SUBSTITUTE SENATE BILL 5126

State of Washington 62nd Legislature 2011 Regular Session

By Senate Ways & Means (originally sponsored by Senators Kilmer, Tom, Murray, Kastama, Rockefeller, Keiser, Conway, Regala, Hobbs, Shin, and McAuliffe)

READ FIRST TIME 02/25/11.

- 1 AN ACT Relating to compensation adjustments for government
- 2 officials; amending RCW 35.21.015, 36.17.024, 35.23.091, 35A.13.040,
- and 43.03.310; and providing a contingent effective date.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 Sec. 1. RCW 35.21.015 and 2001 c 73 s 4 are each amended to read 6 as follows:
- 7 (1) Salaries for elected officials of towns and cities may be set 8 by salary commissions established in accordance with city charter or by 9 ordinance and in conformity with this section.
- 10 (2) The members of such commissions shall be appointed in 11 accordance with the provisions of a city charter, or as specified in 12 this subsection:
- 13 (a) Shall be appointed by the mayor with approval of the city 14 council;
 - (b) May not be appointed to more than two terms;
- 16 (c) May only be removed during their terms of office for cause of
- 17 incapacity, incompetence, neglect of duty, or malfeasance in office or
- 18 for a disqualifying change of residence; and

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(d) May not include any officer, official, or employee of the city or town or any of their immediate family members. "Immediate family member" as used in this subsection means the parents, spouse, siblings, children, or dependent relatives of the officer, official, or employee, whether or not living in the household of the officer, official, or employee.

- (3) Any change in salary shall be filed by the commission with the city clerk and shall become effective and incorporated into the city or town budget without further action of the city council or salary commission.
- (4) Any change in salary ((increases)) established by the commission shall be effective as to all city or town elected officials, regardless of their terms of office.
- (5) ((Salary decreases established by the commission shall become effective as to incumbent city or town elected officials at the commencement of their next subsequent terms of office.
- (6))) Salary increases and decreases shall be subject to referendum petition by the people of the town or city in the same manner as a city ordinance upon filing of such petition with the city clerk within thirty days after filing of the salary schedule. In the event of the filing of a valid referendum petition, the salary increase or decrease shall not go into effect until approved by vote of the people.
- ((+7)) (6) Referendum measures under this section shall be submitted to the voters of the city or town at the next following general or municipal election occurring thirty days or more after the petition is filed, and shall be otherwise governed by the provisions of the state Constitution, or city charter, or laws generally applicable to referendum measures.
- $((\frac{(8)}{8}))$ <u>(7)</u> The action fixing the salary by a commission established in conformity with this section shall supersede any other provision of state statute or city or town ordinance related to municipal budgets or to the fixing of salaries.
- ((+9)) (8) Salaries for mayors and councilmembers established under an ordinance or charter provision in existence on July 22, 2001, that substantially complies with this section shall remain in effect unless and until changed in accordance with such charter provision or ordinance.

Sec. 2. RCW 36.17.024 and 2001 c 73 s 5 are each amended to read 2 as follows:

- (1) Salaries for county commissioners and councilmembers may be set by county commissioner and councilmember salary commissions established by ordinance or resolution of the county legislative authority and in conformity with this section.
- (2) Commissions established under subsection (1) of this section shall be known as the (Insert name of county) county citizens' commission on salaries for elected officials. Each commission shall consist of ten members appointed by the county commissioner or executive with the approval of the county legislative authority, or by a majority vote of the county legislative authority if there is no single county commissioner or executive, as provided in this section.
- (a) Six of the ten commission members shall be selected by lot by the county auditor from among those registered voters eligible to vote at the time persons are selected for appointment to full terms on the commission under (c) of this subsection. In noncharter counties, the county auditor shall select two commission members living in each commissioner's district. The county auditor shall establish policies and procedures for conducting the selection by lot. The policies and procedures shall include, but not be limited to, those for notifying persons selected and for providing a new selection from a commissioner's district if a person selected from the district declines appointment to the commission or if, following the person's appointment, the person's position on the commission becomes vacant before the end of the person's term of office.
- (b) The remaining four of the ten commission members must be residents of the county and shall be appointed by the county commissioner or executive with approval of the county legislative authority, or by a majority vote of the county legislative authority if there is no single county commissioner or executive. The persons selected under this subsection shall have had experience in the field of personnel management. Of these four members, one shall be selected from each of the following four sectors in the county: Business, professional personnel management, legal profession, and organized labor.
 - (c) If there is a single county commissioner or executive, the

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county auditor shall forward the names of persons selected under (a) of this subsection to the county commissioner or executive who shall appoint these persons to the commission.

