
HOUSE BILL 1239

State of Washington

56th Legislature

1999 Regular Session

By Representatives Romero, Alexander, Rockefeller, D. Schmidt, Haigh, Linville, Keiser, Cody, Wolfe, Carlson, Dunshee, Wood, Lantz, Campbell, Santos, McIntire, Ogden, Conway, Morris, Hatfield, Grant, O'Brien, Miloscia, Cooper, Bush, Voloria, DeBolt, Kessler, Dickerson, Edmonds, Van Luven, H. Sommers, Lovick, Stensen, Ruderman, Tokuda, Hurst and Kenney; by request of Governor Locke

Read first time 01/19/1999. Referred to Committee on State Government.

1 AN ACT Relating to personnel; amending RCW 41.06.030, 41.06.150,
2 41.06.150, 41.06.022, 41.06.070, 41.06.110, 41.06.160, 41.06.167,
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, 28B.12.060, 34.05.030,
5 34.12.020, 41.04.340, 41.50.804, 43.06.425, 43.33A.100, 43.131.090,
6 49.46.010, 41.06.340, 13.40.320, 39.29.006, 41.04.385, 47.46.040,
7 72.09.100, 41.06.079, 41.06.152, 41.06.152, 41.06.500, 41.06.500,
8 43.21I.010, 43.23.010, 49.74.030, 49.74.030, 49.74.040, and 49.74.040;
9 reenacting and amending RCW 41.04.340; adding new sections to chapter
10 41.06 RCW; adding a new chapter to Title 41 RCW; creating new sections;
11 repealing RCW 41.06.163, 41.06.165, 41.06.140, 41.50.804, 41.06.520,
12 41.56.201, 28B.16.015, 41.06.380, 41.06.382, 41.64.010, 41.64.020,
13 41.64.030, 41.64.040, 41.64.050, 41.64.060, 41.64.070, 41.64.080,
14 41.64.090, 41.64.100, 41.64.110, 41.64.120, 41.64.130, 41.64.140, and
15 41.64.910; providing effective dates; and providing an expiration date.

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

17 **PART I**

18 **TITLE**

1 NEW SECTION. **Sec. 101.** SHORT TITLE. This act may be known and
2 cited as the personnel system reform act of 1999.

3 **PART II**
4 **CIVIL SERVICE REFORM**

5 **Sec. 201.** RCW 41.06.030 and 1993 c 281 s 20 are each amended to
6 read as follows:

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

10 **Sec. 202.** RCW 41.06.150 and 1996 c 319 s 2 are each amended to
11 read as follows:

12 The board shall adopt rules, consistent with the purposes and
13 provisions of this chapter, as now or hereafter amended, and with the
14 best standards of personnel administration, regarding the basis and
15 procedures to be followed for:

16 (1) The reduction, dismissal, suspension, or demotion of an
17 employee;

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

24 (3) Examinations for all positions in the competitive and
25 noncompetitive service;

26 (4) Appointments;

27 (5) Training and career development;

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

32 (7) Transfers;

33 (8) Sick leaves and vacations;

34 (9) Hours of work;

35 (10) Layoffs when necessary and subsequent reemployment, both
36 according to seniority;

1 ~~((Determination of appropriate bargaining units within any~~
2 ~~agency: PROVIDED, That in making such determination the board shall~~
3 ~~consider the duties, skills, and working conditions of the employees,~~
4 ~~the history of collective bargaining by the employees and their~~
5 ~~bargaining representatives, the extent of organization among the~~
6 ~~employees, and the desires of the employees;~~

7 ~~(12) Certification and decertification of exclusive bargaining~~
8 ~~representatives: PROVIDED, That)) (a) After certification of an~~
9 exclusive bargaining representative and upon the representative's
10 request, the director shall hold an election among employees in a
11 bargaining unit to determine by a majority whether to require as a
12 condition of employment membership in the certified exclusive
13 bargaining representative on or after the thirtieth day following the
14 beginning of employment or the date of such election, whichever is the
15 later, and the failure of an employee to comply with such a condition
16 of employment constitutes cause for dismissal: PROVIDED FURTHER, That
17 no more often than once in each twelve-month period after expiration of
18 twelve months following the date of the original election in a
19 bargaining unit and upon petition of thirty percent of the members of
20 a bargaining unit the director shall hold an election to determine
21 whether a majority wish to rescind such condition of employment:
22 PROVIDED FURTHER, That for purposes of this clause, membership in the
23 certified exclusive bargaining representative is satisfied by the
24 payment of monthly or other periodic dues and does not require payment
25 of initiation, reinstatement, or any other fees or fines and includes
26 full and complete membership rights: AND PROVIDED FURTHER, That in
27 order to safeguard the right of nonassociation of public employees,
28 based on bona fide religious tenets or teachings of a church or
29 religious body of which such public employee is a member, such public
30 employee shall pay to the union, for purposes within the program of the
31 union as designated by such employee that would be in harmony with his
32 or her individual conscience, an amount of money equivalent to regular
33 union dues minus any included monthly premiums for union-sponsored
34 insurance programs, and such employee shall not be a member of the
35 union but is entitled to all the representation rights of a union
36 member;

37 ~~((13)) (b) Agreements between agencies and certified exclusive~~
38 bargaining representatives providing for grievance procedures and
39 collective negotiations on all personnel matters over which the

1 appointing authority of the appropriate bargaining unit of such agency
2 may lawfully exercise discretion;

3 ~~((14))~~ (c) Written agreements may contain provisions for payroll
4 deductions of employee organization dues upon authorization by the
5 employee member and for the cancellation of such payroll deduction by
6 the filing of a proper prior notice by the employee with the appointing
7 authority and the employee organization: PROVIDED, That nothing
8 contained herein permits or grants to any employee the right to strike
9 or refuse to perform his or her official duties;

10 ~~((15))~~ (d) A collective bargaining agreement entered into under
11 this subsection before July 1, 2000, covering employees subject to
12 sections 301 through 314 of this act, that expires after July 1, 2000,
13 shall remain in full force during its duration, or until superseded by
14 a collective bargaining agreement entered into by the parties under
15 sections 301 through 314 of this act. However, an agreement entered
16 into before July 1, 2000, may not be renewed or extended beyond July 1,
17 2001. This subsection (11) does not apply to collective bargaining
18 negotiations or collective bargaining agreements entered into under
19 sections 301 through 314 of this act;

20 (12) Adoption and revision of a comprehensive classification plan
21 for all positions in the classified service, based on investigation and
22 analysis of the duties and responsibilities of each such position.

23 (a) The board shall not adopt job classification revisions or class
24 studies unless implementation of the proposed revision or study will
25 result in net cost savings, increased efficiencies, or improved
26 management of personnel or services, and the proposed revision or study
27 has been approved by the director of financial management in accordance
28 with chapter 43.88 RCW.

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

31 ~~(i) The board may approve the implementation of salary increases~~
32 ~~resulting from adjustments to the classification plan during the 1995-~~
33 ~~97 fiscal biennium only if:~~

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

37 ~~(B) The implementation will take effect on July 1, 1996, and the~~
38 ~~total net cost of all such actions approved by the board for~~

1 implementation during the 1995-97 fiscal biennium does not exceed the
2 amounts specified by the legislature specifically for this purpose; or
3 (C) The implementation is a result of emergent conditions.
4 Emergent conditions are defined as emergency situations requiring the
5 establishment of positions necessary for the preservation of the public
6 health, safety, or general welfare, which do not exceed \$250,000 of the
7 moneys identified in section 718(2), chapter 18, Laws of 1995 2nd sp.
8 sess.

9 (ii) The board shall approve only those salary increases resulting
10 from adjustments to the classification plan if they are due to
11 documented recruitment and retention difficulties, salary compression
12 or inversion, increased duties and responsibilities, or inequities.
13 For these purposes, inequities are defined as similar work assigned to
14 different job classes with a salary disparity greater than 7.5 percent.

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

17 (e)) Reclassifications, class studies, and salary adjustments to
18 be implemented during the 1997-99 and subsequent fiscal biennia are
19 governed by (a) of this subsection and RCW 41.06.152;

20 ((+16+)) (13) Allocation and reallocation of positions within the
21 classification plan;

22 ((+17+)) (14) Adoption and revision of a state salary schedule to
23 reflect the prevailing rates in Washington state private industries and
24 other governmental units but the rates in the salary schedules or plans
25 shall be increased if necessary to attain comparable worth under an
26 implementation plan under RCW 41.06.155 and that, for institutions of
27 higher education and related boards, shall be competitive for positions
28 of a similar nature in the state or the locality in which an
29 institution of higher education or related board is located, such
30 adoption and revision subject to approval by the director of financial
31 management in accordance with the provisions of chapter 43.88 RCW;

32 ((+18+)) (15) Increment increases within the series of steps for
33 each pay grade based on length of service for all employees whose
34 standards of performance are such as to permit them to retain job
35 status in the classified service;

36 ((+19+)) (16) Providing for veteran's preference as required by
37 existing statutes, with recognition of preference in regard to layoffs
38 and subsequent reemployment for veterans and their surviving spouses by
39 giving such eligible veterans and their surviving spouses additional

1 credit in computing their seniority by adding to their unbroken state
2 service, as defined by the board, the veteran's service in the military
3 not to exceed five years. For the purposes of this section, "veteran"
4 means any person who has one or more years of active military service
5 in any branch of the armed forces of the United States or who has less
6 than one year's service and is discharged with a disability incurred in
7 the line of duty or is discharged at the convenience of the government
8 and who, upon termination of such service has received an honorable
9 discharge, a discharge for physical reasons with an honorable record,
10 or a release from active military service with evidence of service
11 other than that for which an undesirable, bad conduct, or dishonorable
12 discharge shall be given: PROVIDED, HOWEVER, That the surviving spouse
13 of a veteran is entitled to the benefits of this section regardless of
14 the veteran's length of active military service: PROVIDED FURTHER,
15 That for the purposes of this section "veteran" does not include any
16 person who has voluntarily retired with twenty or more years of active
17 military service and whose military retirement pay is in excess of five
18 hundred dollars per month;

19 ~~((+20))~~ (17) Permitting agency heads to delegate the authority to
20 appoint, reduce, dismiss, suspend, or demote employees within their
21 agencies if such agency heads do not have specific statutory authority
22 to so delegate: PROVIDED, That the board may not authorize such
23 delegation to any position lower than the head of a major subdivision
24 of the agency;

25 ~~((+21))~~ (18) Assuring persons who are or have been employed in
26 classified positions before July 1, 1993, will be eligible for
27 employment, reemployment, transfer, and promotion in respect to
28 classified positions covered by this chapter;

29 ~~((+22))~~ (19) Affirmative action in appointment, promotion,
30 transfer, recruitment, training, and career development; development
31 and implementation of affirmative action goals and timetables; and
32 monitoring of progress against those goals and timetables.

33 The board shall consult with the human rights commission in the
34 development of rules pertaining to affirmative action. The department
35 of personnel shall transmit a report annually to the human rights
36 commission which states the progress each state agency has made in
37 meeting affirmative action goals and timetables.

1 **Sec. 203.** RCW 41.06.150 and 1999 c . . . s 202 (section 202 of
2 this act) are each amended to read as follows:

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

7 ~~(1) ((The reduction, dismissal, suspension, or demotion of an~~
8 ~~employee;~~

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

15 ~~((3))~~ (2) Examinations for all positions in the competitive and
16 noncompetitive service;

17 ~~((4))~~ (3) Appointments;

18 ~~((5) Training and career development;~~

19 ~~(6) Probationary periods of six to twelve months and rejections of~~
20 ~~probationary employees, depending on the job requirements of the class,~~
21 ~~except that entry level state park rangers shall serve a probationary~~
22 ~~period of twelve months;~~

23 ~~(7) Transfers;~~

24 ~~(8) Sick leaves and vacations;~~

25 ~~(9) Hours of work;~~

26 ~~(10) Layoffs when necessary and subsequent reemployment, both~~
27 ~~according to seniority;~~

28 ~~(a) After certification of an exclusive bargaining representative~~
29 ~~and upon the representative's request, the director shall hold an~~
30 ~~election among employees in a bargaining unit to determine by a~~
31 ~~majority whether to require as a condition of employment membership in~~
32 ~~the certified exclusive bargaining representative on or after the~~
33 ~~thirtieth day following the beginning of employment or the date of such~~
34 ~~election, whichever is the later, and the failure of an employee to~~
35 ~~comply with such a condition of employment constitutes cause for~~
36 ~~dismissal: PROVIDED FURTHER, That no more often than once in each~~
37 ~~twelve-month period after expiration of twelve months following the~~
38 ~~date of the original election in a bargaining unit and upon petition of~~
39 ~~thirty percent of the members of a bargaining unit the director shall~~

1 hold an election to determine whether a majority wish to rescind such
2 condition of employment: PROVIDED FURTHER, That for purposes of this
3 clause, membership in the certified exclusive bargaining representative
4 is satisfied by the payment of monthly or other periodic dues and does
5 not require payment of initiation, reinstatement, or any other fees or
6 fines and includes full and complete membership rights: AND PROVIDED
7 FURTHER, That in order to safeguard the right of nonassociation of
8 public employees, based on bona fide religious tenets or teachings of
9 a church or religious body of which such public employee is a member,
10 such public employee shall pay to the union, for purposes within the
11 program of the union as designated by such employee that would be in
12 harmony with his or her individual conscience, an amount of money
13 equivalent to regular union dues minus any included monthly premiums
14 for union sponsored insurance programs, and such employee shall not be
15 a member of the union but is entitled to all the representation rights
16 of a union member;

17 (b) Agreements between agencies and certified exclusive bargaining
18 representatives providing for grievance procedures and collective
19 negotiations on all personnel matters over which the appointing
20 authority of the appropriate bargaining unit of such agency may
21 lawfully exercise discretion;

22 (c) Written agreements may contain provisions for payroll
23 deductions of employee organization dues upon authorization by the
24 employee member and for the cancellation of such payroll deduction by
25 the filing of a proper prior notice by the employee with the appointing
26 authority and the employee organization: PROVIDED, That nothing
27 contained herein permits or grants to any employee the right to strike
28 or refuse to perform his or her official duties;

29 (d) A collective bargaining agreement entered into under this
30 subsection before July 1, 2000, covering employees subject to sections
31 301 through 314 of this act, that expires after July 1, 2000, shall
32 remain in full force during its duration, or until superseded by a
33 collective bargaining agreement entered into by the parties under
34 sections 301 through 314 of this act. However, an agreement entered
35 into before July 1, 2000, may not be renewed or extended beyond July 1,
36 2001. This subsection (11) does not apply to collective bargaining
37 negotiations or collective bargaining agreements entered into under
38 sections 301 through 314 of this act;

1 ~~(12))~~ (4) Adoption and revision of a comprehensive classification
2 plan, in accordance with rules adopted by the board under section 205
3 of this act, for all positions in the classified service, based on
4 investigation and analysis of the duties and responsibilities of each
5 such position and allocation and reallocation of positions within the
6 classification plan.

