
HOUSE BILL 1027

State of Washington

67th Legislature

2021 Regular Session

By Representatives Walsh and Young

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1 AN ACT Relating to reducing the administrative cost of state
2 government during the 2021-2023 fiscal biennium; amending RCW
3 41.06.070, 41.06.500, and 43.03.030; reenacting and amending RCW
4 41.06.133; creating new sections; and declaring an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 41.06.070 and 2019 c 146 s 3 are each amended to
7 read as follows:

8 (1) The provisions of this chapter do not apply to:

9 (a) The members of the legislature or to any employee of, or
10 position in, the legislative branch of the state government including
11 members, officers, and employees of the legislative council, joint
12 legislative audit and review committee, statute law committee, and
13 any interim committee of the legislature;

14 (b) The justices of the supreme court, judges of the court of
15 appeals, judges of the superior courts or of the inferior courts, or
16 to any employee of, or position in the judicial branch of state
17 government;

18 (c) Officers, academic personnel, and employees of technical
19 colleges;

20 (d) The officers of the Washington state patrol;

21 (e) Elective officers of the state;

1 (f) The chief executive officer of each agency;

2 (g) In the departments of employment security and social and
3 health services, the director and the director's confidential
4 secretary; in all other departments, the executive head of which is
5 an individual appointed by the governor, the director, his or her
6 confidential secretary, and his or her statutory assistant directors;

7 (h) In the case of a multimember board, commission, or committee,
8 whether the members thereof are elected, appointed by the governor or
9 other authority, serve ex officio, or are otherwise chosen:

10 (i) All members of such boards, commissions, or committees;

11 (ii) If the members of the board, commission, or committee serve
12 on a part-time basis and there is a statutory executive officer: The
13 secretary of the board, commission, or committee; the chief executive
14 officer of the board, commission, or committee; and the confidential
15 secretary of the chief executive officer of the board, commission, or
16 committee;

17 (iii) If the members of the board, commission, or committee serve
18 on a full-time basis: The chief executive officer or administrative
19 officer as designated by the board, commission, or committee; and a
20 confidential secretary to the chair of the board, commission, or
21 committee;

22 (iv) If all members of the board, commission, or committee serve
23 ex officio: The chief executive officer; and the confidential
24 secretary of such chief executive officer;

25 (i) The confidential secretaries and administrative assistants in
26 the immediate offices of the elective officers of the state;

27 (j) Assistant attorneys general;

28 (k) Commissioned and enlisted personnel in the military service
29 of the state;

30 (l) Inmate, student, and temporary employees, and part-time
31 professional consultants, as defined by the director;

32 (m) Officers and employees of the Washington state fruit
33 commission;

34 (n) Officers and employees of the Washington apple commission;

35 (o) Officers and employees of the Washington state dairy products
36 commission;

37 (p) Officers and employees of the Washington tree fruit research
38 commission;

39 (q) Officers and employees of the Washington state beef
40 commission;

1 (r) Officers and employees of the Washington grain commission;
2 (s) Officers and employees of any commission formed under chapter
3 15.66 RCW;
4 (t) Officers and employees of agricultural commissions formed
5 under chapter 15.65 RCW;
6 (u) Executive assistants for personnel administration and labor
7 relations in all state agencies employing such executive assistants
8 including but not limited to all departments, offices, commissions,
9 committees, boards, or other bodies subject to the provisions of this
10 chapter and this subsection shall prevail over any provision of law
11 inconsistent herewith unless specific exception is made in such law;
12 (v) In each agency with fifty or more employees: Deputy agency
13 heads, assistant directors or division directors, and not more than
14 three principal policy assistants who report directly to the agency
15 head or deputy agency heads;
16 (w) Staff employed by the department of commerce to administer
17 energy policy functions;
18 (x) The manager of the energy facility site evaluation council;
19 (y) A maximum of ten staff employed by the department of commerce
20 to administer innovation and policy functions, including the three
21 principal policy assistants exempted under (v) of this subsection;
22 (z) Staff employed by Washington State University to administer
23 energy education, applied research, and technology transfer programs
24 under RCW 43.21F.045 as provided in RCW 28B.30.900(5);
25 (aa) Officers and employees of the consolidated technology
26 services agency created in RCW 43.105.006 that perform the following
27 functions or duties: Systems integration; data center engineering and
28 management; network systems engineering and management; information
29 technology contracting; information technology customer relations
30 management; and network and systems security;
31 (bb) The executive director of the Washington statewide reentry
32 council.

