

# SENATE BILL REPORT

## SJR 8209

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As of January 28, 2011

**Brief Description:** Amending the Constitution to allow salary reductions for public officials during an economic crisis.

**Sponsors:** Senators Shin and Keiser.

**Brief History:**

**Committee Activity:** Ways & Means: 1/27/11.

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### SENATE COMMITTEE ON WAYS & MEANS

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

**Background:** Under the state Constitution, the Washington Citizens' Commission on Salaries for Elected Officials prescribes the salary of state elected officials of the executive branch; members of the Legislature; and judges of the state Supreme Court, Court of Appeals, superior courts, and district courts. The salaries of county and municipal elective and appointive officials are prescribed by either the respective legislative authority, or a local salary commission authorized by a local ordinance or resolution.

The state Constitution allows salary increases for these elected and appointed officials during their terms of office, but salary decreases during their terms of office are prohibited.

The Budget Stabilization Account (BSA), also known as the Rainy Day Fund, was created by a constitutional amendment approved by the voters in 2007. The State Treasurer must transfer 1 percent of general state revenues into the BSA annually. Withdrawals from the BSA require a three-fifths vote of each house of the Legislature unless: (1) the employment growth forecast made by the Economic and Revenue Forecast Council for that fiscal year is less than 1 percent; or (2) the Governor declares a state of emergency resulting from a catastrophic event that requires government action to protect life or safety. In those cases, the Legislature may withdraw monies from the BSA with a majority vote of each house.

Employment growth for fiscal year 2009 was -2.0 percent and -3.9 percent for 2010, and is projected to be 0.1 percent for 2011. Under the economic and revenue forecast adopted in November 2010, employment growth for fiscal years 2012 and 2013 are projected to be 2.2 percent and 2.8 percent, respectively.

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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.*

**Summary of Bill:** The compensation of elected and appointed state, county, and municipal officials may be decreased during their terms of office, but the reductions may be approved only during a fiscal year in which monies may be withdrawn from the BSA.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Effective Date:** The resolution takes effect upon ratification by the voters at the next general election.

**Staff Summary of Public Testimony:** PRO: Elected officials should share the sacrifices that other public employees are experiencing during this period of economic hardship.

CON: The salaries of elected officials should be kept out of the political arena; the decision should be left to the independent discretion of the State Salary Commission.

OTHER: Judges want to serve the people of the state in a fair and impartial manner, without undue pressure or threats of retribution. This proposal politicizes the salary-setting process. The courts have already experienced significant budget reductions while experiencing greatly increased caseloads.

**Persons Testifying:** PRO: Senator Shin, prime sponsor.

CON: Teri Wright, Citizens' Commission on Salaries for Elected Officials.

OTHER: Judge Richard McDermott, Superior Court Judges Association.