provide services in the inmate's resident  
24 community at a reduced cost. The services shall be provided to public  
25 agencies, to persons who are poor or infirm, or to nonprofit  
26 organizations.

27 Inmates in this program shall reside in facilities owned by,  
28 contracted for, or licensed by the department of corrections. A unit  
29 of local government shall provide work supervision services without  
30 charge to the state and shall pay the inmate's wage.

31 The department of corrections shall reimburse participating units  
32 of local government for liability and workers compensation insurance  
33 costs.

34 Inmates who work in this class of industries shall do so at their  
35 own choice and shall receive a gratuity which shall not exceed the wage  
36 paid for work of a similar nature in the locality in which the industry  
37 is located.

38 (5) CLASS V: COMMUNITY SERVICE PROGRAMS. Programs in this class  
39 shall be subject to supervision by the department of corrections. The

1 purpose of this class of industries is to enable an inmate, placed on  
2 community supervision, to work off all or part of a community service  
3 order as ordered by the sentencing court.

4 Employment shall be in a community service program operated by the  
5 state, local units of government, or a nonprofit agency.

6 To the extent that funds are specifically made available for such  
7 purposes, the department of corrections shall reimburse nonprofit  
8 agencies for workers compensation insurance costs.

9 **Sec. 47.** RCW 49.74.030 and 1993 c 281 s 58 are each amended to  
10 read as follows:

11 The commission in conjunction with the department of personnel or  
12 the state patrol, whichever is appropriate, shall attempt to resolve  
13 the noncompliance through conciliation. If an agreement is reached for  
14 the elimination of noncompliance, the agreement shall be reduced to  
15 writing and an order shall be issued by the commission setting forth  
16 the terms of the agreement. The noncomplying state agency, institution  
17 of higher education, or state patrol shall make a good faith effort to  
18 conciliate and make a full commitment to correct the noncompliance with  
19 any action that may be necessary to achieve compliance, provided such  
20 action is not inconsistent with the rules adopted under RCW  
21 41.06.150(~~((+21))~~) (18) and 43.43.340(5), whichever is appropriate.

22 **Sec. 48.** RCW 49.74.040 and 1985 c 365 s 11 are each amended to  
23 read as follows:

24 If no agreement can be reached under RCW 49.74.030, the commission  
25 may refer the matter to the administrative law judge for hearing  
26 pursuant to RCW 49.60.250. If the administrative law judge finds that  
27 the state agency, institution of higher education, or state patrol has  
28 not made a good faith effort to correct the noncompliance, the  
29 administrative law judge shall order the state agency, institution of  
30 higher education, or state patrol to comply with this chapter. The  
31 administrative law judge may order any action that may be necessary to  
32 achieve compliance, provided such action is not inconsistent with the  
33 rules adopted under RCW (~~((28B.16.100(20)+))~~) 41.06.150(~~((+21)+)~~) (18) and  
34 43.43.340(5), whichever is appropriate.

35 An order by the administrative law judge may be appealed to  
36 superior court.



1       **Sec. 49.** RCW 72.10.030 and 1989 c 157 s 4 are each amended to read  
2 as follows:

3       (1) Notwithstanding any other provisions of law, the secretary may  
4 enter into contracts with health care practitioners, health care  
5 facilities, and other entities or agents as may be necessary to provide  
6 basic medical care to inmates. (~~The contracts shall not cause the~~  
7 ~~termination of classified employees of the department rendering the~~  
8 ~~services at the time the contract is executed.~~)

9       (2) In contracting for services, the secretary is authorized to  
10 provide for indemnification of health care practitioners who cannot  
11 obtain professional liability insurance through reasonable effort, from  
12 liability on any action, claim, or proceeding instituted against them  
13 arising out of the good faith performance or failure of performance of  
14 services on behalf of the department. The contracts may provide that  
15 for the purposes of chapter 4.92 RCW only, those health care  
16 practitioners with whom the department has contracted shall be  
17 considered state employees.

18       **Sec. 50.** RCW 82.01.070 and 1997 c 156 s 1 are each amended to read  
19 as follows:

20       The director shall have charge and general supervision of the  
21 department of revenue. The director shall appoint an assistant  
22 director for administration, hereinafter in chapter 26, Laws of 1967  
23 ex. sess. referred to as the assistant director, and subject to the  
24 provisions of chapter 41.06 RCW may appoint and employ such clerical,  
25 technical and other personnel as may be necessary to carry out the  
26 powers and duties of the department. The director may also enter into  
27 personal service contracts with (~~out-of-state~~) individuals or  
28 business entities for the performance of auditing services (~~outside~~  
29 ~~the state of Washington when normal efforts to recruit classified~~  
30 ~~employees are unsuccessful~~). The director may agree to pay to the  
31 department's employees or contractors who reside out of state such  
32 amounts in addition to their ordinary rate of compensation as are  
33 necessary to defray the extra costs of facilities, living, and other  
34 costs reasonably related to the out-of-state services, subject to  
35 legislative appropriation for those purposes. The special allowances  
36 shall be in such amounts or at such rates as are approved by the office  
37 of financial management. This section does not apply to audit  
38 functions performed in states contiguous to the state of Washington.

