
Ways & Means Committee

SSB 6503

Brief Description: Closing state agencies on specified dates.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senator Prentice).

Brief Summary of Substitute Bill

- Directs state agencies to achieve \$69.154 million in General Fund-State savings through temporary agency closures or alternative compensation savings proposals approved by the Director of the Office of Financial Management.
- Provides a list of agencies, or portions of agencies, exempt from the closures.

Hearing Date: 1/26/10

Staff: David Pringle (786-7310).

Background:

The programs and functions of state government are administered by numerous state agencies and institutions, the costs of which are appropriated by the Legislature. These costs include expenditures for salaries, wages, equipment, personal services contracts, and state employee travel and training.

Generally, state employment positions are either exempt, general service, or Washington Management Service. General service employees are eligible to collectively bargain if they so elect. In higher education, employee positions typically are either exempt or general services; some categories of exempt employees as well as general service employees may collectively bargain if they so elect. For example, higher education faculty and graduate students are exempt employees but may collectively bargain. For employees who collectively bargain, salary and wage increases are determined as provided in the existing contract.

State offices must be open at least 40 hours per week, with an exception for weeks containing one or more of the 10 legal holidays designated in statute.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill:

State agencies are directed to achieve a \$69.154 million reduction in employee compensation costs from the near General Fund through mandatory and voluntary furloughs, leave without pay, reduced work hours, voluntary retirements and separations, layoffs, and other methods. Agency compensation reduction plans must be submitted by May 15 and approved by the Office of Financial Management by June 1. Agencies that fail to submit an approved compensation reduction plan will be subject to 13 specified agency closure dates beginning in June 2010. Agencies are encouraged to preserve family wage jobs.

Exceptions to the agency closure dates include the following: state corrections and social service institutions; child protective services; law enforcement; military operations; state hospitals; emergency management; state parks; highways and ferries; revenue collection by the Department of Revenue; higher education classroom instruction; state liquor stores; state lottery; unemployment insurance and reemployment services; workers compensation and workplace safety programs; agricultural commodity commissions and food inspections; employees necessary to protect state assets and public safety; and state legislative agencies, the Governor, Lieutenant Governor, and the Office of Financial Management during legislative sessions.

State agency closures will result in the temporary layoff (furlough) and reduction of compensation of affected state employees. These temporary layoffs and reduction in compensation do not affect employee seniority, vacation and sick leave accrual, or Public Employees' Retirement System retirement benefits.

Appropriation: None.

Fiscal Note: Requested on January 22, 2010.

Effective Date: The bill contains an emergency clause and takes effect immediately.