

# SENATE BILL REPORT

## SB 6503

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As of January 21, 2010

**Title:** An act relating to the operations of state agencies.

**Brief Description:** Closing state agencies on specified dates.

**Sponsors:** Senator Prentice.

**Brief History:**

**Committee Activity:** Ways & Means: 1/19/10.

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Steve Jones (786-7440)

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

**Summary of Bill:** State agencies are directed to close one day per month from March 2010 through June 2011. The specific closure dates for 2010 are March 12, April 9, May 28, June 14, July 2, August 6, September 3, October 11, November 12, and December 27. The closure dates for 2011 are January 14, February 18, March 11, April 15, May 27, and June 10.

Exceptions to the agency closure dates include state corrections and social service institutions, child protective services, law enforcement, military operations, emergency management, state parks and ferries, higher education classroom instruction, state liquor stores, unemployment insurance, workers compensation, state legislative agencies and the Office of Financial Management during legislative sessions, and employees necessary to protect state assets and public safety.

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 retirement benefits.

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*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.*

To the extent that the impact of the furlough is subject to collective bargaining, the bargaining will be conducted with a single statewide coalition representing the various bargaining units.

**Appropriation:** None.

**Fiscal Note:** Requested on January 15, 2010.

**Committee/Commission/Task Force Created:** No.

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

**Staff Summary of Public Testimony:** CON: State employees are opposed to this legislation. State employees have already received wage and benefit cuts equal to a 9 percent reduction. The disparate treatment of furloughed employees and nonfurloughed employees invites lawsuits. State employees have done their share to solve the budget problem; tax exemptions need to be examined and eliminated on at least a temporary basis. This legislation punishes the lowest-paid employees in our educational institutions and is equivalent to an 8 percent pay cut. Sixteen days of unpaid leave will direct impact services to students. Exempting classroom instruction employees will be difficult to interpret; administrative support personnel are needed for instructional activities. Each institution of higher education should be able to decide how to implement budget reductions. These closure dates will disrupt federal mandates in the health care field, which will jeopardize federal funding.

OTHER: State agencies and institutions of higher education recognize the state's difficult budget situation, but this bill has significant implementation difficulties. Furloughs will cost more to implement than the savings achieved. In higher education, only one-fourth of employees are paid from state funds. Collective bargaining agreements will need to be reopened and renegotiated. This bill has serious implications for the independent retirement system used in higher education. Furloughed exempt employees will become eligible for overtime pay. Forest management and timber sales activities should not be disrupted, which could result in the loss of millions of dollars in revenues to the state trusts and the Department of Natural Resources. Time will be needed to bargain the impacts of this proposal. Agricultural commodity commissions and food inspection programs are supported by fees and should be exempted.

**Persons Testifying:** CON: Greg Devereaux, Washington Federation of State Employees; George Dockins, Susan Banton, Public School Employees of Washington; Marcy Johnson, SEIU 1199 Healthcare NW.

OTHER: Leonard Young, Department of Natural Resources; Terry Teale, Council of Presidents; Liz Coveney, University of Washington; John Bosenberg, State Board of Community & Technical Colleges; Julie Murray, Office of Financial Management; Marsha Riddle Buly, James Pappas, Larry Luton, Council of Faculty Representatives; Jim Jesernig, Washington Wheat Growers & Washington Potato Commission.