1        NEW SECTION.    **Sec. 51.**    (1) All powers, duties, and functions of  
2 the personnel appeals board pertaining to appeals filed under RCW  
3 41.06.170 on or after the effective date of this section are  
4 transferred to the Washington personnel resources board. All appeals  
5 filed under RCW 41.06.170 before the effective date of this section  
6 shall be resolved by the personnel appeals board in accordance with the  
7 authorities, rules, and procedures that were in effect at the time of  
8 the appeal.

9        (2) All reports, documents, surveys, books, records, files, papers,  
10 or written material in the possession of the department of personnel  
11 pertaining to the powers, functions, and duties transferred in  
12 subsection (1) of this section shall be delivered to the custody of the  
13 Washington personnel resources board. All cabinets, furniture, office  
14 equipment, motor vehicles, and other tangible property employed by the  
15 personnel appeals board in carrying out the powers, functions, and  
16 duties transferred in subsection (1) of this section shall be made  
17 available to the Washington personnel resources board. All funds,  
18 credits, or other assets held in connection with the powers, functions,  
19 and duties transferred in subsection (1) of this section shall be  
20 assigned to the Washington personnel resources board.

21        (3) Any appropriations made to the personnel appeals board for  
22 carrying out the powers, functions, and duties transferred in  
23 subsection (1) of this section shall, on the effective date of this  
24 section, be transferred and credited to the Washington personnel  
25 resources board.

26        (4) Whenever any question arises as to the transfer of any  
27 personnel, funds, books, documents, records, papers, files, equipment,  
28 or other tangible property used or held in the exercise of the powers  
29 and the performance of the duties and functions transferred, the  
30 director of financial management shall make a determination as to the  
31 proper allocation and certify the same to the state agencies concerned.

32        (5) After the effective date of this section, the director of  
33 personnel and the executive secretary of the personnel appeals board  
34 shall meet and agree upon a schedule for the transfer of personnel  
35 appeals board employees and property to the Washington personnel  
36 resources board. Whenever a question arises as to the transfer of any  
37 personnel, funds, books, documents, records, papers, files, equipment,  
38 or other tangible property used or held in the exercise of the powers  
39 and the performance of the duties and functions transferred, the

1 director of financial management shall make a determination as to the  
2 proper allocation and certify the same to the state agencies concerned.

3 (6) The transfer of the powers, duties, functions, and personnel of  
4 the personnel appeals board under this section does not affect the  
5 validity of any act performed before the effective date of this  
6 section. All existing contracts and obligations of the personnel  
7 appeals board shall remain in full force and shall be performed by the  
8 personnel appeals board.

9 NEW SECTION. **Sec. 52.** (1) The personnel appeals board is hereby  
10 abolished and its powers, duties, and functions are hereby transferred  
11 to the Washington personnel resources board. All references to the  
12 executive secretary of the personnel appeals board or the personnel  
13 appeals board in the Revised Code of Washington shall be construed to  
14 mean the director of personnel or the Washington personnel resources  
15 board, respectively.

16 (2)(a) All reports, documents, surveys, books, records, files,  
17 papers, or written material in the possession of the personnel appeals  
18 board shall be delivered to the custody of the Washington personnel  
19 resources board. All cabinets, furniture, office equipment, motor  
20 vehicles, and other tangible property employed by the personnel appeals  
21 board shall be made available to the department of personnel. All  
22 funds, credits, or other assets held by the personnel appeals board  
23 shall be assigned to the department of personnel.

24 (b) Any appropriations made to the personnel appeals board shall,  
25 on the effective date of this section, be transferred and credited to  
26 the department of personnel.

27 (c) If any question arises as to the transfer of any personnel,  
28 funds, books, documents, records, papers, files, equipment, or other  
29 tangible property used or held in the exercise of the powers and the  
30 performance of the duties and functions transferred, the director of  
31 financial management shall make a determination as to the proper  
32 allocation and certify the same to the state agencies concerned.