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

13 (b) Reclassifications, class studies, and salary adjustments to be
14 implemented during the 1997-99 and subsequent fiscal biennia are
15 governed by (a) of this subsection and RCW 41.06.152;

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

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

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

32 ~~(16) Providing for veteran's preference as required by existing~~
33 ~~statutes, with recognition of preference in regard to layoffs and~~
34 ~~subsequent reemployment for veterans and their surviving spouses by~~
35 ~~giving such eligible veterans and their surviving spouses additional~~
36 ~~credit in computing their seniority by adding to their unbroken state~~
37 ~~service, as defined by the board, the veteran's service in the military~~
38 ~~not to exceed five years. For the purposes of this section, "veteran"~~
39 ~~means any person who has one or more years of active military service~~

1 in any branch of the armed forces of the United States or who has less
2 than one year's service and is discharged with a disability incurred in
3 the line of duty or is discharged at the convenience of the government
4 and who, upon termination of such service has received an honorable
5 discharge, a discharge for physical reasons with an honorable record,
6 or a release from active military service with evidence of service
7 other than that for which an undesirable, bad conduct, or dishonorable
8 discharge shall be given: PROVIDED, HOWEVER, That the surviving spouse
9 of a veteran is entitled to the benefits of this section regardless of
10 the veteran's length of active military service: PROVIDED FURTHER,
11 That for the purposes of this section "veteran" does not include any
12 person who has voluntarily retired with twenty or more years of active
13 military service and whose military retirement pay is in excess of five
14 hundred dollars per month;

15 ~~((17))~~ (5) Permitting agency heads to delegate the authority to
16 appoint, reduce, dismiss, suspend, or demote employees within their
17 agencies if such agency heads do not have specific statutory authority
18 to so delegate: PROVIDED, That the ~~((board))~~ director may not
19 authorize such delegation to any position lower than the head of a
20 major subdivision of the agency;

21 ~~((18))~~ (6) Assuring persons who are or have been employed in
22 classified positions before July 1, 1993, will be eligible for
23 employment, reemployment, transfer, and promotion in respect to
24 classified positions covered by this chapter;

25 ~~((19))~~ (7) Affirmative action in appointment, promotion,
26 transfer, recruitment, training, and career development; development
27 and implementation of affirmative action goals and timetables; and
28 monitoring of progress against those goals and timetables.

29 The ~~((board))~~ director shall consult with the human rights
30 commission in the development of rules pertaining to affirmative
31 action. The department of personnel shall transmit a report annually
32 to the human rights commission which states the progress each state
33 agency has made in meeting affirmative action goals and timetables.

34 Rules adopted under this section by the director shall provide for
35 local administration and management by the institutions of higher
36 education and related boards, subject to periodic audit and review by
37 the director.

1 NEW SECTION. **Sec. 204.** A new section is added to chapter 41.06
2 RCW to read as follows:

3 The director shall adopt rules, consistent with the purposes and
4 provisions of this chapter and with the best standards of personnel
5 administration, regarding the basis and procedures to be followed for:

6 (1) The reduction, dismissal, suspension, or demotion of an
7 employee;

8 (2) Training and career development;

9 (3) Probationary periods of six to twelve months and rejections of
10 probationary employees, depending on the job requirements of the class,
11 except that entry level state park rangers shall serve a probationary
12 period of twelve months;

13 (4) Transfers;

14 (5) Promotional preferences;

15 (6) Sick leaves and vacations;

16 (7) Hours of work;

17 (8) Layoffs when necessary and subsequent reemployment, except for
18 the financial basis for layoffs;

19 (9) The number of names to be certified for vacancies;

20 (10) Adoption and revision of a state salary schedule to reflect
21 the prevailing rates in Washington state private industries and other
22 governmental units. The rates in the salary schedules or plans shall
23 be increased if necessary to attain comparable worth under an
24 implementation plan under RCW 41.06.155 and, for institutions of higher
25 education and related boards, shall be competitive for positions of a
26 similar nature in the state or the locality in which an institution of
27 higher education or related board is located. Such adoption and
28 revision is subject to approval by the director of financial management
29 in accordance with chapter 43.88 RCW;

30 (11) Increment increases within the series of steps for each pay
31 grade based on length of service for all employees whose standards of
32 performance are such as to permit them to retain job status in the
33 classified service;

34 (12) Providing for veteran's preference as required by existing
35 statutes, with recognition of preference in regard to layoffs and
36 subsequent reemployment for veterans and their surviving spouses by
37 giving such eligible veterans and their surviving spouses additional
38 credit in computing their seniority by adding to their unbroken state
39 service, as defined by the director, the veteran's service in the

1 military not to exceed five years. For the purposes of this section,
2 "veteran" means any person who has one or more years of active military
3 service in any branch of the armed forces of the United States or who
4 has less than one year's service and is discharged with a disability
5 incurred in the line of duty or is discharged at the convenience of the
6 government and who, upon termination of such service, has received an
7 honorable discharge, a discharge for physical reasons with an honorable
8 record, or a release from active military service with evidence of
9 service other than that for which an undesirable, bad conduct, or
10 dishonorable discharge shall be given. However, the surviving spouse
11 of a veteran is entitled to the benefits of this section regardless of
12 the veteran's length of active military service. For the purposes of
13 this section, "veteran" does not include any person who has voluntarily
14 retired with twenty or more years of active military service and whose
15 military retirement pay is in excess of five hundred dollars per month.

16 Rules adopted under this section by the director shall provide for
17 local administration and management by the institutions of higher
18 education and related boards, subject to periodic audit and review by
19 the director.

20 Rules adopted by the director under this section may be superseded
21 by the provisions of a collective bargaining agreement negotiated under
22 sections 301 through 314 of this act. The supersession of such rules
23 shall only affect employees in the respective collective bargaining
24 units.

25 NEW SECTION. **Sec. 205.** A new section is added to chapter 41.06
26 RCW to read as follows:

27 (1) The board shall conduct a comprehensive review of all rules in
28 effect on the effective date of this section governing the
29 classification, allocation, and reallocation of positions within the
30 classified service. In conducting this review, the board shall consult
31 with state agencies, institutions of higher education, employee
32 organizations, and members of the general public. The department shall
33 assist the board in the conduct of this review, which shall be
34 completed by the board no later than July 1, 2000.

35 (2) By March 15, 2001, the board shall adopt new rules governing
36 the classification, allocation, and reallocation of positions in the
37 classified service. In adopting such rules, the board shall adhere to
38 the following goals:

1 (a) To improve the effectiveness and efficiency of the delivery of
2 services to the citizens of the state through the use of current
3 personnel management processes and to promote a workplace where the
4 overall focus is on the recipient of governmental services;

5 (b) To develop a simplified classification system that will
6 substantially reduce the number of job classifications in the
7 classified service and facilitate the most effective use of the state
8 personnel resources;

9 (c) To develop a classification system to permit state agencies to
10 respond flexibly to changing technologies, economic and social
11 conditions, and the needs of its citizens;

12 (d) To value workplace diversity;

13 (e) To facilitate the reorganization and decentralization of
14 governmental services; and

15 (f) To enhance mobility and career advancement opportunities.

16 (3) Rules adopted by the board under subsection (2) of this section
17 shall permit an appointing authority and an employee organization
18 representing classified employees of the appointing authority for
19 collective bargaining purposes to make a joint request for the
20 initiation of a classification study.

21 NEW SECTION. **Sec. 206.** A new section is added to chapter 41.06
22 RCW to read as follows:

23 In accordance with rules adopted by the board under section 205 of
24 this act, the director shall, by January 1, 2002, begin to implement a
25 new classification system for positions in the classified service. Any
26 employee who believes that the director has incorrectly applied the
27 rules of the board in determining a job classification for a job held
28 by that employee may appeal the director's decision to the board by
29 filing a notice in writing within thirty days of the action from which
30 the appeal is taken. Decisions of the board concerning such appeals
31 are final and not subject to further appeal.

32 **Sec. 207.** RCW 41.06.022 and 1993 c 281 s 8 are each amended to
33 read as follows:

34 For purposes of this chapter, "manager" means any employee who:

35 (1) Formulates state-wide policy or directs the work of an agency
36 or agency subdivision;

1 (2) Is responsible to administer one or more state-wide policies or
2 programs of an agency or agency subdivision;

3 (3) Manages, administers, and controls a local branch office of an
4 agency or agency subdivision, including the physical, financial, or
5 personnel resources;

6 (4) Has substantial responsibility in personnel administration,
7 legislative relations, public information, or the preparation and
8 administration of budgets; or

9 (5) Functionally is above the first level of supervision and
10 exercises authority that is not merely routine or clerical in nature
11 and requires the consistent use of independent judgment.

12 No employee who is a member of the Washington management service
13 may be included in a collective bargaining unit established under
14 sections 301 through 314 of this act.

15 NEW SECTION. Sec. 208. A new section is added to chapter 41.06
16 RCW to read as follows:

17 (1) A department, agency, or institution of higher education may
18 purchase services provided by employees in classified service under
19 this chapter by contracting with individuals, nonprofit organizations,
20 businesses, or other entities.

21 (2) Any provision contrary to or in conflict with this section in
22 any 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 (3) Any department, agency, or institution of higher education that
26 intends to purchase services under this act must demonstrate that the
27 contract results in savings or efficiency improvements. Any exclusive
28 bargaining representative who represents any employee whose employment
29 status will be directly affected by such a contract shall be notified
30 sufficiently in advance of the bidding process. The exclusive
31 bargaining representative shall have the right to offer alternatives to
32 the proposed contract and such alternatives shall be considered by the
33 department, agency, or institution of higher education in making the
34 final decision to contract out services. This subsection does not
35 apply to the purchase of services or to any contracting for services
36 that was authorized by law prior to the effective date of this section.

1 **Sec. 209.** RCW 41.06.070 and 1998 c 245 s 40 are each amended to
2 read as follows:

3 (1) The provisions of this chapter do not apply to:

4 (a) The members of the legislature or to any employee of, or
5 position in, the legislative branch of the state government including
6 members, officers, and employees of the legislative council, joint
7 legislative audit and review committee, statute law committee, and any
8 interim committee of the legislature;

9 (b) The justices of the supreme court, judges of the court of
10 appeals, judges of the superior courts or of the inferior courts, or to
11 any employee of, or position in the judicial branch of state
12 government;

13 (c) Officers, academic personnel, and employees of technical
14 colleges;

15 (d) The officers of the Washington state patrol;

16 (e) Elective officers of the state;

17 (f) The chief executive officer of each agency;

18 (g) In the departments of employment security and social and health
19 services, the director and the director's confidential secretary; in
20 all other departments, the executive head of which is an individual
21 appointed by the governor, the director, his or her confidential
22 secretary, and his or her statutory assistant directors;

23 (h) In the case of a multimember board, commission, or committee,
24 whether the members thereof are elected, appointed by the governor or
25 other authority, serve ex officio, or are otherwise chosen:

26 (i) All members of such boards, commissions, or committees;

27 (ii) If the members of the board, commission, or committee serve on
28 a part-time basis and there is a statutory executive officer: The
29 secretary of the board, commission, or committee; the chief executive
30 officer of the board, commission, or committee; and the confidential
31 secretary of the chief executive officer of the board, commission, or
32 committee;

33 (iii) If the members of the board, commission, or committee serve
34 on a full-time basis: The chief executive officer or administrative
35 officer as designated by the board, commission, or committee; and a
36 confidential secretary to the chair of the board, commission, or
37 committee;

1 (iv) If all members of the board, commission, or committee serve ex
2 officio: The chief executive officer; and the confidential secretary
3 of such chief executive officer;

4 (i) The confidential secretaries and administrative assistants in
5 the immediate offices of the elective officers of the state;

6 (j) Assistant attorneys general;

7 (k) Commissioned and enlisted personnel in the military service of
8 the state;

9 (l) Inmate, student, part-time, or temporary employees, and part-
10 time professional consultants, as defined by the Washington personnel
11 resources board;

12 (m) The public printer or to any employees of or positions in the
13 state printing plant;

14 (n) Officers and employees of the Washington state fruit
15 commission;

16 (o) Officers and employees of the Washington state apple
17 advertising commission;

18 (p) Officers and employees of the Washington state dairy products
19 commission;

20 (q) Officers and employees of the Washington tree fruit research
21 commission;

22 (r) Officers and employees of the Washington state beef commission;

23 (s) Officers and employees of any commission formed under chapter
24 15.66 RCW;

25 ~~(t) ((Officers and employees of the state wheat commission formed
26 under chapter 15.63 RCW;~~

27 ~~(u))~~ Officers and employees of agricultural commissions formed
28 under chapter 15.65 RCW;

29 ~~((v))~~ (u) Officers and employees of the nonprofit corporation
30 formed under chapter 67.40 RCW;

31 ~~((w))~~ (v) Executive assistants for personnel administration and
32 labor relations in all state agencies employing such executive
33 assistants including but not limited to all departments, offices,
34 commissions, committees, boards, or other bodies subject to the
35 provisions of this chapter and this subsection shall prevail over any
36 provision of law inconsistent herewith unless specific exception is
37 made in such law;

38 ~~((x))~~ (w) In each agency with fifty or more employees: Deputy
39 agency heads, assistant directors or division directors, and not more

1 than three principal policy assistants who report directly to the
2 agency head or deputy agency heads;

3 ~~((y))~~ (x) All employees of the marine employees' commission;

4 ~~((z) Up to a total of five senior staff positions of the western
5 library network under chapter 27.26 RCW responsible for formulating
6 policy or for directing program management of a major administrative
7 unit. This subsection (1)(z) shall expire on June 30, 1997;~~

8 ~~(aa))~~ (y) Staff employed by the department of community, trade,
9 and economic development to administer energy policy functions and
10 manage energy site evaluation council activities under RCW
11 43.21F.045(2)(m);

12 ~~((bb))~~ (z) Staff employed by Washington State University to
13 administer energy education, applied research, and technology transfer
14 programs under RCW 43.21F.045 as provided in RCW 28B.30.900(5).

15 (2) The following classifications, positions, and employees of
16 institutions of higher education and related boards are hereby exempted
17 from coverage of this chapter:

18 (a) Members of the governing board of each institution of higher
19 education and related boards, all presidents, vice-presidents, and
20 their confidential secretaries, administrative, and personal
21 assistants; deans, directors, and chairs; academic personnel; and
22 executive heads of major administrative or academic divisions employed
23 by institutions of higher education; principal assistants to executive
24 heads of major administrative or academic divisions; other managerial
25 or professional employees in an institution or related board having
26 substantial responsibility for directing or controlling program
27 operations and accountable for allocation of resources and program
28 results, or for the formulation of institutional policy, or for
29 carrying out personnel administration or labor relations functions,
30 legislative relations, public information, development, senior computer
31 systems and network programming, or internal audits and investigations;
32 and any employee of a community college district whose place of work is
33 one which is physically located outside the state of Washington and who
34 is employed pursuant to RCW 28B.50.092 and assigned to an educational
35 program operating outside of the state of Washington;

36 (b) ~~((Student, part-time, or temporary employees, and part-time
37 professional consultants, as defined by the Washington personnel
38 resources board, employed by institutions of higher education and
39 related boards;~~

1 ~~(e)~~) The governing board of each institution, and related boards,
2 may also exempt from this chapter classifications involving research
3 activities, counseling of students, extension or continuing education
4 activities, graphic arts or publications activities requiring
5 prescribed academic preparation or special training as determined by
6 the board: PROVIDED, That no nonacademic employee engaged in office,
7 clerical, maintenance, or food and trade services may be exempted by
8 the board under this provision;

9 ~~((d))~~ (c) Printing craft employees in the department of printing
10 at the University of Washington.