- (d) No person may be appointed to more than two terms. No member of the commission may be removed by the county commissioner or executive, or county legislative authority if there is no single county commissioner or executive, during his or her term of office unless for cause of incapacity, incompetence, neglect of duty, or malfeasance in office, or for a disqualifying change of residence.
- (e) The members of the commission may not include any officer, official, or employee of the county or any of their immediate family members. "Immediate family member" as used in this subsection means the parents, spouse, siblings, children, or dependent relatives of the officer, official, or employee, whether or not living in the household of the officer, official, or employee.
- (f) Upon a vacancy in any position on the commission, a successor shall be selected and appointed to fill the unexpired term. The selection and appointment shall be concluded within thirty days of the date the position becomes vacant and shall be conducted in the same manner as for the original appointment.
- (3) Any change in salary shall be filed by the commission with the county auditor and shall become effective and incorporated into the county budget without further action of the county legislative authority or salary commission.
- (4) Any change in salary ((increases)) established by the commission shall be effective as to county commissioners and all members of the county legislative authority, regardless of their terms of office.
- (5) ((Salary decreases established by the commission shall become effective as to incumbent county commissioners and councilmembers at the commencement of their next subsequent terms of office.
- (6))) Salary increases and decreases shall be subject to referendum petition by the people of the county in the same manner as a county ordinance upon filing of such petition with the county auditor within thirty days after filing of the salary schedule. In the event of the filing of a valid referendum petition, the salary increase or decrease shall not go into effect until approved by vote of the people.

((+7)) (6) Referendum measures under this section shall be submitted to the voters of the county at the next following general or municipal election occurring thirty days or more after the petition is filed, and shall be otherwise governed by the provisions of the state Constitution and laws generally applicable to referendum measures.

((8)) (7) The action fixing the salary of a county commissioner or councilmember by a commission established in conformity with this section shall supersede any other provision of state statute or county ordinance related to municipal budgets or to the fixing of salaries of county commissioners and councilmembers.

((+9))) (8) Salaries for county commissioners and councilmembers established under an ordinance or resolution of the county legislative authority in existence on July 22, 2001, that substantially complies with this section shall remain in effect unless and until changed in accordance with such charter provision or ordinance.

Sec. 3. RCW 35.23.091 and 1990 c 212 s 1 are each amended to read as follows:

The mayor and the members of the city council may be reimbursed for actual expenses incurred in the discharge of their official duties, upon presentation of a claim therefor, after allowance and approval thereof, by resolution of the city council; and each city councilmember may be paid for attending council meetings an amount which shall be fixed by ordinance and may be revised from time to time by ordinance, but any increase ((or reduction)) in the compensation attaching to an office shall not be applicable to the term then being served by the incumbent.

The city attorney, clerk and treasurer, if elective, shall severally receive at stated times a compensation to be fixed by ordinance by the city council.

The mayor and other officers shall receive such compensation as may be fixed by the city council at the time the estimates are made as provided by law.

Any city that provides a pension for any of its employees under a plan not administered by the state must notify the state auditor of the existence of the plan at the time of an audit of the city by the auditor. No city may establish a pension plan for its employees that is not administered by the state, except that any defined contribution

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- 1 plan in existence as of January 1, 1990, is deemed to have been
- 2 authorized. No city that provides a defined contribution plan for its
- 3 employees as authorized by this section may make any material changes
- 4 in the terms or conditions of the plan after June 7, 1990.

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Sec. 4. RCW 35A.13.040 and 2009 c 549 s 3021 are each amended to read as follows:

The salaries of the councilmembers, including the mayor, shall be fixed by ordinance and may be revised from time to time by ordinance, but any increase ((or reduction)) in the compensation attaching to an office shall not become effective until the expiration of the term then being served by the incumbent: PROVIDED, That compensation of councilmembers may not be increased ((or diminished)) after their election nor may the compensation of the mayor be increased ((or diminished)) after the mayor has been chosen by the council.