33 (3) All employees of the personnel appeals board are transferred to  
34 the jurisdiction of the department of personnel. All employees  
35 classified under this chapter, the state civil service law, are  
36 assigned to the department of personnel to perform their usual duties  
37 upon the same terms as formerly, without any loss of rights, subject to

1 any action that may be appropriate thereafter in accordance with the  
2 laws and rules governing state civil service.

3 (4) All rules and all pending business before the personnel appeals  
4 board shall be continued and acted upon by the Washington personnel  
5 resources board. All existing contracts and obligations shall remain  
6 in full force and shall be performed by the Washington personnel  
7 resources board.

8 (5) The transfer of the powers, duties, functions, and personnel of  
9 the personnel appeals board shall not affect the validity of any act  
10 performed before the effective date of this section.

11 (6) If apportionments of budgeted funds are required because of the  
12 transfers directed by this section, the director of financial  
13 management shall certify the apportionments to the agencies affected,  
14 the state auditor, and the state treasurer. Each of these shall make  
15 the appropriate transfer and adjustments in funds and appropriation  
16 accounts and equipment records in accordance with the certification.

17 NEW SECTION. **Sec. 53.** Sections 10 through 14 of this act are each  
18 added to chapter 41.06 RCW.

19 NEW SECTION. **Sec. 54.** The following acts or parts of acts are  
20 each repealed:

- 21 (1) RCW 41.64.010 and 1981 c 311 s 1;
- 22 (2) RCW 41.64.020 and 1981 c 311 s 3;
- 23 (3) RCW 41.64.030 and 1984 c 287 s 73, 1984 c 34 s 4, & 1981 c 311  
24 s 4;
- 25 (4) RCW 41.64.040 and 1981 c 311 s 5;
- 26 (5) RCW 41.64.050 and 1981 c 311 s 6;
- 27 (6) RCW 41.64.060 and 1981 c 311 s 7;
- 28 (7) RCW 41.64.070 and 1981 c 311 s 8;
- 29 (8) RCW 41.64.080 and 1981 c 311 s 9;
- 30 (9) RCW 41.64.090 and 1998 c . . . s 25 (section 25 of this act),  
31 1993 c 281 s 41, & 1981 c 311 s 10;
- 32 (10) RCW 41.64.100 and 1997 c 386 s 43 & 1981 c 311 s 11;
- 33 (11) RCW 41.64.110 and 1985 c 461 s 7 & 1981 c 311 s 12;
- 34 (12) RCW 41.64.120 and 1981 c 311 s 13;
- 35 (13) RCW 41.64.130 and 1981 c 311 s 14;
- 36 (14) RCW 41.64.140 and 1988 c 202 s 42 & 1981 c 311 s 15; and
- 37 (15) RCW 41.64.910 and 1981 c 311 s 24.

1        NEW SECTION.    **Sec. 55.**    The following acts or parts of acts are  
2 each repealed:

3            (1) RCW 41.06.163 and 1993 c 281 s 30, 1987 c 185 s 9, 1986 c 158  
4 s 6, 1979 c 151 s 59, & 1977 ex.s. c 152 s 3; and

5            (2) RCW 41.06.165 and 1977 ex.s. c 152 s 4.

6        NEW SECTION.    **Sec. 56.**    The following acts or parts of acts are  
7 each repealed:

8            (1) RCW 28A.400.285 and 1997 c 267 s 2 & 1993 c 349 s 1;

9            (2) RCW 41.06.380 and 1979 ex.s. c 46 s 2; and

10           (3) RCW 41.06.382 and 1979 ex.s. c 46 s 1.

11        NEW SECTION.    **Sec. 57.**    Provisions of a collective bargaining  
12 agreement between a public employer and public employee in effect on  
13 the effective date of section 4 of this act that conflict with the  
14 requirements of this act shall continue in effect until contract  
15 expiration, unless a superseding agreement resolving the conflict is  
16 executed by the parties before expiration; after expiration, any new  
17 agreement executed between the parties must be consistent with this  
18 section.

19        NEW SECTION.    **Sec. 58.**    If any provision of this act or its  
20 application to any person or circumstance is held invalid, the  
21 remainder of the act or the application of the provision to other  
22 persons or circumstances is not affected.

23        NEW SECTION.    **Sec. 59.**    (1) Sections 4, 5, 8, 15 through 27, 30  
24 through 50, and 56 of this act take effect July 1, 2000.

25            (2) Sections 3, 9 through 14, and 51 of this act take effect July  
26 1, 2001.

27            (3) Sections 28, 29, 52, and 54 of this act take effect July 1,  
28 2002.

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