11 (3) In addition to the exemptions specifically provided by this
12 chapter, the ~~((Washington personnel resources board))~~ director of
13 personnel may provide for further exemptions pursuant to the following
14 procedures. The governor or other appropriate elected official may
15 submit requests for exemption to the ~~((Washington personnel resources~~
16 ~~board))~~ director of personnel stating the reasons for requesting such
17 exemptions. The ~~((Washington personnel resources board))~~ director of
18 personnel shall hold a public hearing, after proper notice, on requests
19 submitted pursuant to this subsection. If the ~~((board))~~ director
20 determines that the position for which exemption is requested is one
21 involving substantial responsibility for the formulation of basic
22 agency or executive policy or one involving directing and controlling
23 program operations of an agency or a major administrative division
24 thereof, the ~~((Washington personnel resources board))~~ director of
25 personnel shall grant the request and such determination shall be final
26 as to any decision made before July 1, 1993. The total number of
27 additional exemptions permitted under this subsection shall not exceed
28 one percent of the number of employees in the classified service not
29 including employees of institutions of higher education and related
30 boards for those agencies not directly under the authority of any
31 elected public official other than the governor, and shall not exceed
32 a total of twenty-five for all agencies under the authority of elected
33 public officials other than the governor.

34 The salary and fringe benefits of all positions presently or
35 hereafter exempted except for the chief executive officer of each
36 agency, full-time members of boards and commissions, administrative
37 assistants and confidential secretaries in the immediate office of an
38 elected state official, and the personnel listed in subsections (1)(j)
39 through ~~((v), (y), (z),)~~ (u) and (x) and (2) of this section, shall

1 be determined by the (~~Washington personnel resources board~~) director
2 of personnel. However, beginning with changes proposed for the 1997-99
3 fiscal biennium, changes to the classification plan affecting exempt
4 salaries must meet the same provisions for classified salary increases
5 resulting from adjustments to the classification plan as outlined in
6 RCW 41.06.152.

7 Any person holding a classified position subject to the provisions
8 of this chapter shall, when and if such position is subsequently
9 exempted from the application of this chapter, be afforded the
10 following rights: If such person previously held permanent status in
11 another classified position, such person shall have a right of
12 reversion to the highest class of position previously held, or to a
13 position of similar nature and salary.

14 Any classified employee having civil service status in a classified
15 position who accepts an appointment in an exempt position shall have
16 the right of reversion to the highest class of position previously
17 held, or to a position of similar nature and salary.

18 A person occupying an exempt position who is terminated from the
19 position for gross misconduct or malfeasance does not have the right of
20 reversion to a classified position as provided for in this section.

21 **Sec. 210.** RCW 41.06.110 and 1993 c 281 s 25 are each amended to
22 read as follows:

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

1 (2) Each member of the board shall be compensated in accordance
2 with RCW 43.03.250. The members of the board may receive any number of
3 daily payments for official meetings of the board actually attended.
4 Members of the board shall also be reimbursed for travel expenses
5 incurred in the discharge of their official duties in accordance with
6 RCW 43.03.050 and 43.03.060.

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

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

19 **Sec. 211.** RCW 41.06.160 and 1993 c 281 s 29 are each amended to
20 read as follows:

21 In preparing classification and salary schedules as set forth in
22 RCW 41.06.150 (~~((as now or hereafter amended))~~) the department of
23 personnel shall give full consideration to prevailing rates in other
24 public employment and in private employment in this state. For this
25 purpose the department shall undertake comprehensive salary and fringe
26 benefit surveys(~~(, with such surveys to be conducted in the year prior~~
27 ~~to the convening of every other one hundred five day regular session of~~
28 ~~the state legislature. In the year prior to the convening of each one~~
29 ~~hundred five day regular session during which a comprehensive salary~~
30 ~~and fringe benefit survey is not conducted, the department shall plan~~
31 ~~and conduct a trend salary and fringe benefit survey. This survey~~
32 ~~shall measure average salary and fringe benefit movement for broad~~
33 ~~occupational groups which has occurred since the last comprehensive~~
34 ~~salary and fringe benefit survey was conducted. The results of each~~
35 ~~comprehensive and trend salary and fringe benefit survey shall be~~
36 ~~completed and forwarded by September 30 with a recommended state salary~~
37 ~~schedule to the governor and director of financial management for their~~
38 ~~use in preparing budgets to be submitted to the succeeding legislature.~~

1 A copy of the data and supporting documentation shall be furnished by
2 the department of personnel to the standing committees for
3 appropriations of the senate and house of representatives.

4 In the case of comprehensive salary and fringe benefit surveys, the
5 department shall furnish the following supplementary data in support of
6 its recommended salary schedule:

7 (1) A total dollar figure which reflects the recommended increase
8 or decrease in state salaries as a direct result of the specific salary
9 and fringe benefit survey that has been conducted and which is
10 categorized to indicate what portion of the increase or decrease is
11 represented by salary survey data and what portion is represented by
12 fringe benefit survey data;

13 (2) An additional total dollar figure which reflects the impact of
14 recommended increases or decreases to state salaries based on other
15 factors rather than directly on prevailing rate data obtained through
16 the survey process and which is categorized to indicate the sources of
17 the requests for deviation from prevailing rates and the reasons for
18 the changes;

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

25 (4) A supplemental salary schedule which indicates the additional
26 salary to be paid state employees for hazardous duties or other
27 considerations requiring extra compensation under specific
28 circumstances. Additional compensation for these circumstances shall
29 not be included in the basic salary schedule but shall be maintained as
30 a separate pay schedule for purposes of full disclosure and visibility;
31 and

32 (5) A supplemental salary schedule which indicates those cases
33 where the board determines that prevailing rates do not provide similar
34 salaries for positions that require or impose similar responsibilities,
35 judgment, knowledge, skills, and working conditions. This
36 supplementary salary schedule shall contain proposed salary adjustments
37 necessary to eliminate any such dissimilarities in compensation.
38 Additional compensation needed to eliminate such salary dissimilarities
39 shall not be included in the basic salary schedule but shall be

1 maintained as a separate salary schedule for purposes of full
2 disclosure and visibility.

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

7 Salary and fringe benefit survey information collected from private
8 employers which identifies a specific employer with the salary and
9 fringe benefit rates which that employer pays to its employees shall
10 not be subject to public disclosure under chapter 42.17 RCW.

11 ((The first comprehensive salary and fringe benefit survey required
12 by this section shall be completed and forwarded to the governor and
13 the director of financial management by September 30, 1986. The first
14 trend salary and fringe benefit survey required by this section shall
15 be completed and forwarded to the governor and the director of
16 financial management by September 30, 1988.))

17 **Sec. 212.** RCW 41.06.167 and 1991 c 196 s 1 are each amended to
18 read as follows:

19 The department of personnel shall undertake comprehensive
20 compensation surveys for officers and entry-level officer candidates of
21 the Washington state patrol, with such surveys to be conducted in the
22 year prior to the convening of every other one hundred five day regular
23 session of the state legislature. ((In the year prior to the convening
24 of each one hundred five day regular session during which a
25 comprehensive compensation survey is not conducted, the department
26 shall conduct a trend compensation survey. This survey shall measure
27 average compensation movement which has occurred since the last
28 comprehensive compensation survey was conducted. The results of each
29 comprehensive and trend survey shall be completed and forwarded by
30 September 30th, after review and preparation of recommendations by the
31 chief of the Washington state patrol, to the governor and director of
32 financial management for their use in preparing budgets to be submitted
33 to the succeeding legislature. A copy of the data and supporting
34 documentation shall be furnished by the department of personnel to the
35 legislative transportation committee and the standing committees for
36 appropriations of the senate and house of representatives. The office
37 of financial management shall analyze the survey results and conduct
38 investigations which may be necessary to arbitrate differences between

1 interested parties regarding the accuracy of collected survey data and
2 the use of such data for salary adjustment.

3 Surveys conducted by the department of personnel for the Washington
4 state patrol shall be undertaken in a manner consistent with
5 statistically accurate sampling techniques, including comparisons of
6 medians, base ranges, and weighted averages of salaries. The surveys
7 shall compare competitive labor markets of law enforcement officers.
8 This service performed by the department of personnel shall be on a
9 reimbursable basis in accordance with the provisions of RCW 41.06.080.

10 A comprehensive compensation survey plan and the recommendations of
11 the chief of the Washington state patrol shall be submitted jointly by
12 the department of personnel and the Washington state patrol to the
13 director of financial management, the legislative transportation
14 committee, the committee on ways and means of the senate, and the
15 committee on appropriations of the house of representatives six months
16 before the beginning of each periodic survey.)) Salary and fringe
17 benefit survey information collected from private employers which
18 identifies a specific employer with the salary and fringe benefit rates
19 which that employer pays to its employees shall not be subject to
20 public disclosure under chapter 42.17 RCW.

21 **Sec. 213.** RCW 41.06.170 and 1993 c 281 s 31 are each amended to
22 read as follows:

23 (1) The ((board or)) director, in the adoption of rules governing
24 suspensions for cause, shall not authorize an appointing authority to
25 suspend an employee for more than fifteen calendar days as a single
26 penalty or more than thirty calendar days in any one calendar year as
27 an accumulation of several penalties. The ((board or)) director shall
28 require that the appointing authority give written notice to the
29 employee not later than one day after the suspension takes effect,
30 stating the reasons for and the duration thereof.

31 (2) Any employee who is reduced, dismissed, suspended, or demoted,
32 after completing his or her probationary period of service as provided
33 by the rules of the ((board)) director, or any employee who is
34 adversely affected by a violation of the state civil service law,
35 chapter 41.06 RCW, or rules adopted under it, shall have the right to
36 appeal ((to the personnel appeals board created by RCW 41.64.010)),
37 either individually or through his or her authorized representative,
38 not later than thirty days after the effective date of such action to

1 the personnel appeals board through June 30, 2001, and to the
2 Washington personnel resources board after June 30, 2001. The employee
3 shall be furnished with specified charges in writing when a reduction,
4 dismissal, suspension, or demotion action is taken. Such appeal shall
5 be in writing. Decisions of the Washington personnel resources board
6 on appeals filed after June 30, 2001, shall be final and not subject to
7 further appeal.

8 (3) Any employee whose position has been exempted after July 1,
9 1993, shall have the right to appeal (~~to the personnel appeals board~~
10 ~~created by RCW 41.64.010~~), either individually or through his or her
11 authorized representative, not later than thirty days after the
12 effective date of such action to the personnel appeals board through
13 June 30, 2002, and to the Washington personnel resources board after
14 June 30, 2002.

15 (4) An employee incumbent in a position at the time of its
16 allocation or reallocation, or the agency utilizing the position, may
17 appeal the allocation or reallocation to the personnel appeals board
18 (~~created by RCW 41.64.010~~) through December 31, 2001, and to the
19 Washington personnel resources board after December 31, 2001. Notice
20 of such appeal must be filed in writing within thirty days of the
21 action from which appeal is taken.

22 (5) Subsections (1) and (2) of this section do not apply to any
23 employee who is subject to the provisions of a collective bargaining
24 agreement negotiated under sections 301 through 314 of this act.

25 NEW SECTION. Sec. 214. The transfer of the powers, duties, and
26 functions of the personnel appeals board to the personnel resources
27 board under section 234 of this act and the transfer of jurisdiction
28 for appeals filed under section 213, chapter . . . , Laws of 1999
29 (section 213 of this act) after June 30, 2001, shall not affect the
30 right of an appellant to have an appeal filed on or before June 30,
31 2001, resolved by the personnel appeals board in accordance with the
32 authorities, rules, and procedures that were established under chapter
33 41.64 RCW as it existed before the effective date of this section.

34 **Sec. 215.** RCW 41.06.186 and 1993 c 281 s 32 are each amended to
35 read as follows:

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

4 **Sec. 216.** RCW 41.06.196 and 1993 c 281 s 33 are each amended to
5 read as follows:

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

11 **Sec. 217.** RCW 41.06.270 and 1979 c 151 s 61 are each amended to
12 read as follows:

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

18 **Sec. 218.** RCW 41.06.350 and 1993 c 281 s 36 are each amended to
19 read as follows:

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

25 **Sec. 219.** RCW 41.06.400 and 1980 c 118 s 4 are each amended to
26 read as follows:

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

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

34 (a) Provide for the evaluation of training and career development
35 programs and plans of agencies (~~based on minimum standards established~~

1 ~~by the board~~)). The director shall report the results of such
2 evaluations to the agency which is the subject of the evaluation;

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

5 (c) Promote interagency sharing of resources for training and
6 career development;

7 (d) Monitor and review the impact of training and career
8 development programs to ensure that the responsibilities of the state
9 to provide equal employment opportunities are diligently carried out.

10 ~~((The director shall report to the board the impact of training and
11 career development programs on the fulfillment of such
12 responsibilities.))~~

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

17 **Sec. 220.** RCW 41.06.410 and 1980 c 118 s 5 are each amended to
18 read as follows:

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

20 (1) Prepare an employee training and career development plan which
21 shall at least meet minimum standards established by the ~~((board))~~
22 director. A copy of such plan shall be submitted to the director for
23 purposes of administering the provisions of RCW 41.06.400(2);

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

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

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

31 **Sec. 221.** RCW 41.06.450 and 1993 c 281 s 37 are each amended to
32 read as follows:

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

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

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

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

10 (2) Notwithstanding subsection (1) of this section, an agency may
11 retain information relating to employee misconduct or alleged
12 misconduct if:

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

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

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

20 **Sec. 222.** RCW 41.06.475 and 1993 c 281 s 38 are each amended to
21 read as follows:

22 The ((Washington personnel resources board)) director shall adopt
23 rules, in cooperation with the secretary of social and health services,
24 for the background investigation of persons being considered for state
25 employment in positions directly responsible for the supervision, care,
26 or treatment of children or developmentally disabled persons.

27 **Sec. 223.** RCW 41.06.490 and 1990 c 204 s 3 are each amended to
28 read as follows:

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

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

35 (b) Provide for eligibility in the return-to-work program, for a
36 minimum of two years from the date the temporary disability commenced,
37 for any permanent employee who is receiving compensation under RCW

1 51.32.090 and who is, by reason of his or her temporary disability,
2 unable to return to his or her previous work, but who is physically
3 capable of carrying out work of a lighter or modified nature;

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

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

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

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

14 (g) Coordinate participation of applicable employee assistance
15 programs, as appropriate.

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

20 **Sec. 224.** RCW 28B.12.060 and 1994 c 130 s 6 are each amended to
21 read as follows:

22 The higher education coordinating board shall adopt rules as may be
23 necessary or appropriate for effecting the provisions of this chapter,
24 and not in conflict with this chapter, in accordance with the
25 provisions of chapter 34.05 RCW, the state higher education
26 administrative procedure act. Such rules shall include provisions
27 designed to make employment under the work-study program reasonably
28 available, to the extent of available funds, to all eligible students
29 in eligible post-secondary institutions in need thereof. The rules
30 shall include:

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

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

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

1 (b) Has been accepted for enrollment as at least a half-time
2 student at the eligible institution or, in the case of a student
3 already enrolled in and attending the eligible institution, is in good
4 standing and in at least half-time attendance there either as an
5 undergraduate, graduate or professional student; and

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

7 (3) Placing priority on providing:

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

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

14 (c) Off-campus community service placements;

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

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

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

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

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

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

32 **Sec. 225.** RCW 34.05.030 and 1994 c 39 s 1 are each amended to read
33 as follows:

34 (1) This chapter shall not apply to:

35 (a) The state militia, or

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

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

4 (2) The provisions of RCW 34.05.410 through 34.05.598 shall not
5 apply:

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

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

11 (c) To the department of labor and industries where another statute
12 expressly provides for review of adjudicative proceedings of a
13 department action, order, decision, or award before the board of
14 industrial insurance appeals;

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

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

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

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

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

30 **Sec. 226.** RCW 34.12.020 and 1995 c 331 s 1 are each amended to
31 read as follows:

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

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

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

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

4 (4) "State agency" means any state board, commission, department,
5 or officer authorized by law to make rules or to conduct adjudicative
6 proceedings, except those in the legislative or judicial branches, the
7 growth management hearings boards, the utilities and transportation
8 commission, the pollution control hearings board, the shorelines
9 hearings board, the forest practices appeals board, the environmental
10 hearings office, the board of industrial insurance appeals, the
11 Washington personnel resources board, the public employment relations
12 commission, (~~the personnel appeals board,~~) and the board of tax
13 appeals.