33 (2) The following classifications, positions, and employees of
34 institutions of higher education and related boards are hereby
35 exempted from coverage of this chapter:

36 (a) Members of the governing board of each institution of higher
37 education and related boards, all presidents, vice presidents, and
38 their confidential secretaries, administrative, and personal
39 assistants; deans, directors, and chairs; academic personnel; and
40 executive heads of major administrative or academic divisions

1 employed by institutions of higher education; principal assistants to
2 executive heads of major administrative or academic divisions; other
3 managerial or professional employees in an institution or related
4 board having substantial responsibility for directing or controlling
5 program operations and accountable for allocation of resources and
6 program results, or for the formulation of institutional policy, or
7 for carrying out personnel administration or labor relations
8 functions, legislative relations, public information, development,
9 senior computer systems and network programming, or internal audits
10 and investigations; and any employee of a community college district
11 whose place of work is one which is physically located outside the
12 state of Washington and who is employed pursuant to RCW 28B.50.092
13 and assigned to an educational program operating outside of the state
14 of Washington;

15 (b) The governing board of each institution, and related boards,
16 may also exempt from this chapter classifications involving research
17 activities, counseling of students, extension or continuing education
18 activities, graphic arts or publications activities requiring
19 prescribed academic preparation or special training as determined by
20 the board: PROVIDED, That no nonacademic employee engaged in office,
21 clerical, maintenance, or food and trade services may be exempted by
22 the board under this provision;

23 (c) Printing craft employees in the department of printing at the
24 University of Washington.

25 (3) In addition to the exemptions specifically provided by this
26 chapter, the director may provide for further exemptions pursuant to
27 the following procedures. The governor or other appropriate elected
28 official may submit requests for exemption to the office of financial
29 management stating the reasons for requesting such exemptions. The
30 director shall hold a public hearing, after proper notice, on
31 requests submitted pursuant to this subsection. If the director
32 determines that the position for which exemption is requested is one
33 involving substantial responsibility for the formulation of basic
34 agency or executive policy or one involving directing and controlling
35 program operations of an agency or a major administrative division
36 thereof, or is a senior expert in enterprise information technology
37 infrastructure, engineering, or systems, the director shall grant the
38 request. The total number of additional exemptions permitted under
39 this subsection shall not exceed one percent of the number of
40 employees in the classified service not including employees of

1 institutions of higher education and related boards for those
2 agencies not directly under the authority of any elected public
3 official other than the governor, and shall not exceed a total of
4 twenty-five for all agencies under the authority of elected public
5 officials other than the governor.

6 (4) The salary and fringe benefits of all positions presently or
7 hereafter exempted except for the chief executive officer of each
8 agency, full-time members of boards and commissions, administrative
9 assistants and confidential secretaries in the immediate office of an
10 elected state official, and the personnel listed in subsections
11 (1)(j) through (t) and (2) of this section, shall be determined by
12 the director. Changes to the classification plan affecting exempt
13 salaries must meet the same provisions for classified salary
14 increases resulting from adjustments to the classification plan as
15 outlined in RCW 41.06.152.

16 (5)(a) Any person holding a classified position subject to the
17 provisions of this chapter shall, when and if such position is
18 subsequently exempted from the application of this chapter, be
19 afforded the following rights: If such person previously held
20 permanent status in another classified position, such person shall
21 have a right of reversion to the highest class of position previously
22 held, or to a position of similar nature and salary.

23 (b) Any classified employee having civil service status in a
24 classified position who accepts an appointment in an exempt position
25 shall have the right of reversion to the highest class of position
26 previously held, or to a position of similar nature and salary.

27 (c) A person occupying an exempt position who is terminated from
28 the position for gross misconduct or malfeasance does not have the
29 right of reversion to a classified position as provided for in this
30 section.

31 (6) For the twenty-four months following the effective date of
32 this section, a salary or wage increase shall not be granted to any
33 position exempt from classification under this chapter.

34 **Sec. 2.** RCW 41.06.133 and 2011 1st sp.s. c 43 s 407 and 2011 1st
35 sp.s. c 39 s 5 are each reenacted and amended to read as follows:

36 (1) The director shall adopt rules, consistent with the purposes
37 and provisions of this chapter and with the best standards of
38 personnel administration, regarding the basis and procedures to be
39 followed for:

1 (a) The reduction, dismissal, suspension, or demotion of an
2 employee;

3 (b) Training and career development;

4 (c) Probationary periods of six to twelve months and rejections
5 of probationary employees, depending on the job requirements of the
6 class, except as follows:

7 (i) Entry-level state park rangers shall serve a probationary
8 period of twelve months; and

9 (ii) The probationary period of campus police officer appointees
10 who are required to attend the Washington state criminal justice
11 training commission basic law enforcement academy shall extend from
12 the date of appointment until twelve months from the date of
13 successful completion of the basic law enforcement academy, or twelve
14 months from the date of appointment if academy training is not
15 required. The director shall adopt rules to ensure that employees
16 promoting to campus police officer who are required to attend the
17 Washington state criminal justice training commission basic law
18 enforcement academy shall have the trial service period extend from
19 the date of appointment until twelve months from the date of
20 successful completion of the basic law enforcement academy, or twelve
21 months from the date of appointment if academy training is not
22 required;

23 (d) Transfers;

24 (e) Promotional preferences;

25 (f) Sick leaves and vacations;

26 (g) Hours of work;

27 (h) Layoffs when necessary and subsequent reemployment, except
28 for the financial basis for layoffs;

29 (i) The number of names to be certified for vacancies;

