

SENATE BILL REPORT

SB 5296

As of February 17, 2017

Title: An act relating to removing the requirement that an employee must work at least six months before taking vacation leave.

Brief Description: Removing the requirement that an employee must work at least six months before taking vacation leave.

Sponsors: Senators Braun, Ranker and Keiser; by request of Office of Financial Management.

Brief History:

Committee Activity: State Government: 2/03/17, 2/08/17 [DPS-WM].
Ways & Means: 2/20/17.

Brief Summary of Bill

- Allows employees to use leave at any time.
- Changes the leave accrual from days to hours.
- Requires employees work at least six continuous months to have the ability to cash out any accrued vacation leave.

SENATE COMMITTEE ON STATE GOVERNMENT

Majority Report: That Substitute Senate Bill No. 5296 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Miloscia, Chair; Zeiger, Vice Chair; Hunt, Ranking Minority Member; Kuderer and Pearson.

Staff: Melissa Van Gorkom (786-7491)

SENATE COMMITTEE ON WAYS & MEANS

Staff: Amanda Cecil (786-7460)

Background: The Legislature established a leave system for state employees in 1921. State employees receive at least one day of paid vacation leave per month after being in state

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employment for six months. Employees whose employment is terminated by their death, reduction in force, resignation, dismissal, or retirement who have accrued vacation leave may cash out their leave under their contract of employment. State employees may accrue no more than 30 working days of unused vacation leave unless an employee's request for vacation leave is deferred by reason of the convenience of the employer, in which case the accrued unused vacation leave shall be extended for each month the leave was deferred.

Summary of Bill (First Substitute): State employees may use leave at any time if they have an adequate leave balance.

Employees would be allowed to accrue:

- no less than eight hours, instead of one day, of vacation leave with full pay for each month; and
- no more than 240 hours, instead of 30 working days, of unused vacation leave.

Employees must work at least six continuous months to have the ability to cash out any accrued vacation leave.

EFFECT OF CHANGES MADE BY STATE GOVERNMENT COMMITTEE (First Substitute):

- Requires employees work at least six continuous months to have the ability to cash out any accrued vacation leave.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2017.

Staff Summary of Public Testimony on Original Bill (State Government): *The committee recommended a different version of the bill than what was heard.* PRO: The Governor wants to be the employer of choice for employees. This issue came up during collective bargaining but we realized that a change in statute would be necessary and so that is why we are here. We believe that these changes allow employees to deal with unforeseen circumstances during their first month of employment and make us more marketable for recruitment and retention.

OTHER: This came about through contract negotiations that occurred last year and the state agreed to make these changes in their contract and now that change is being brought forward to the legislature for ratification. We have no position on the policy but want to make the committee aware of concerns regarding the process. Contracts should not be allowed to reflect changes that are not authorized under the law.

Persons Testifying (State Government): PRO: Dennis Eagle, WA Federation of State Employees; Scott Merriman, Office of Financial Management; Seamus Petrie, Washington Public Employees Association.

OTHER: Maxford Nelsen, Freedom Foundation.

Persons Signed In To Testify But Not Testifying (State Government): No one.

Staff Summary of Public Testimony on First Substitute (Ways & Means): PRO: This allows employees to manage real life experiences. This provision is in the collective bargaining agreements and requires legislative approval to take effect.

Persons Testifying (Ways & Means): PRO: Senator John Braun, Prime Sponsor; Scott Merriman, Office of Financial Management; Dennis Eagle, Washington Federation of State Employees.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.