14 **Sec. 227.** RCW 41.04.340 and 1998 c 254 s 1 and 1998 c 116 s 2 are
15 each reenacted and amended to read as follows:

16 (1) An attendance incentive program is established for all eligible
17 employees. As used in this section the term "eligible employee" means
18 any employee of the state, other than eligible employees of the
19 community and technical colleges and the state board for community and
20 technical colleges identified in RCW 28B.50.553, and teaching and
21 research faculty at the state and regional universities and The
22 Evergreen State College, entitled to accumulate sick leave and for whom
23 accurate sick leave records have been maintained. No employee may
24 receive compensation under this section for any portion of sick leave
25 accumulated at a rate in excess of one day per month. The state and
26 regional universities and The Evergreen State College shall maintain
27 complete and accurate sick leave records for all teaching and research
28 faculty.

29 (2) In January of the year following any year in which a minimum of
30 sixty days of sick leave is accrued, and each January thereafter, any
31 eligible employee may receive remuneration for unused sick leave
32 accumulated in the previous year at a rate equal to one day's monetary
33 compensation of the employee for each four full days of accrued sick
34 leave in excess of sixty days. Sick leave for which compensation has
35 been received shall be deducted from accrued sick leave at the rate of
36 four days for every one day's monetary compensation.

37 (3) At the time of separation from state service due to retirement
38 or death, an eligible employee or the employee's estate may elect to

1 receive remuneration at a rate equal to one day's current monetary
2 compensation of the employee for each four full days of accrued sick
3 leave.

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

7 (5) Except as provided in subsections (7) through (9) of this
8 section for employees not covered by chapter 41.06 RCW, this section
9 shall be administered, and rules shall be adopted to carry out its
10 purposes, by the (~~Washington personnel resources board~~) director of
11 personnel for persons subject to chapter 41.06 RCW: PROVIDED, That
12 determination of classes of eligible employees shall be subject to
13 approval by the office of financial management.

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

17 (7) In lieu of remuneration for unused sick leave at retirement as
18 provided in subsection (3) of this section, an agency head or designee
19 may with equivalent funds, provide eligible employees with a benefit
20 plan that provides for reimbursement for medical expenses. This plan
21 shall be implemented only after consultation with affected groups of
22 employees. For eligible employees covered by chapter 41.06 RCW,
23 procedures for the implementation of these plans shall be adopted by
24 the (~~Washington personnel resources board~~) director of personnel.
25 For eligible employees exempt from chapter 41.06 RCW, and classified
26 employees who have opted out of coverage of chapter 41.06 RCW as
27 provided in RCW 41.56.201, implementation procedures shall be adopted
28 by an agency head having jurisdiction over the employees.

29 (8) Implementing procedures adopted by the (~~Washington personnel~~
30 ~~resources board~~) director of personnel or agency heads shall require
31 that each medical expense plan authorized by subsection (7) of this
32 section apply to all eligible employees in any one of the following
33 groups: (a) Employees in an agency; (b) employees in a major
34 organizational subdivision of an agency; (c) employees at a major
35 operating location of an agency; (d) exempt employees under the
36 jurisdiction of an elected or appointed Washington state executive; (e)
37 employees of the Washington state senate; (f) employees of the
38 Washington state house of representatives; (g) classified employees in
39 a bargaining unit established by the (~~Washington personnel resources~~

1 board)) director of personnel; or (h) other group of employees defined
2 by an agency head that is not designed to provide an individual-
3 employee choice regarding participation in a medical expense plan.
4 However, medical expense plans for eligible employees in any of the
5 groups under (a) through (h) of this subsection who are covered by a
6 collective bargaining agreement shall be implemented only by written
7 agreement with the bargaining unit's exclusive representative and a
8 separate medical expense plan may be provided for unrepresented
9 employees.

10 (9) Medical expense plans authorized by subsection (7) of this
11 section must require as a condition of participation in the plan that
12 employees in the group affected by the plan sign an agreement with the
13 employer. The agreement must include a provision to hold the employer
14 harmless should the United States government find that the employer or
15 the employee is in debt to the United States as a result of the
16 employee not paying income taxes due on the equivalent funds placed
17 into the plan, or as a result of the employer not withholding or
18 deducting a tax, assessment, or other payment on the funds as required
19 by federal law. The agreement must also include a provision that
20 requires an eligible employee to forfeit remuneration under subsection
21 (3) of this section if the employee belongs to a group that has been
22 designated to participate in the medical expense plan permitted under
23 this section and the employee refuses to execute the required
24 agreement.

25 **Sec. 228.** RCW 41.50.804 and 1993 c 281 s 40 are each amended to
26 read as follows:

27 Nothing contained in this chapter shall be construed to alter any
28 existing collective bargaining agreement until any such agreement has
29 expired or until any such bargaining unit has been modified by action
30 of the ((~~Washington personnel resources board~~)) public employment
31 relations commission as provided by law.

32 **Sec. 229.** RCW 43.06.425 and 1993 c 281 s 48 are each amended to
33 read as follows:

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

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

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

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

13 (4) Participants in the executive fellows program who were not
14 public employees prior to accepting a position in the program receive
15 sick and vacation leave allowances commensurate with other state
16 employees.

17 **Sec. 230.** RCW 43.33A.100 and 1993 c 281 s 50 are each amended to
18 read as follows:

19 The state investment board shall maintain appropriate offices and
20 employ such personnel as may be necessary to perform its duties.
21 Employment by the investment board shall include but not be limited to
22 an executive director, investment officers, and a confidential
23 secretary, which positions are exempt from classified service under
24 chapter 41.06 RCW. Employment of the executive director by the board
25 shall be for a term of three years, and such employment shall be
26 subject to confirmation of the state finance committee: PROVIDED, That
27 nothing shall prevent the board from dismissing the director for cause
28 before the expiration of the term nor shall anything prohibit the
29 board, with the confirmation of the state finance committee, from
30 employing the same individual as director in succeeding terms.
31 Compensation levels for the investment officers employed by the
32 investment board shall be established by the ((Washington personnel
33 resources board)) director of personnel.

34 As of July 1, 1981, all employees classified under chapter 41.06
35 RCW and engaged in duties assumed by the state investment board on July
36 1, 1981, are assigned to the state investment board. The transfer
37 shall not diminish any rights granted these employees under chapter

1 41.06 RCW nor exempt the employees from any action which may occur
2 thereafter in accordance with chapter 41.06 RCW.

3 All existing contracts and obligations pertaining to the functions
4 transferred to the state investment board in (~~this 1980 act~~) chapter
5 3, Laws of 1981 shall remain in full force and effect, and shall be
6 performed by the board. None of the transfers directed by (~~this 1980~~
7 ~~act~~) chapter 3, Laws of 1981 shall affect the validity of any act
8 performed by a state entity or by any official or employee thereof
9 prior to July 1, 1981.

10 **Sec. 231.** RCW 43.131.090 and 1993 c 281 s 54 are each amended to
11 read as follows:

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

18 (1) All employees of terminated state agencies classified under
19 chapter 41.06 RCW, the state civil service law, shall be transferred as
20 appropriate or as otherwise provided in the procedures adopted by the
21 (~~Washington personnel resources board~~) director of personnel pursuant
22 to RCW 41.06.150;

23 (2) All documents and papers, equipment, or other tangible property
24 in the possession of the terminated state agency shall be delivered to
25 the custody of the agency assuming the responsibilities of the
26 terminated agency or if such responsibilities have been eliminated,
27 documents and papers shall be delivered to the state archivist and
28 equipment or other tangible property to the department of general
29 administration;

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

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

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

5 **Sec. 232.** RCW 49.46.010 and 1997 c 203 s 3 are each amended to
6 read as follows:

7 As used in this chapter:

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

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

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

15 (4) "Employer" includes any individual, partnership, association,
16 corporation, business trust, or any person or group of persons acting
17 directly or indirectly in the interest of an employer in relation to an
18 employee;

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

21 (a) Any individual (i) employed as a hand harvest laborer and paid
22 on a piece rate basis in an operation which has been, and is generally
23 and customarily recognized as having been, paid on a piece rate basis
24 in the region of employment; (ii) who commutes daily from his or her
25 permanent residence to the farm on which he or she is employed; and
26 (iii) who has been employed in agriculture less than thirteen weeks
27 during the preceding calendar year;

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

31 (c) Any individual employed in a bona fide executive,
32 administrative, or professional capacity or in the capacity of outside
33 salesman as those terms are defined and delimited by rules of the
34 director. However, those terms shall be defined and delimited by the
35 (~~Washington personnel resources board~~) director of personnel pursuant
36 to chapter 41.06 RCW for employees employed under the director of
37 personnel's jurisdiction;

1 (d) Any individual engaged in the activities of an educational,
2 charitable, religious, state or local governmental body or agency, or
3 nonprofit organization where the employer-employee relationship does
4 not in fact exist or where the services are rendered to such
5 organizations gratuitously. If the individual receives reimbursement
6 in lieu of compensation for normally incurred out-of-pocket expenses or
7 receives a nominal amount of compensation per unit of voluntary service
8 rendered, an employer-employee relationship is deemed not to exist for
9 the purpose of this section or for purposes of membership or
10 qualification in any state, local government or publicly supported
11 retirement system other than that provided under chapter 41.24 RCW;

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

19 (f) Any newspaper vendor or carrier;

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

22 (h) Any individual engaged in forest protection and fire prevention
23 activities;

24 (i) Any individual employed by any charitable institution charged
25 with child care responsibilities engaged primarily in the development
26 of character or citizenship or promoting health or physical fitness or
27 providing or sponsoring recreational opportunities or facilities for
28 young people or members of the armed forces of the United States;

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

33 (k) Any resident, inmate, or patient of a state, county, or
34 municipal correctional, detention, treatment or rehabilitative
35 institution;

36 (l) Any individual who holds a public elective or appointive office
37 of the state, any county, city, town, municipal corporation or quasi
38 municipal corporation, political subdivision, or any instrumentality
39 thereof, or any employee of the state legislature;

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

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

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

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

12 **Sec. 233.** RCW 41.06.340 and 1993 c 281 s 35 are each amended to
13 read as follows:

14 (1) With respect to collective bargaining as authorized by sections
15 301 through 314 of this act, the public employment relations commission
16 created by chapter 41.58 RCW shall have authority to adopt rules, on
17 and after the effective date of this section, relating to determination
18 of appropriate bargaining units within any agency. In making such
19 determination the commission shall consider the duties, skills, and
20 working conditions of the employees, the history of collective
21 bargaining by the employees and their bargaining representatives, the
22 extent of organization among the employees, and the desires of the
23 employees. The public employment relations commission created in
24 chapter 41.58 RCW shall adopt rules and make determinations relating to
25 the certification and decertification of exclusive bargaining
26 representatives.

27 (2) Each and every provision of RCW 41.56.140 through ((41.56.190))
28 41.56.160 shall be applicable to this chapter as it relates to state
29 civil service employees ((and the Washington personnel resources board,
30 or its designee, whose final decision shall be appealable to the
31 Washington personnel resources board, which is granted all powers and
32 authority granted to the department of labor and industries by RCW
33 41.56.140 through 41.56.190)).

34 (3) A collective bargaining agreement entered into under this
35 section before July 1, 2000, covering employees subject to sections 301
36 through 314 of this act that expires after July 1, 2000, shall remain
37 in full force during its duration, or until superseded by a collective
38 bargaining agreement entered into by the parties under sections 301

1 through 314 of this act. However, an agreement entered into before
2 July 1, 2000, may not be renewed or extended beyond July 1, 2001, or
3 until superseded by a collective bargaining agreement entered into
4 under sections 301 through 314 of this act, whichever is later.

5 NEW SECTION. Sec. 234. A new section is added to chapter 41.06
6 RCW to read as follows:

7 (1) The personnel appeals board is hereby abolished and its powers,
8 duties, and functions are hereby transferred to the Washington
9 personnel resources board. All references to the executive secretary
10 or the personnel appeals board in the Revised Code of Washington shall
11 be construed to mean the director of the department of personnel or the
12 Washington personnel resources board.

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

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

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

30 (3) All employees of the personnel appeals board are transferred to
31 the jurisdiction of the department of personnel. All employees
32 classified under chapter 41.06 RCW, the state civil service law, are
33 assigned to the department of personnel to perform their usual duties
34 upon the same terms as formerly, without any loss of rights, subject to
35 any action that may be appropriate thereafter in accordance with the
36 laws and rules governing state civil service.

37 (4) All rules and all pending business before the personnel appeals
38 board shall be continued and acted upon by the Washington personnel

1 resources board. All existing contracts and obligations shall remain
2 in full force and shall be performed by the department of personnel.

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

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

12 **Sec. 235.** RCW 13.40.320 and 1997 c 338 s 38 are each amended to
13 read as follows:

14 (1) The department of social and health services shall establish
15 and operate a medium security juvenile offender basic training camp
16 program. The department shall site a juvenile offender basic training
17 camp facility in the most cost-effective facility possible and shall
18 review the possibility of using an existing abandoned and/or available
19 state, federally, or military-owned site or facility.

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

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

30 (4) The juvenile offender basic training camp shall be a structured
31 and regimented model lasting one hundred twenty days emphasizing the
32 building up of an offender's self-esteem, confidence, and discipline.
33 The juvenile offender basic training camp program shall provide
34 participants with basic education, prevocational training, work-based
35 learning, live work, work ethic skills, conflict resolution counseling,
36 substance abuse intervention, anger management counseling, and
37 structured intensive physical training. The juvenile offender basic
38 training camp program shall have a curriculum training and work

1 schedule that incorporates a balanced assignment of these or other
2 rehabilitation and training components for no less than sixteen hours
3 per day, six days a week.

4 The department shall adopt rules for the safe and effective
5 operation of the juvenile offender basic training camp program,
6 standards for an offender's successful program completion, and rules
7 for the continued after-care supervision of offenders who have
8 successfully completed the program.

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

13 (6) If the court determines that the offender is eligible for the
14 juvenile offender basic training camp option, the court may recommend
15 that the department place the offender in the program. The department
16 shall evaluate the offender and may place the offender in the program.
17 The evaluation shall include, at a minimum, a risk assessment developed
18 by the department and designed to determine the offender's suitability
19 for the program. No juvenile who is assessed as a high risk offender
20 or suffers from any mental or physical problems that could endanger his
21 or her health or drastically affect his or her performance in the
22 program shall be admitted to or retained in the juvenile offender basic
23 training camp program.

24 (7) All juvenile offenders eligible for the juvenile offender basic
25 training camp sentencing option shall spend one hundred twenty days of
26 their disposition in a juvenile offender basic training camp. If the
27 juvenile offender's activities while in the juvenile offender basic
28 training camp are so disruptive to the juvenile offender basic training
29 camp program, as determined by the secretary according to rules adopted
30 by the department, as to result in the removal of the juvenile offender
31 from the juvenile offender basic training camp program, or if the
32 offender cannot complete the juvenile offender basic training camp
33 program due to medical problems, the secretary shall require that the
34 offender be committed to a juvenile institution to serve the entire
35 remainder of his or her disposition, less the amount of time already
36 served in the juvenile offender basic training camp program.