Until councilmembers of a newly organized council-manager code city may lawfully be paid as provided by salary ordinance, such councilmembers shall be entitled to compensation in the same manner and in the same amount as councilmembers of such city prior to the adoption of this council-manager plan.

Until a salary ordinance can be passed and become effective as to elective officers of a newly incorporated code city, the first councilmembers shall be entitled to compensation as follows: In cities having less than five thousand inhabitants -- twenty dollars per meeting for not more than two meetings per month; in cities having more than five thousand but less than fifteen thousand inhabitants -- a salary of one hundred and fifty dollars per calendar month; in cities having more than fifteen thousand inhabitants -- a salary of four hundred dollars per calendar month. A councilmember who is occupying the position of mayor, in addition to his or her salary as a councilmember, shall be entitled, while serving as mayor, to an additional amount per calendar month, or portion thereof, equal to twenty-five percent of the councilmember salary: PROVIDED, That such interim compensation shall remain in effect only until a salary ordinance is passed and becomes effective as to such officers, and the compensation provided herein shall not be construed as fixing the usual compensation of such officers. Councilmembers shall receive reimbursement for their actual and necessary expenses incurred in the performance of the duties of

their office, or the council by ordinance may provide for a per diem allowance. Procedure for approval of claims for expenses shall be as provided by ordinance.

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- **Sec. 5.** RCW 43.03.310 and 2009 c 564 s 925 are each amended to read as follows:
- (1) The citizens' commission on salaries for elected officials shall study the relationship of salaries to the duties of members of the legislature, all elected officials of the executive branch of state government, and all judges of the supreme court, court of appeals, superior courts, and district courts, and shall fix the salary for each respective position.
- (2) Except as provided otherwise in RCW 43.03.305 and this section, the commission shall be solely responsible for its own organization, operation, and action and shall enjoy the fullest cooperation of all state officials, departments, and agencies.
- (3) Members of the commission shall receive no compensation for their services, but shall be eligible to receive a subsistence allowance and travel expenses pursuant to RCW 43.03.050 and 43.03.060.
- (4) The members of the commission shall elect a chair from among their number. The commission shall set a schedule of salaries by an affirmative vote of not less than nine members of the commission.
- (5) The commission shall file its initial schedule of salaries for the elected officials with the secretary of state no later than ((the first Monday in June, 1987, and shall file a schedule)) October 1st biennially ((thereafter)), or more frequently as necessary to implement Article XXX, section 1 of the state Constitution. Each such schedule shall be filed in legislative bill form, shall be assigned a chapter number and published with the session laws of the legislature, and shall be codified by the statute law committee. The signature of the chair of the commission shall be affixed to each schedule submitted to the secretary of state. The chair shall certify that the schedule has been adopted in accordance with the provisions of state law and with the rules, if any, of the commission. Such schedules shall become effective ninety days after the filing thereof, except as provided in Article XXVIII, section 1 of the state Constitution. State laws regarding referendum petitions shall apply to such schedules to the

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1 extent consistent with Article XXVIII, section 1 of the state 2 Constitution.

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- (6) Before the filing of any salary schedule, the commission shall first develop a proposed salary schedule and then hold no fewer than four regular meetings as defined by chapter 42.30 RCW to take public testimony on the proposed schedule within the four months immediately preceding the filing. In the 2009-2011 fiscal biennium, the commission shall hold no more than two regular meetings as defined by chapter 42.30 RCW to take public testimony on the proposed schedule within the four months immediately preceding the filing. At the last public hearing that is held as a regular meeting on the proposed schedule, the commission shall adopt the salary schedule as originally proposed or as amended at that meeting that will be filed with the secretary of state.
- (7) All meetings, actions, hearings, and business of the commission shall be subject in full to the open public meetings act, chapter 42.30 RCW.
- 17 (8) Salaries of the officials referred to in subsection (1) of this 18 section that are in effect on January 12, 1987, shall continue until 19 modified by the commission under this section.
 - NEW SECTION. Sec. 6. This act takes effect if the proposed amendment to Article XXX, section 1 of the state Constitution authorizing salaries of state, county, and municipal officials to be diminished during the term of office is validly submitted to and is approved and ratified by the voters at the next general election. If the proposed amendment is not approved and ratified, this act is void in its entirety.

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