37 (8) All offenders who successfully graduate from the one hundred
38 twenty day juvenile offender basic training camp program shall spend
39 the remainder of their disposition on parole in a division of juvenile

1 rehabilitation intensive aftercare program in the local community. The
2 program shall provide for the needs of the offender based on his or her
3 progress in the aftercare program as indicated by ongoing assessment of
4 those needs and progress. The intensive aftercare program shall
5 monitor postprogram juvenile offenders and assist them to successfully
6 reintegrate into the community. In addition, the program shall develop
7 a process for closely monitoring and assessing public safety risks.
8 The intensive aftercare program shall be designed and funded by the
9 department of social and health services.

10 (9) The department shall also develop and maintain a data base to
11 measure recidivism rates specific to this incarceration program. The
12 data base shall maintain data on all juvenile offenders who complete
13 the juvenile offender basic training camp program for a period of two
14 years after they have completed the program. The data base shall also
15 maintain data on the criminal activity, educational progress, and
16 employment activities of all juvenile offenders who participated in the
17 program.

18 **Sec. 236.** RCW 39.29.006 and 1998 c 101 s 2 are each amended to
19 read as follows:

20 As used in this chapter:

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

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

29 (3) "Competitive solicitation" means a documented formal process
30 providing an equal and open opportunity to qualified parties and
31 culminating in a selection based on criteria which may include such
32 factors as the consultant's fees or costs, ability, capacity,
33 experience, reputation, responsiveness to time limitations,
34 responsiveness to solicitation requirements, quality of previous
35 performance, and compliance with statutes and rules relating to
36 contracts or services.

37 (4) "Consultant" means an independent individual or firm
38 contracting with an agency to perform a service or render an opinion or

1 recommendation according to the consultant's methods and without being
2 subject to the control of the agency except as to the result of the
3 work. The agency monitors progress under the contract and authorizes
4 payment.

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

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

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

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

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

19 (8) "Personal service contract" means an agreement, or any
20 amendment thereto, with a consultant for the rendering of personal
21 services to the state which is consistent with ((RCW 41.06.380))
22 section 208 of this act.

23 (9) "Purchased services" means services provided by a vendor to
24 accomplish routine, continuing and necessary functions. This term
25 includes, but is not limited to, services acquired under RCW 43.19.190
26 or 43.105.041 for equipment maintenance and repair; operation of a
27 physical plant; security; computer hardware and software maintenance;
28 data entry; key punch services; and computer time-sharing, contract
29 programming, and analysis.

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

35 **Sec. 237.** RCW 41.04.385 and 1993 c 194 s 5 are each amended to
36 read as follows:

37 The legislature finds that (1) demographic, economic, and social
38 trends underlie a critical and increasing demand for child care in the

1 state of Washington; (2) working parents and their children benefit
2 when the employees' child care needs have been resolved; (3) the state
3 of Washington should serve as a model employer by creating a supportive
4 atmosphere, to the extent feasible, in which its employees may meet
5 their child care needs; and (4) the state of Washington should
6 encourage the development of partnerships between state agencies, state
7 employees, state employee labor organizations, and private employers to
8 expand the availability of affordable quality child care. The
9 legislature finds further that resolving employee child care concerns
10 not only benefits the employees and their children, but may benefit the
11 employer by reducing absenteeism, increasing employee productivity,
12 improving morale, and enhancing the employer's position in recruiting
13 and retaining employees. Therefore, the legislature declares that it
14 is the policy of the state of Washington to assist state employees by
15 creating a supportive atmosphere in which they may meet their child
16 care needs. Policies and procedures for state agencies to address
17 employee child care needs will be the responsibility of the director of
18 personnel in consultation with the child care coordinating committee,
19 as provided in RCW 74.13.090, and state employee representatives ((as
20 provided under RCW 41.06.140)).

21 **Sec. 238.** RCW 47.46.040 and 1995 2nd sp.s. c 19 s 3 are each
22 amended to read as follows:

23 (1) All projects designed, constructed, and operated under this
24 authority must comply with all applicable rules and statutes in
25 existence at the time the agreement is executed, including but not
26 limited to the following provisions: Chapter 39.12 RCW, this title,
27 ((RCW 41.06.380)) section 208 of this act, chapter 47.64 RCW, RCW
28 49.60.180, and 49 C.F.R. Part 21.

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

32 (3) Agreements shall provide for private ownership of the projects
33 during the construction period. After completion and final acceptance
34 of each project or discrete segment thereof, the agreement shall
35 provide for state ownership of the transportation systems and
36 facilities and lease to the private entity unless the state elects to
37 provide for ownership of the facility by the private entity during the
38 term of the agreement.

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

4 (4) The department may exercise any power possessed by it to
5 facilitate the development, construction, financing operation, and
6 maintenance of transportation projects under this chapter. Agreements
7 for maintenance services entered into under this section shall provide
8 for full reimbursement for services rendered by the department or other
9 state agencies. Agreements for police services for projects, involving
10 state highway routes, developed under agreements shall be entered into
11 with the Washington state patrol. The agreement for police services
12 shall provide that the state patrol will be reimbursed for costs on a
13 comparable basis with the costs incurred for comparable service on
14 other state highway routes. The department may provide services for
15 which it is reimbursed, including but not limited to preliminary
16 planning, environmental certification, and preliminary design of the
17 demonstration projects.

18 (5) The plans and specifications for each project constructed under
19 this section shall comply with the department's standards for state
20 projects. A facility constructed by and leased to a private entity is
21 deemed to be a part of the state highway system for purposes of
22 identification, maintenance, and enforcement of traffic laws and for
23 the purposes of applicable sections of this title. Upon reversion of
24 the facility to the state, the project must meet all applicable state
25 standards. Agreements shall address responsibility for reconstruction
26 or renovations that are required in order for a facility to meet all
27 applicable state standards upon reversion of the facility to the state.

28 (6) For the purpose of facilitating these projects and to assist
29 the private entity in the financing, development, construction, and
30 operation of the transportation systems and facilities, the agreements
31 may include provisions for the department to exercise its authority,
32 including the lease of facilities, rights of way, and airspace,
33 exercise of the power of eminent domain, granting of development rights
34 and opportunities, granting of necessary easements and rights of
35 access, issuance of permits and other authorizations, protection from
36 competition, remedies in the event of default of either of the parties,
37 granting of contractual and real property rights, liability during
38 construction and the term of the lease, authority to negotiate

1 acquisition of rights of way in excess of appraised value, and any
2 other provision deemed necessary by the secretary.

3 (7) The agreements entered into under this section may include
4 provisions authorizing the state to grant necessary easements and lease
5 to a private entity existing rights of way or rights of way
6 subsequently acquired with public or private financing. The agreements
7 may also include provisions to lease to the entity airspace above or
8 below the right of way associated or to be associated with the private
9 entity's transportation facility. In consideration for the reversion
10 rights in these privately constructed facilities, the department may
11 negotiate a charge for the lease of airspace rights during the term of
12 the agreement for a period not to exceed fifty years. If, after the
13 expiration of this period, the department continues to lease these
14 airspace rights to the private entity, it shall do so only at fair
15 market value. The agreement may also provide the private entity the
16 right of first refusal to undertake projects utilizing airspace owned
17 by the state in the vicinity of the public-private project.

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

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

32 (10)(a) In carrying out the public involvement process required in
33 subsection (9) of this section, the private entity shall proactively
34 seek public participation through a process appropriate to the
35 characteristics of the project that assesses and demonstrates public
36 support among: Users of the project, residents of communities in the
37 vicinity of the project, and residents of communities impacted by the
38 project.

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

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

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

27 (d) In seeking public participation, the private entity shall
28 establish a local involvement committee or committees comprised of
29 residents of the affected project area, individuals who represent
30 cities and counties in the affected project area, organizations formed
31 to support or oppose the project, if such organizations exist, and
32 users of the project. The private entity shall, at a minimum,
33 establish a committee as required under the specifications of RCW
34 47.46.030(~~(+5)~~) (6)(b) (ii) and (iii) and appointments to such
35 committee shall be made no later than thirty days after the project
36 area is defined.

37 (e) Local involvement committees shall act in an advisory capacity
38 to the department and the private entity on all issues related to the

1 development and implementation of the public involvement process
2 established under this section.

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

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

11 **Sec. 239.** RCW 72.09.100 and 1995 1st sp.s. c 19 s 33 are each
12 amended to read as follows:

13 It is the intent of the legislature to vest in the department the
14 power to provide for a comprehensive inmate work program and to remove
15 statutory and other restrictions which have limited work programs in
16 the past. For purposes of establishing such a comprehensive program,
17 the legislature recommends that the department consider adopting any or
18 all, or any variation of, the following classes of work programs:

19 (1) CLASS I: FREE VENTURE INDUSTRIES. The employer model
20 industries in this class shall be operated and managed in total or in
21 part by any profit or nonprofit organization pursuant to an agreement
22 between the organization and the department. The organization shall
23 produce goods or services for sale to both the public and private
24 sector.

25 The customer model industries in this class shall be operated and
26 managed by the department to provide Washington state manufacturers or
27 businesses with products or services currently produced or provided by
28 out-of-state or foreign suppliers. The correctional industries board
29 of directors shall review these proposed industries before the
30 department contracts to provide such products or services. The review
31 shall include an analysis of the potential impact of the proposed
32 products and services on the Washington state business community and
33 labor market.

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

36 Inmates who work in free venture industries shall do so at their
37 own choice. They shall be paid a wage comparable to the wage paid for
38 work of a similar nature in the locality in which the industry is

1 located, as determined by the director of correctional industries. If
2 the director cannot reasonably determine the comparable wage, then the
3 pay shall not be less than the federal minimum wage.

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

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

1 Security and custody services shall be provided without charge by
2 the department of corrections.

3 Inmates working in this class of industries shall do so at their
4 own choice and shall be paid for their work on a gratuity scale which
5 shall not exceed the wage paid for work of a similar nature in the
6 locality in which the industry is located and which is approved by the
7 director of correctional industries.

8 Subject to approval of the correctional industries board,
9 provisions of ((~~RCW 41.06.380~~)) section 208 of this act prohibiting
10 contracting out work performed by classified employees shall not apply
11 to contracts with Washington state businesses entered into by the
12 department of corrections through class II industries.

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

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

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

23 (c) Whenever possible, to offset tax and other public support
24 costs.

25 Supervising, management, and custody staff shall be employees of
26 the department.

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

29 Except for inmates who work in work training programs, inmates in
30 this class shall be paid for their work in accordance with an inmate
31 gratuity scale. The scale shall be adopted by the secretary of
32 corrections.

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

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

5 The department of corrections shall reimburse participating units
6 of local government for liability and workers compensation insurance
7 costs.

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

12 (5) CLASS V: COMMUNITY SERVICE PROGRAMS. Programs in this class
13 shall be subject to supervision by the department of corrections. The
14 purpose of this class of industries is to enable an inmate, placed on
15 community supervision, to work off all or part of a community service
16 order as ordered by the sentencing court.

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

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

22 **Sec. 240.** RCW 41.06.079 and 1993 c 281 s 23 are each amended to
23 read as follows:

24 In addition to the exemptions set forth in RCW 41.06.070, the
25 provisions of this chapter shall not apply in the department of
26 transportation to the secretary, a deputy secretary, an administrative
27 assistant to the secretary, if any, one assistant secretary for each
28 division designated pursuant to RCW 47.01.081, one confidential
29 secretary for each of the above-named officers, up to six
30 transportation district administrators and one confidential secretary
31 for each district administrator, up to six additional new
32 administrators or confidential secretaries designated by the secretary
33 of the department of transportation and approved by the Washington
34 personnel resources board pursuant to the provisions of RCW
35 41.06.070(1)((+z)) (y), the legislative liaison for the department,
36 the state construction engineer, the state aid engineer, the personnel
37 manager, the state project development engineer, the state maintenance
38 and operations engineer, one confidential secretary for each of the

1 last-named five positions, and a confidential secretary for the public
2 affairs administrator. The individuals appointed under this section
3 shall be exempt from the provisions of the state civil service law, and
4 shall be paid salaries to be fixed by the governor in accordance with
5 the procedure established by law for the fixing of salaries for
6 individuals exempt from the operation of the state civil service law.

7 **Sec. 241.** RCW 41.06.152 and 1996 c 319 s 1 are each amended to
8 read as follows:

9 (1) The board shall adopt only those job classification revisions,
10 class studies, and salary adjustments under RCW 41.06.150(~~(+15+)~~) (12)
11 that:

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

17 (b) Are such that the office of financial management has reviewed
18 the agency's fiscal impact statement and has concurred that the agency
19 can absorb the biennialized cost of the reclassification, class study,
20 or salary adjustment within the agency's current authorized level of
21 funding for the current fiscal biennium and subsequent fiscal biennia.

22 (2) In addition to reclassifications, class studies, and salary
23 adjustments under subsection (1)(b) of this section, the board may
24 approve other reclassifications, class studies, and salary adjustments
25 that meet the requirements of subsection (1)(a) of this section and
26 have been approved under the procedures established under this
27 subsection.

28 Before the department of personnel's biennial budget request is due
29 to the office of financial management, the board shall prioritize
30 requests for reclassifications, class studies, and salary adjustments
31 for the next fiscal biennium. The board shall prioritize according to
32 such criteria as are developed by the board consistent with RCW
33 41.06.150(~~(+15+)~~) (12)(a).

34 The board shall submit the prioritized list to the governor's
35 office and the fiscal committees of the house of representatives and
36 senate at the same time the department of personnel's biennial budget
37 request is submitted. The office of financial management shall review

1 the biennial cost of each proposed salary adjustment on the board's
2 prioritized list.

3 In the biennial appropriations acts, the legislature may establish
4 a level of funding, from the state general fund and other accounts, to
5 be applied by the board to the prioritized list. Upon enactment of the
6 appropriations act, the board may approve reclassifications, class
7 studies, and salary adjustments only to the extent that the total cost
8 does not exceed the level of funding established in the appropriations
9 acts and the board's actions are consistent with the priorities
10 established in the list. The legislature may also specify or otherwise
11 limit in the appropriations act the implementation dates for actions
12 approved by the board under this section.

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

19 **Sec. 242.** RCW 41.06.152 and 1999 c . . . s 241 (section 241 of
20 this act) are each amended to read as follows:

21 (1) The director shall adopt only those job classification
22 revisions, class studies, and salary adjustments under RCW
23 41.06.150(~~(12)~~) (4) that:

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

29 (b) Are such that the office of financial management has reviewed
30 the agency's fiscal impact statement and has concurred that the agency
31 can absorb the biennialized cost of the reclassification, class study,
32 or salary adjustment within the agency's current authorized level of
33 funding for the current fiscal biennium and subsequent fiscal biennia.

34 (2) In addition to reclassifications, class studies, and salary
35 adjustments under subsection (1)(b) of this section, the board may
36 approve other reclassifications, class studies, and salary adjustments
37 that meet the requirements of subsection (1)(a) of this section and

1 have been approved under the procedures established under this
2 subsection.

3 Before the department of personnel's biennial budget request is due
4 to the office of financial management, the board shall prioritize
5 requests for reclassifications, class studies, and salary adjustments
6 for the next fiscal biennium. The board shall prioritize according to
7 such criteria as are developed by the board consistent with RCW
8 41.06.150(~~((+12+))~~) (4)(a).

9 The board shall submit the prioritized list to the governor's
10 office and the fiscal committees of the house of representatives and
11 senate at the same time the department of personnel's biennial budget
12 request is submitted. The office of financial management shall review
13 the biennial cost of each proposed salary adjustment on the board's
14 prioritized list.

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

25 (3) This section does not apply to the higher education hospital
26 special pay plan or to any adjustments to the classification plan under
27 RCW 41.06.150(~~((+12+))~~) (4) that are due to emergent conditions.
28 Emergent conditions are defined as emergency conditions requiring the
29 establishment of positions necessary for the preservation of the public
30 health, safety, or general welfare.

31 **Sec. 243.** RCW 41.06.500 and 1996 c 319 s 4 are each amended to
32 read as follows:

33 (1) Except as provided in RCW 41.06.070, notwithstanding any other
34 provisions of this chapter, the director is authorized to adopt, after
35 consultation with state agencies and employee organizations, rules for
36 managers as defined in RCW 41.06.022. These rules shall not apply to
37 managers employed by institutions of higher education or related boards
38 or whose positions are exempt. The rules shall govern recruitment,

1 appointment, classification and allocation of positions, examination,
2 training and career development, hours of work, probation,
3 certification, compensation, transfer, affirmative action, promotion,
4 layoff, reemployment, performance appraisals, discipline, and any and
5 all other personnel practices for managers. These rules shall be
6 separate from rules adopted by the board for other employees, and to
7 the extent that the rules adopted apply only to managers shall take
8 precedence over rules adopted by the board, and are not subject to
9 review by the board.

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

12 (a) Development of a simplified classification system that
13 facilitates movement of managers between agencies and promotes upward
14 mobility;

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

20 (c) Establishment of a performance appraisal system that emphasizes
21 individual accountability for program results and efficient management
22 of resources; effective planning, organization, and communication
23 skills; valuing and managing workplace diversity; development of
24 leadership and interpersonal abilities; and employee development;

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

34 (e) Permitting flexible recruitment and hiring procedures that
35 enable agencies to compete effectively with other employers, both
36 public and private, for managers with appropriate skills and training;
37 allowing consideration of all qualified candidates for positions as
38 managers; and achieving affirmative action goals and diversity in the
39 workplace;

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

3 (g) Facilitating decentralized and regional administration.

4 **Sec. 244.** RCW 41.06.500 and 1999 c . . . s 243 (section 243 of
5 this act) are each amended to read as follows:

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

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

23 (a) Development of a simplified classification system that
24 facilitates movement of managers between agencies and promotes upward
25 mobility;

26 (b) Creation of a compensation system (~~consistent with the policy~~
27 ~~set forth in RCW 41.06.150(14).~~ ~~The system shall provide~~) that
28 provides flexibility in setting and changing salaries, and shall
29 require review and approval by the director in the case of any salary
30 changes greater than five percent proposed for any group of employees;

31 (c) Establishment of a performance appraisal system that emphasizes
32 individual accountability for program results and efficient management
33 of resources; effective planning, organization, and communication
34 skills; valuing and managing workplace diversity; development of
35 leadership and interpersonal abilities; and employee development;

36 (d) Strengthening management training and career development
37 programs that build critical management knowledge, skills, and
38 abilities; focusing on managing and valuing workplace diversity;

1 empowering employees by enabling them to share in workplace decision
2 making and to be innovative, willing to take risks, and able to accept
3 and deal with change; promoting a workplace where the overall focus is
4 on the recipient of the government services and how these services can
5 be improved; and enhancing mobility and career advancement
6 opportunities;

7 (e) Permitting flexible recruitment and hiring procedures that
8 enable agencies to compete effectively with other employers, both
9 public and private, for managers with appropriate skills and training;
10 allowing consideration of all qualified candidates for positions as
11 managers; and achieving affirmative action goals and diversity in the
12 workplace;

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

15 (g) Facilitating decentralized and regional administration.

16 **Sec. 245.** RCW 43.21I.010 and 1992 c 73 s 4 are each amended to
17 read as follows:

18 (1) There is hereby created an agency of state government to be
19 known as the office of marine safety. The office shall be vested with
20 all powers and duties transferred to it and such other powers and
21 duties as may be authorized by law. The main administrative office of
22 the office shall be located in the city of Olympia. The administrator
23 may establish administrative facilities in other locations, if deemed
24 necessary for the efficient operation of the office, and if consistent
25 with the principles set forth in subsection (2) of this section.

26 (2) The office of marine safety shall be organized consistent with
27 the goals of providing state government with a focus in marine
28 transportation and serving the people of this state. The legislature
29 recognizes that the administrator needs sufficient organizational
30 flexibility to carry out the office's various duties. To the extent
31 practical, the administrator shall consider the following
32 organizational principles:

33 (a) Clear lines of authority which avoid functional duplication
34 within and between subelements of the office;

35 (b) A clear and simplified organizational design promoting
36 accessibility, responsiveness, and accountability to the legislature,
37 the consumer, and the general public; and

1 (c) Maximum span of control without jeopardizing adequate
2 supervision.

3 (3) The office shall provide leadership and coordination in
4 identifying and resolving threats to the safety of marine
5 transportation and the impact of marine transportation on the
6 environment:

7 (a) Working with other state agencies and local governments to
8 strengthen the state and local governmental partnership in providing
9 public protection;

10 (b) Providing expert advice to the executive and legislative
11 branches of state government;

12 (c) Providing active and fair enforcement of rules;

13 (d) Working with other federal, state, and local agencies and
14 facilitating their involvement in planning and implementing marine
15 safety measures;

16 (e) Providing information to the public; and

17 (f) Carrying out such other related actions as may be appropriate
18 to this purpose.

19 (4) In accordance with the administrative procedure act, chapter
20 34.05 RCW, the office shall ensure an opportunity for consultation,
21 review, and comment before the adoption of standards, guidelines, and
22 rules.

23 (5) Consistent with the principles set forth in subsection (2) of
24 this section, the administrator may create such administrative
25 divisions, offices, bureaus, and programs within the office as the
26 administrator deems necessary. The administrator shall have complete
27 charge of and supervisory powers over the office, except where the
28 administrator's authority is specifically limited by law.

29 (6) The administrator shall appoint such personnel as are necessary
30 to carry out the duties of the office. In addition to exemptions set
31 forth in RCW 41.06.070(~~(+28)~~) (3), the administrator, the
32 administrator's confidential secretary, and up to four professional
33 staff members shall be exempt from the provisions of chapter 41.06 RCW.
34 All other employees of the office shall be subject to the provisions of
35 chapter 41.06 RCW.

36 **Sec. 246.** RCW 43.23.010 and 1990 c 37 s 1 are each amended to read
37 as follows:

1 In order to obtain maximum efficiency and effectiveness within the
2 department of agriculture, the director may create such administrative
3 divisions within the department as he or she deems necessary. The
4 director shall appoint a deputy director as well as such assistant
5 directors as shall be needed to administer the several divisions within
6 the department. The director shall appoint no more than eight
7 assistant directors. The officers appointed under this section are
8 exempt from the provisions of the state civil service law as provided
9 in RCW 41.06.070(~~(+7)~~) (1)(g), and shall be paid salaries to be fixed
10 by the governor in accordance with the procedure established by law for
11 the fixing of salaries for officers exempt from the operation of the
12 state civil service law. The director shall also appoint and deputize
13 a state veterinarian who shall be an experienced veterinarian properly
14 licensed to practice veterinary medicine in this state.

15 The director of agriculture shall have charge and general
16 supervision of the department and may assign supervisory and
17 administrative duties other than those specified in RCW 43.23.070 to
18 the division which in his or her judgment can most efficiently carry on
19 those functions.

20 **Sec. 247.** RCW 49.74.030 and 1993 c 281 s 58 are each amended to
21 read as follows:

22 The commission in conjunction with the department of personnel or
23 the state patrol, whichever is appropriate, shall attempt to resolve
24 the noncompliance through conciliation. If an agreement is reached for
25 the elimination of noncompliance, the agreement shall be reduced to
26 writing and an order shall be issued by the commission setting forth
27 the terms of the agreement. The noncomplying state agency, institution
28 of higher education, or state patrol shall make a good faith effort to
29 conciliate and make a full commitment to correct the noncompliance with
30 any action that may be necessary to achieve compliance, provided such
31 action is not inconsistent with the rules adopted under RCW
32 41.06.150(~~(+21)~~) (18) and 43.43.340(5), whichever is appropriate.

33 **Sec. 248.** RCW 49.74.030 and 1999 c . . . s 247 (section 247 of
34 this act) are each amended to read as follows:

35 The commission in conjunction with the department of personnel or
36 the state patrol, whichever is appropriate, shall attempt to resolve
37 the noncompliance through conciliation. If an agreement is reached for

1 the elimination of noncompliance, the agreement shall be reduced to
2 writing and an order shall be issued by the commission setting forth
3 the terms of the agreement. The noncomplying state agency, institution
4 of higher education, or state patrol shall make a good faith effort to
5 conciliate and make a full commitment to correct the noncompliance with
6 any action that may be necessary to achieve compliance, provided such
7 action is not inconsistent with the rules adopted under RCW
8 41.06.150(~~((+18+))~~) (6) and 43.43.340(5), whichever is appropriate.

9 **Sec. 249.** RCW 49.74.040 and 1985 c 365 s 11 are each amended to
10 read as follows:

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

22 An order by the administrative law judge may be appealed to
23 superior court.

24 **Sec. 250.** RCW 49.74.040 and 1999 c . . . s 249 (section 249 of
25 this act) are each amended to read as follows:

26 If no agreement can be reached under RCW 49.74.030, the commission
27 may refer the matter to the administrative law judge for hearing
28 pursuant to RCW 49.60.250. If the administrative law judge finds that
29 the state agency, institution of higher education, or state patrol has
30 not made a good faith effort to correct the noncompliance, the
31 administrative law judge shall order the state agency, institution of
32 higher education, or state patrol to comply with this chapter. The
33 administrative law judge may order any action that may be necessary to
34 achieve compliance, provided such action is not inconsistent with the
35 rules adopted under RCW 41.06.150(~~((+18+))~~) (6) and 43.43.340(5),
36 whichever is appropriate.

1 An order by the administrative law judge may be appealed to
2 superior court.

3 **PART III**
4 **COLLECTIVE BARGAINING REFORM**

5 NEW SECTION. **Sec. 301.** APPLICATION OF CHAPTER. (1) Collective
6 bargaining negotiations under this chapter shall commence no later than
7 October 1, 2000, for collective bargaining agreements that are to
8 become effective no earlier than July 1, 2001. For subsequent
9 agreements, negotiations may commence and contracts become effective as
10 the parties agree subject to legislative ratification as outlined in
11 this chapter.

12 (2) Any collective bargaining agreement entered into before July 1,
13 2000, covering employees affected by sections 301 through 314 of this
14 act, that expires after July 1, 2000, shall, unless a superseding
15 agreement complying with sections 301 through 314 of this act is
16 negotiated by the parties, remain in full force during its duration,
17 but the agreement may not be renewed or extended beyond July 1, 2001,
18 or until superseded by a collective bargaining agreement entered into
19 under sections 301 through 314 of this act, whichever is later.

20 NEW SECTION. **Sec. 302.** NEGOTIATION AND RATIFICATION OF COLLECTIVE
21 BARGAINING AGREEMENTS. (1) For the purpose of negotiating collective
22 bargaining agreements under this chapter, the employer shall be
23 represented by the governor or governor's designee, except as provided
24 for institutions of higher education in subsection (4) of this section.

25 (2)(a) If an exclusive bargaining representative represents more
26 than one bargaining unit, the exclusive bargaining representative shall
27 negotiate one master collective bargaining agreement on behalf of all
28 the employees in bargaining units that the exclusive bargaining
29 representative represents. For those exclusive bargaining
30 representatives who represent fewer than a total of five hundred
31 employees each, negotiation shall be by a coalition of exclusive
32 bargaining representatives that together represent at least five
33 hundred employees. The coalition shall bargain for a master collective
34 bargaining agreement covering all of the employees represented by the
35 coalition. The governor's designee and the exclusive bargaining
36 representative or representatives are authorized to enter into

1 supplemental bargaining of agency-specific issues for inclusion in or
2 as an addendum to the master collective bargaining agreement, subject
3 to the parties' agreement regarding the issues and procedures for
4 supplemental bargaining. This section does not prohibit cooperation
5 and coordination of bargaining between two or more exclusive bargaining
6 representatives.

7 (b) This subsection (2) does not apply to exclusive bargaining
8 representatives who represent employees of institutions of higher
9 education.

10 (c) If five hundred or more employees of an independent state
11 elected official listed in RCW 43.01.010 are organized in a bargaining
12 unit or bargaining units under section 308 of this act, the official
13 shall be consulted by the governor or the governor's designee before
14 any agreement is reached under (a) of this subsection concerning
15 supplemental bargaining of agency specific issues affecting the
16 employees in such bargaining unit.

17 (3) The governor shall submit a request for funds necessary to
18 implement the compensation and fringe benefit provisions in the master
19 collective bargaining agreement or for legislation necessary to
20 implement the agreement within ten days of the date on which the
21 exclusive bargaining representative or representatives ratify the
22 agreement or, if the legislature is not in session, within ten days
23 after the legislature next convenes. Requests for funds necessary to
24 implement the provisions of bargaining agreements negotiated by
25 institutions of higher education according to subsection (4) of this
26 section shall not be submitted to the legislature by the governor
27 unless such requests:

28 (a) Have been submitted to the director of the office of financial
29 management prior to September 1 of the year they are negotiated; and

30 (b) Have been certified by the director of the office of financial
31 management as being feasible financially for the state.

32 The legislature shall approve or reject the submission of the
33 request for funds as a whole. If the legislature rejects or fails to
34 act on the submission, either party may reopen all or part of the
35 agreement or the exclusive bargaining representative may seek to
36 implement the procedures provided for in section 310 of this act.

37 (4) For the purpose of negotiating agreements for institutions of
38 higher education, the employer shall be the respective governing board
39 of each of the universities, colleges, or community colleges or a

1 designee chosen by the board to negotiate on its behalf. A governing
2 board may elect to have its negotiations conducted by the governor or
3 governor's designee under the procedures provided for general
4 government agencies in subsections (1), (2), and (3) of this section.
5 Prior to entering into negotiations under this chapter, the
6 institutions of higher education or their designees shall consult with
7 the director of the office of financial management regarding financial
8 and budgetary issues that are likely to arise in the impending
9 negotiations. If appropriations are necessary to implement the
10 compensation and fringe benefit provisions of the bargaining agreements
11 reached between institutions of higher education and exclusive
12 bargaining representatives agreed to under the provisions of this
13 chapter, the governor shall submit a request for such funds to the
14 legislature according to the provisions of subsection (3) of this
15 section.

16 (5) If, after the compensation and fringe benefit provisions of an
17 agreement are approved by the legislature, a significant revenue
18 shortfall occurs resulting in reduced appropriations, both parties
19 shall immediately enter into collective bargaining for a mutually
20 agreed upon modification of the agreement.

21 (6) After the expiration date of a collective bargaining agreement
22 negotiated under this chapter, all of the terms and conditions
23 specified in the collective bargaining agreement remain in effect until
24 the effective date of a subsequently negotiated agreement, not to
25 exceed one year from the expiration date stated in the agreement.
26 Thereafter, the employer may unilaterally implement according to law.

27 NEW SECTION. **Sec. 303.** SCOPE OF BARGAINING. (1) Except as
28 otherwise provided in this chapter, the matters subject to bargaining
29 include wages, hours, and other terms and conditions of employment, and
30 the negotiation of any question arising under a collective bargaining
31 agreement.

32 (2) The employer is not required to bargain over matters pertaining
33 to:

34 (a) Health care benefits or other employee insurance benefits,
35 except as required in subsection (3) of this section;

36 (b) Any retirement system or retirement benefit; or

1 (c) Rules of the director of personnel or the Washington personnel
2 resources board adopted under section 203, chapter . . . , Laws of 1999
3 (section 203 of this act).

4 (3) Matters subject to bargaining include the number of names to be
5 certified for vacancies, promotional preferences, and the dollar amount
6 expended on behalf of each employee for health care benefits. However,
7 except as provided otherwise in this subsection for institutions of
8 higher education, negotiations regarding the number of names to be
9 certified for vacancies, promotional preferences, and the dollar amount
10 expended on behalf of each employee for health care benefits shall be
11 conducted between the employer and one coalition of all the exclusive
12 bargaining representatives subject to this chapter. Any such provision
13 agreed to by the employer and the coalition shall be included in all
14 master collective bargaining agreements negotiated by the parties. For
15 institutions of higher education, promotional preferences and the
16 number of names to be certified for vacancies shall be bargained under
17 the provisions of section 302(4) of this act.

18 (4) The employer and the exclusive bargaining representative shall
19 not agree to any proposal that would prevent the implementation of
20 approved affirmative action plans or that would be inconsistent with
21 the comparable worth agreement that provided the basis for the salary
22 changes implemented beginning with the 1983-1985 biennium to achieve
23 comparable worth.

24 (5) The employer and the exclusive bargaining representative shall
25 not bargain over matters pertaining to management rights established in
26 section 305 of this act.

27 (6) Except as otherwise provided in this chapter, if a conflict
28 exists between an executive order, administrative rule, or agency
29 policy relating to wages, hours, and terms and conditions of employment
30 and a collective bargaining agreement negotiated under this chapter,
31 the collective bargaining agreement shall prevail. A provision of a
32 collective bargaining agreement that conflicts with the terms of a
33 statute is invalid and unenforceable.

34 (7) This section does not prohibit bargaining that affects
35 contracts authorized by section 208 of this act.

36 NEW SECTION. **Sec. 304.** CONTENTS OF COLLECTIVE BARGAINING
37 AGREEMENTS. (1) The parties to a collective bargaining agreement shall
38 reduce the agreement to writing and both shall execute it.

1 (2) A collective bargaining agreement shall contain provisions
2 that:

3 (a) Provide for a grievance procedure that culminates with final
4 and binding arbitration of all disputes arising over the interpretation
5 or application of the collective bargaining agreement and that is valid
6 and enforceable under its terms when entered into in accordance with
7 this chapter; and

8 (b) Require processing of disciplinary actions or terminations of
9 employment of employees covered by the collective bargaining agreement
10 entirely under the procedures of the collective bargaining agreement.
11 Any employee, when fully reinstated, shall be guaranteed all employee
12 rights and benefits, including back pay, sick leave, vacation accrual,
13 and retirement and federal old age, survivors, and disability insurance
14 act credits, but without back pay for any period of suspension.

15 (3)(a) If a collective bargaining agreement between an employer
16 and an exclusive bargaining representative is concluded after the
17 termination date of the previous collective bargaining agreement
18 between the employer and an employee organization representing the same
19 bargaining units, the effective date of the collective bargaining
20 agreement may be the day after the termination of the previous
21 collective bargaining agreement, and all benefits included in the new
22 collective bargaining agreement, including wage or salary increases,
23 may accrue beginning with that effective date.

24 (b) If a collective bargaining agreement between an employer and an
25 exclusive bargaining representative is concluded after the termination
26 date of the previous collective bargaining agreement between the
27 employer and the exclusive bargaining representative representing
28 different bargaining units, the effective date of the collective
29 bargaining agreement may be the day after the termination date of
30 whichever previous collective bargaining agreement covering one or more
31 of the units terminated first, and all benefits included in the new
32 collective bargaining agreement, including wage or salary increases,
33 may accrue beginning with that effective date.

34 NEW SECTION. **Sec. 305.** MANAGEMENT RIGHTS. The employer shall not
35 bargain over rights of management which, in addition to all powers,
36 duties, and rights established by constitutional provision or statute,
37 shall include but not be limited to the following:

1 (1) The functions and programs of the employer, the use of
2 technology, and the structure of the organization;

3 (2) The employer's budget and the size of the agency work force,
4 including determining the financial basis for layoffs;

5 (3) The right to direct and supervise employees; and

6 (4) The right to take whatever actions are deemed necessary to
7 carry out the mission of the state and its agencies during emergencies.

8 NEW SECTION. **Sec. 306.** RIGHTS OF EMPLOYEES. Except as may be
9 specifically limited by this chapter, employees shall have the right to
10 self-organization, to form, join, or assist employee organizations, and
11 to bargain collectively through representatives of their own choosing
12 for the purpose of collective bargaining free from interference,
13 restraint, or coercion. Employees shall also have the right to refrain
14 from any or all such activities except to the extent that they may be
15 required to pay a fee to an exclusive bargaining representative under
16 a union security provision authorized by this chapter.

17 NEW SECTION. **Sec. 307.** RIGHT TO STRIKE NOT GRANTED. Nothing
18 contained in chapter . . . , Laws of 1999 (this act) permits or grants
19 to any employee the right to strike or refuse to perform his or her
20 official duties.

21 NEW SECTION. **Sec. 308.** BARGAINING UNITS. (1) A bargaining unit
22 of employees covered by this chapter existing on the effective date of
23 this section shall be considered an appropriate unit, unless the unit
24 does not meet the requirements of (a) and (b) of this subsection. The
25 commission, after hearing upon reasonable notice to all interested
26 parties, shall decide, in each application for certification as an
27 exclusive bargaining representative, the unit appropriate for
28 certification. In determining the new units or modifications of
29 existing units, the commission shall consider: The duties, skills, and
30 working conditions of the employees; the history of collective
31 bargaining; the extent of organization among the employees; the desires
32 of the employees; and the avoidance of excessive fragmentation.
33 However, a unit is not appropriate if it includes:

34 (a) Both supervisors and nonsupervisory employees. A unit that
35 includes only supervisors may be considered appropriate if a majority

1 of the supervisory employees indicates by vote that they desire to be
2 included in such a unit; or

3 (b) More than one institution of higher education. For the
4 purposes of this section, any branch or regional campus of an
5 institution of higher education is part of that institution of higher
6 education.

7 (2) The exclusive bargaining representatives certified to represent
8 the bargaining units existing on the effective date of this section
9 shall continue as the exclusive bargaining representative without the
10 necessity of an election.

11 (3) If a single employee organization is the exclusive bargaining
12 representative for two or more units, upon petition by the employee
13 organization, the units may be consolidated into a single larger unit
14 if the commission considers the larger unit to be appropriate. If
15 consolidation is appropriate, the commission shall certify the employee
16 organization as the exclusive bargaining representative of the new
17 unit.

18 NEW SECTION. Sec. 309. REPRESENTATION. (1) The commission shall
19 determine all questions pertaining to representation and shall
20 administer all elections and be responsible for the processing and
21 adjudication of all disputes that arise as a consequence of elections.
22 The commission shall adopt rules that provide for at least the
23 following:

24 (a) Secret balloting;

25 (b) Consulting with employee organizations;

26 (c) Access to lists of employees, job classification, work
27 locations, and home mailing addresses;

28 (d) Absentee voting;

29 (e) Procedures for the greatest possible participation in voting;

30 (f) Campaigning on the employer's property during working hours;

31 and

32 (g) Election observers.

33 (2)(a) If an employee organization has been certified as the
34 exclusive bargaining representative of the employees of a bargaining
35 unit, the employee organization may act for and negotiate master
36 collective bargaining agreements that will include within the coverage
37 of the agreement all employees in the bargaining unit as provided in
38 section 302(2)(a) of this act. However, if a master collective

1 bargaining agreement is in effect for the exclusive bargaining
2 representative, it shall apply to the bargaining unit for which the
3 certification has been issued. Nothing in this section requires the
4 parties to engage in new negotiations during the term of that
5 agreement.

6 (b) This subsection (2) does not apply to exclusive bargaining
7 representatives who represent employees of institutions of higher
8 education.

9 (3) The certified exclusive bargaining representative shall be
10 responsible for representing the interests of all the employees in the
11 bargaining unit. This section shall not be construed to limit an
12 exclusive representative's right to exercise its discretion to refuse
13 to process grievances of employees that are unmeritorious.

14 (4) No question concerning representation may be raised if:

15 (a) Fewer than twelve months have elapsed since the last
16 certification or election; or

17 (b) A valid collective bargaining agreement exists covering the
18 unit, except for that period of no more than one hundred twenty
19 calendar days nor less than ninety calendar days before the expiration
20 of the contract.

21 NEW SECTION. **Sec. 310.** IMPASSE. Should the parties fail to reach
22 agreement in negotiating a collective bargaining agreement, either
23 party may request of the commission the assistance of an impartial
24 third party to mediate the negotiations.

25 If a collective bargaining agreement previously negotiated under
26 this chapter should expire while negotiations are underway, the terms
27 and conditions specified in the collective bargaining agreement shall
28 remain in effect for a period not to exceed one year from the
29 expiration date stated in the agreement. Thereafter, the employer may
30 unilaterally implement according to law.

31 If resolution is not reached through mediation by one hundred days
32 beyond the expiration date of a contract previously negotiated under
33 this chapter, or one hundred days from the initiation of mediated
34 negotiations if no such contract exists, an independent fact-finder
35 shall be appointed by the commission.

36 The fact-finder shall meet with the parties or their
37 representatives, or both, and make inquiries and investigations, hold
38 hearings, and take such other steps as may be appropriate. If the

1 dispute is not settled, the fact-finder shall make findings of fact and
2 recommend terms of settlement within thirty days.

3 Such recommendations, together with the findings of fact, shall be
4 submitted in writing to the parties and the commission privately before
5 they are made public. The commission, the fact-finder, the employer,
6 or the exclusive bargaining representative may make such findings and
7 recommendations public if the dispute is not settled within ten working
8 days after their receipt from the fact-finder.

9 Nothing in this section shall be construed to prohibit an employer
10 and an exclusive bargaining representative from agreeing to substitute,
11 at their own expense, their own procedure for resolving impasses in
12 collective bargaining for that provided in this section or from
13 agreeing to utilize for the purposes of this section any other
14 governmental or other agency or person in lieu of the commission.

15 Costs for mediator services shall be borne by the commission, and
16 costs for fact-finding shall be borne equally by the negotiating
17 parties.

18 NEW SECTION. **Sec. 311.** UNION SECURITY. (1) A collective
19 bargaining agreement may contain a union security provision requiring
20 as a condition of employment the payment, no later than the thirtieth
21 day following the beginning of employment or the effective date of this
22 section, whichever is later, of an agency shop fee to the employee
23 organization that is the exclusive bargaining representative for the
24 bargaining unit in which the employee is employed. The amount of the
25 fee shall be equal to the amount required to become a member in good
26 standing of the employee organization. Each employee organization
27 shall establish a procedure by which any employee so requesting may pay
28 a representation fee no greater than the part of the membership fee
29 that represents a pro rata share of expenditures for purposes germane
30 to the collective bargaining process, to contract administration, or to
31 pursuing matters affecting wages, hours, and other conditions of
32 employment.

33 (2) An employee who is covered by a union security provision and
34 who asserts a right of nonassociation based on bona fide religious
35 tenets, or teachings of a church or religious body of which the
36 employee is a member, shall, as a condition of employment, make
37 payments to the employee organization, for purposes within the program
38 of the employee organization as designated by the employee that would

1 be in harmony with his or her individual conscience. The amount of the
2 payments shall be equal to the periodic dues and fees uniformly
3 required as a condition of acquiring or retaining membership in the
4 employee organization minus any included monthly premiums for insurance
5 programs sponsored by the employee organization. The employee shall
6 not be a member of the employee organization but is entitled to all the
7 representation rights of a member of the employee organization.

8 (3) Upon filing with the employer the written authorization of a
9 bargaining unit employee under this chapter, the employee organization
10 that is the exclusive bargaining representative of the bargaining unit
11 shall have the exclusive right to have deducted from the salary of the
12 employee an amount equal to the fees and dues uniformly required as a
13 condition of acquiring or retaining membership in the employee
14 organization. The fees and dues shall be deducted each pay period from
15 the pay of all employees who have given authorization for the deduction
16 and shall be transmitted by the employer as provided for by agreement
17 between the employer and the employee organization.

18 (4) Employee organizations that before the effective date of this
19 section were entitled to the benefits of this section shall continue to
20 be entitled to these benefits.

21 NEW SECTION. **Sec. 312.** UNFAIR LABOR PRACTICES ENUMERATED. (1) It
22 is an unfair labor practice for an employer:

23 (a) To interfere with, restrain, or coerce employees in the
24 exercise of the rights guaranteed by this chapter;

25 (b) To dominate or interfere with the formation or administration
26 of any employee organization or contribute financial or other support
27 to it: PROVIDED, That subject to rules adopted by the commission, an
28 employer shall not be prohibited from permitting employees to confer
29 with it or its representatives or agents during working hours without
30 loss of time or pay;

31 (c) To encourage or discourage membership in any employee
32 organization by discrimination in regard to hire, tenure of employment,
33 or any term or condition of employment;

34 (d) To discharge or discriminate otherwise against an employee
35 because that employee has filed charges or given testimony under this
36 chapter;

37 (e) To refuse to bargain collectively with the representatives of
38 its employees.

1 (2) It is an unfair labor practice for an employee organization:

2 (a) To restrain or coerce an employee in the exercise of the rights
3 guaranteed by this chapter: PROVIDED, That this subsection shall not
4 impair the right of an employee organization to prescribe its own rules
5 with respect to the acquisition or retention of membership in the
6 employee organization or to an employer in the selection of its
7 representatives for the purpose of bargaining or the adjustment of
8 grievances;

9 (b) To cause or attempt to cause an employer to discriminate
10 against an employee in violation of subsection (1)(c) of this section;

11 (c) To discriminate against an employee because that employee has
12 filed charges or given testimony under this chapter;

13 (d) To refuse to bargain collectively with an employer.

14 (3) The expressing of any views, arguments, or opinion, or the
15 dissemination thereof to the public, whether in written, printed,
16 graphic, or visual form, shall not constitute or be evidence of an
17 unfair labor practice under this chapter, if such expression contains
18 no threat of reprisal or force or promise of benefit.

19 NEW SECTION. **Sec. 313.** UNFAIR LABOR PRACTICE PROCEDURES. (1)
20 The commission is empowered and directed to prevent any unfair labor
21 practice and to issue appropriate remedial orders: PROVIDED, That a
22 complaint shall not be processed for any unfair labor practice
23 occurring more than six months before the filing of the complaint with
24 the commission. This power shall not be affected or impaired by any
25 means of adjustment, mediation, or conciliation in labor disputes that
26 have been or may hereafter be established by law.

27 (2) If the commission determines that any person has engaged in or
28 is engaging in an unfair labor practice, the commission shall issue and
29 cause to be served upon the person an order requiring the person to
30 cease and desist from such unfair labor practice, and to take such
31 affirmative action as will effectuate the purposes and policy of this
32 chapter, such as the payment of damages and the reinstatement of
33 employees.

34 (3) The commission may petition the superior court for the county
35 in which the main office of the employer is located or in which the
36 person who has engaged or is engaging in such unfair labor practice
37 resides or transacts business, for the enforcement of its order and for
38 appropriate temporary relief.

1 NEW SECTION. **Sec. 314.** ENFORCEMENT OF COLLECTIVE BARGAINING

2 AGREEMENTS. (1) For the purposes of implementing arbitration under
3 grievance procedures required by section 304 of this act, the parties
4 to a collective bargaining agreement may agree on one or more permanent
5 umpires to serve as arbitrator, or may agree on any impartial person to
6 serve as arbitrator, or may agree to select arbitrators from any source
7 available to them, including federal and private agencies, in addition
8 to the staff and list of arbitrators maintained by the commission. If
9 the parties cannot agree to the selection of an arbitrator, the
10 commission shall supply a list of names in accordance with the
11 procedures established by the commission.

12 (2) An arbitrator may require any person to attend as a witness and
13 to bring with him or her any book, record, document, or other evidence.
14 The fees for such attendance shall be paid by the party requesting
15 issuance of the subpoena and shall be the same as the fees of witnesses
16 in the superior court. Arbitrators may administer oaths. Subpoenas
17 shall issue and be signed by the arbitrator and shall be served in the
18 same manner as subpoenas to testify before a court of record in this
19 state. If any person so summoned to testify refuses or neglects to
20 obey such subpoena, upon petition authorized by the arbitrator, the
21 superior court may compel the attendance of the person before the
22 arbitrator or punish the person for contempt in the same manner
23 provided for the attendance of witnesses or the punishment of them in
24 the courts of this state.

25 (3) The arbitrator shall appoint a time and place for the hearing
26 and notify the parties thereof, and may adjourn the hearing from time
27 to time as may be necessary, and, on application of either party and
28 for good cause, may postpone the hearing to a time not extending beyond
29 the date fixed by the collective bargaining agreement for making the
30 award. The arbitration award shall be in writing and signed by the
31 arbitrator. The arbitrator shall, promptly upon its rendition, serve
32 a true copy of the award on each of the parties or their attorneys of
33 record.

34 (4) If a party to a collective bargaining agreement negotiated
35 under this chapter refuses to submit a grievance for arbitration, the
36 other party to the collective bargaining agreement may invoke the
37 jurisdiction of the superior court of Thurston county or of any county
38 in which the labor dispute exists and such court shall have
39 jurisdiction to issue an order compelling arbitration. Disputes

1 concerning compliance with grievance procedures shall be reserved for
2 determination by the arbitrator. Arbitration shall be ordered if the
3 grievance states a claim that on its face is covered by the collective
4 bargaining agreement. Doubts as to the coverage of the arbitration
5 clause shall be resolved in favor of arbitration.

6 (5) If a party to a collective bargaining agreement negotiated
7 under this chapter refuses to comply with the award of an arbitrator
8 determining a grievance arising under the collective bargaining
9 agreement, the other party to the collective bargaining agreement may
10 invoke the jurisdiction of the superior court of Thurston county or of
11 any county in which the labor dispute exists and such court shall have
12 jurisdiction to issue an order enforcing the arbitration award.

13 NEW SECTION. **Sec. 315.** All powers, duties, and functions of the
14 department of personnel pertaining to collective bargaining are
15 transferred to the public employment relations commission except
16 mediation of grievances and contracts, arbitration of grievances and
17 contracts, and unfair labor practices, filed under a collective
18 bargaining agreement existing before the effective date of this
19 section. Any mediation, arbitration, or unfair labor practice issue
20 filed between July 1, 2000, and July 1, 2001, under a collective
21 bargaining agreement existing before the effective date of this
22 section, shall be resolved by the Washington personnel resources board
23 in accordance with the authorities, rules, and procedures that were
24 established under RCW 41.06.150(11) as it existed before the effective
25 date of this section.

26 NEW SECTION. **Sec. 316.** All reports, documents, surveys, books,
27 records, files, papers, or written material in the possession of the
28 department of personnel pertaining to the powers, functions, and duties
29 transferred in section 315 of this act shall be delivered to the
30 custody of the public employment relations commission. All cabinets,
31 furniture, office equipment, motor vehicles, and other tangible
32 property employed by the department of personnel in carrying out the
33 powers, functions, and duties transferred in section 315 of this act
34 shall be made available to the public employment relations commission.
35 All other assets held in connection with the powers, functions, and
36 duties transferred in section 315 of this act shall be assigned to the
37 public employment relations commission.

1 Any appropriations made to the department of personnel for carrying
2 out the powers, functions, and duties transferred in section 315 of
3 this act shall be deleted at the time that such powers, functions, and
4 duties are transferred to the public employment relations commission.
5 All funding required to perform these transferred powers, functions,
6 and duties is to be provided by the public employment relations
7 commission once the transfers occur.

8 Whenever any question arises as to the transfer of any personnel,
9 funds, books, documents, records, papers, files, equipment, or other
10 tangible property used or held in the exercise of the powers and the
11 performance of the duties and functions transferred, the director of
12 financial management shall make a determination as to the proper
13 allocation and certify the same to the state agencies concerned.

14 NEW SECTION. **Sec. 317.** After the effective date of this section,
15 the director of personnel and the executive director of the public
16 employment relations commission shall meet and agree upon a schedule
17 for the transfer of department of personnel labor relation employees
18 and property to the commission. Whenever a question arises as to the
19 transfer of any personnel, funds, books, documents, records, papers,
20 files, equipment, or other tangible property used or held in the
21 exercise of the powers and the performance of the duties and functions
22 transferred, the director of financial management shall make a
23 determination as to the proper allocation and certify the same to the
24 state agencies concerned.

25 NEW SECTION. **Sec. 318.** All business pending before the department
26 of personnel pertaining to the powers, functions, and duties
27 transferred in section 315 of this act shall be continued and acted
28 upon by the public employment relations commission. All existing
29 contracts and obligations of the department of personnel, pertaining to
30 collective bargaining, shall remain in full force and shall be
31 performed by the public employment relations commission.

32 NEW SECTION. **Sec. 319.** The transfer of the powers, duties,
33 functions, and personnel of the department of personnel shall not
34 affect the validity of any act performed before the effective date of
35 this section.

1 NEW SECTION. **Sec. 320.** If apportionments of budgeted funds are
2 required because of the transfers directed by sections 316 through 319
3 of this act, the director of financial management shall certify the
4 apportionments to the agencies affected, the state auditor, and the
5 state treasurer. Each of these shall make the appropriate transfer and
6 adjustments in funds and appropriation accounts and equipment records
7 in accordance with the certification.

8 NEW SECTION. **Sec. 321.** DEFINITIONS. Unless the context clearly
9 requires otherwise, the definitions in this section apply throughout
10 this chapter.

11 (1) "Agency" means any agency as defined in RCW 41.06.020 and
12 covered by chapter 41.06 RCW.

13 (2) "Collective bargaining" means the performance of the mutual
14 obligation of the representatives of the employer and the exclusive
15 bargaining representative to meet at reasonable times and to bargain in
16 good faith in an effort to reach agreement with respect to the subjects
17 of bargaining specified under section 303 of this act. The obligation
18 to bargain does not compel either party to agree to a proposal or to
19 make a concession, except as otherwise provided in this chapter.

20 (3) "Commission" means the public employment relations commission.

21 (4) "Confidential employee" means an employee who, in the regular
22 course of his or her duties, assists in a confidential capacity persons
23 who formulate, determine, and effectuate management policies with
24 regard to labor relations or who, in the regular course of his or her
25 duties, has authorized access to information relating to the
26 effectuation or review of the employer's collective bargaining
27 policies, or who assists or aids a manager.

28 (5) "Director" means the director of the public employment
29 relations commission.

30 (6) "Employee" means any employee, including employees whose work
31 has ceased in connection with the pursuit of lawful activities
32 protected by this chapter, covered by chapter 41.06 RCW, except:

33 (a) Employees covered for collective bargaining by chapter 41.56
34 RCW;

35 (b) Confidential employees;

36 (c) Members of the Washington management service;

37 (d) Internal auditors in any agency; or

1 (e) Any employee of the commission, the office of financial
2 management, the department of personnel, or the attorney general's
3 office.

4 (7) "Employee organization" means any organization, union, or
5 association in which employees participate and that exists for the
6 purpose, in whole or in part, of collective bargaining with employers.

7 (8) "Employer" means the state of Washington.

8 (9) "Exclusive bargaining representative" means any employee
9 organization that has been certified under this chapter as the
10 representative of the employees in an appropriate bargaining unit.

11 (10) "Institutions of higher education" means the University of
12 Washington, Washington State University, Central Washington University,
13 Eastern Washington University, Western Washington University, The
14 Evergreen State College, and the various state community colleges.

15 (11) "Labor dispute" means any controversy concerning terms,
16 tenure, or conditions of employment, or concerning the association or
17 representation of persons in negotiating, fixing, maintaining,
18 changing, or seeking to arrange terms or conditions of employment with
19 respect to the subjects of bargaining provided in this chapter,
20 regardless of whether the disputants stand in the proximate relation of
21 employer and employee.

22 (12) "Manager" means "manager" as defined in RCW 41.06.022.

23 (13) "Supervisor" means an employee who has authority, in the
24 interest of the employer, to hire, transfer, suspend, lay off, recall,
25 promote, discharge, direct, reward, or discipline employees, or to
26 adjust employee grievances, or effectively to recommend such action, if
27 the exercise of the authority is not of a merely routine nature but
28 requires the consistent exercise of individual judgment. However, no
29 employee who is a member of the Washington management service may be
30 included in a collective bargaining unit established under this
31 section.

32 (14) "Unfair labor practice" means any unfair labor practice listed
33 in section 312 of this act.

34 NEW SECTION. **Sec. 322.** OFFICE OF FINANCIAL MANAGEMENT'S LABOR
35 RELATIONS SERVICE ACCOUNT. (1) The office of financial management's
36 labor relations service account is created in the custody of the state
37 treasurer to be used as a revolving fund for the payment of labor
38 relations services required for the negotiation of the collective

1 bargaining agreements entered into under this chapter. An amount not
2 to exceed one percent of the approved allotments of salaries and wages
3 for all bargaining unit positions in the classified service in each of
4 the agencies subject to this chapter, except the institutions of higher
5 education, shall be charged to the operations appropriations of each
6 agency and credited to the office of financial management's labor
7 relations service account as the allotments are approved pursuant to
8 chapter 43.88 RCW. Subject to the above limitations, the amount shall
9 be charged against the allotments pro rata, at a rate to be fixed by
10 the director of financial management from time to time. Payment for
11 services rendered under this chapter shall be made on a quarterly basis
12 to the state treasurer and deposited into the office of financial
13 management's labor relations service account.

14 (2) Moneys from the office of financial management's labor
15 relations service account shall be disbursed by the state treasurer by
16 warrants on vouchers authorized by the director of financial management
17 or the director's designee. An appropriation is not required.

18 **PART IV**
19 **MISCELLANEOUS**

20 NEW SECTION. **Sec. 401.** The following acts or parts of acts are
21 each repealed:

- 22 (1) RCW 41.06.163 and 1993 c 281 s 30, 1987 c 185 s 9, 1986 c 158
23 s 6, 1979 c 151 s 59, & 1977 ex.s. c 152 s 3; and
24 (2) RCW 41.06.165 and 1977 ex.s. c 152 s 4.

25 NEW SECTION. **Sec. 402.** The following acts or parts of acts, as
26 now existing or hereafter amended, are each repealed:

- 27 (1) RCW 41.06.140 and 1961 c 1 s 14;
28 (2) RCW 41.50.804 and 1999 c . . . s 228 (section 228 of this act),
29 1993 c 281 s 40, & 1975-'76 2nd ex.s. c 105 s 17;
30 (3) RCW 41.06.520 and 1993 c 281 s 11;
31 (4) RCW 41.56.201 and 1993 c 379 s 304; and
32 (5) RCW 28B.16.015 and 1993 c 379 s 310.

33 NEW SECTION. **Sec. 403.** The following acts or parts of acts, as
34 now existing or hereafter amended, are each repealed:

- 35 (1) RCW 41.06.380 and 1979 ex.s. c 46 s 2; and

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

2 NEW SECTION. **Sec. 404.** The following acts or parts of acts, as
3 now existing or hereafter amended, are each repealed:

4 (1) RCW 41.64.010 and 1981 c 311 s 1;

5 (2) RCW 41.64.020 and 1981 c 311 s 3;

6 (3) RCW 41.64.030 and 1984 c 287 c 73, 1984 c 34 s 4, & 1981 c 311
7 s 4;

8 (4) RCW 41.64.040 and 1981 c 311 s 5;

9 (5) RCW 41.64.050 and 1981 c 311 s 6;

10 (6) RCW 41.64.060 and 1981 c 311 s 7;

11 (7) RCW 41.64.070 and 1981 c 311 s 8;

12 (8) RCW 41.64.080 and 1981 c 311 s 9;

13 (9) RCW 41.64.090 and 1993 c 281 s 41 & 1981 c 311 s 10;

14 (10) RCW 41.64.100 and 1997 c 386 s 43 & 1981 c 311 s 11;

15 (11) RCW 41.64.110 and 1985 c 461 s 7 & 1981 c 311 s 12;

16 (12) RCW 41.64.120 and 1981 c 311 s 13;

17 (13) RCW 41.64.130 and 1981 c 311 s 14;

18 (14) RCW 41.64.140 and 1988 c 202 s 42 & 1981 c 311 s 15; and

19 (15) RCW 41.64.910 and 1981 c 311 s 24.

20 NEW SECTION. **Sec. 405.** SECTION CAPTIONS. Part and section
21 captions used in this act do not constitute part of the law.

22 NEW SECTION. **Sec. 406.** Sections 301 through 322 of this act
23 constitute a new chapter in Title 41 RCW.

24 NEW SECTION. **Sec. 407.** The governor shall take such action as is
25 necessary to ensure that sections 301 through 314 of this act are
26 implemented on their effective dates.

27 NEW SECTION. **Sec. 408.** Until July 1, 2002, the public employment
28 relations commission is authorized to contract with the department of
29 personnel for labor relations staffing necessary to carry out its
30 functions.

31 NEW SECTION. **Sec. 409.** (1) Notwithstanding the provisions of
32 section 301 of this act, the parties to collective bargaining to be
33 conducted under sections 301 through 314 of this act shall meet by

1 September 1, 1999, to identify those payroll-related bargaining issues
2 that affect the capacity of the central state payroll system, as
3 determined by the department of personnel. The parties shall agree on
4 which bargaining issues will be bargained in a coalition of employee
5 representatives and will be agreed to uniformly in each collective
6 bargaining agreement. This agreement is effective only for collective
7 bargaining agreements entered into for implementation during the 2001-
8 2003 biennium. The purpose of the agreement is to minimize the risk to
9 the payroll system resulting from year 2000 conversion and agreements
10 reached in the first round of collective bargaining under this act.

11 (2) This section expires June 30, 2003.

12 NEW SECTION. **Sec. 410.** If any provision of this act or its
13 application to any person or circumstance is held invalid, the
14 remainder of the act or the application of the provision to other
15 persons or circumstances is not affected.

16 NEW SECTION. **Sec. 411.** (1) Sections 203, 204, 213 through 223,
17 227, 229 through 232, 242, 244, 248, 250, 301 through 307, 309 through
18 316, 318, 319, and 402 of this act take effect July 1, 2000.

19 (2) Section 224 of this act takes effect March 15, 2001.

20 (3) Sections 208, 235 through 239, and 403 of this act take effect
21 July 1, 2001.

22 (4) Sections 225, 226, 234, and 404 of this act take effect July 1,
23 2002.

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