30 (j) Subject to RCW 41.04.820, adoption and revision of a state
31 salary schedule to reflect the prevailing rates in Washington state
32 private industries and other governmental units. The rates in the
33 salary schedules or plans shall be increased if necessary to attain
34 comparable worth under an implementation plan under RCW 41.06.155
35 and, for institutions of higher education and related boards, shall
36 be competitive for positions of a similar nature in the state or the
37 locality in which an institution of higher education or related board
38 is located. Such adoption and revision is subject to approval by the
39 director of financial management in accordance with chapter 43.88
40 RCW;

1 (k) Increment increases within the series of steps for each pay
2 grade based on length of service for all employees whose standards of
3 performance are such as to permit them to retain job status in the
4 classified service. ~~((From February 18, 2009, through June 30, 2013,~~
5 ~~a salary or wage increase shall not be granted to any exempt position~~
6 ~~under this chapter, except that a salary or wage increase may be~~
7 ~~granted to employees pursuant to collective bargaining agreements~~
8 ~~negotiated under chapter 28B.52, 41.56, 47.64, or 41.76 RCW, and~~
9 ~~except that increases may be granted for positions for which the~~
10 ~~employer has demonstrated difficulty retaining qualified employees if~~
11 ~~the following conditions are met:~~

12 ~~(i) The salary increase can be paid within existing resources;~~

13 ~~(ii) The salary increase will not adversely impact the provision~~
14 ~~of client services; and~~

15 ~~(iii) For any state agency of the executive branch, not including~~
16 ~~institutions of higher education, the salary increase is approved by~~
17 ~~the director of the office of financial management;~~

18 ~~Any agency granting a salary increase from February 15, 2010,~~
19 ~~through June 30, 2011, to a position exempt under this chapter shall~~
20 ~~submit a report to the fiscal committees of the legislature no later~~
21 ~~than July 31, 2011, detailing the positions for which salary~~
22 ~~increases were granted, the size of the increases, and the reasons~~
23 ~~for giving the increases;~~

24 ~~Any agency granting a salary increase from July 1, 2011, through~~
25 ~~June 30, 2013, to a position exempt under this chapter shall submit a~~
26 ~~report to the fiscal committees of the legislature by July 31, 2012,~~
27 ~~and July 31, 2013, detailing the positions for which salary increases~~
28 ~~were granted during the preceding fiscal year, the size of the~~
29 ~~increases, and the reasons for giving the increases)) For the twenty-~~
30 ~~four months following the effective date of this section, no~~
31 ~~increment increases will be granted pursuant to this section;~~

32 (l) Optional lump sum relocation compensation approved by the
33 agency director, whenever it is reasonably necessary that a person
34 make a domiciliary move in accepting a transfer or other employment
35 with the state. An agency must provide lump sum compensation within
36 existing resources. If the person receiving the relocation payment
37 terminates or causes termination with the state, for reasons other
38 than layoff, disability separation, or other good cause as determined
39 by an agency director, within one year of the date of the employment,

1 the state is entitled to reimbursement of the lump sum compensation
2 from the person;

3 (m) Providing for veteran's preference as required by existing
4 statutes, with recognition of preference in regard to layoffs and
5 subsequent reemployment for veterans and their surviving spouses by
6 giving such eligible veterans and their surviving spouses additional
7 credit in computing their seniority by adding to their unbroken state
8 service, as defined by the director, the veteran's service in the
9 military not to exceed five years. For the purposes of this section,
10 "veteran" means any person who has one or more years of active
11 military service in any branch of the armed forces of the United
12 States or who has less than one year's service and is discharged with
13 a disability incurred in the line of duty or is discharged at the
14 convenience of the government and who, upon termination of such
15 service, has received an honorable discharge, a discharge for
16 physical reasons with an honorable record, or a release from active
17 military service with evidence of service other than that for which
18 an undesirable, bad conduct, or dishonorable discharge shall be
19 given. However, the surviving spouse of a veteran is entitled to the
20 benefits of this section regardless of the veteran's length of active
21 military service. For the purposes of this section, "veteran" does
22 not include any person who has voluntarily retired with twenty or
23 more years of active military service and whose military retirement
24 pay is in excess of five hundred dollars per month.

25 (2) Rules adopted under this section by the director shall
26 provide for local administration and management by the institutions
27 of higher education and related boards, subject to periodic audit and
28 review by the director.

29 (3) Rules adopted by the director under this section may be
30 superseded by the provisions of a collective bargaining agreement
31 negotiated under RCW 41.80.001 and 41.80.010 through 41.80.130. The
32 supersession of such rules shall only affect employees in the
33 respective collective bargaining units.

34 (4)(a) The director shall require that each state agency report
35 annually the following data:

36 (i) The number of classified, Washington management service, and
37 exempt employees in the agency and the change compared to the
38 previous report;

39 (ii) The number of bonuses and performance-based incentives
40 awarded to agency staff and the base wages of such employees; and

1 (iii) The cost of each bonus or incentive awarded.

2 (b) A report that compiles the data in (a) of this subsection for
3 all agencies will be provided annually to the governor and the
4 appropriate committees of the legislature and must be posted for the
5 public on the office of financial management's agency web site.

6 (5) From February 15, 2010, until June 30, 2013, no monetary
7 performance-based awards or incentives may be granted by the director
8 or employers to employees covered by rules adopted under this
9 section. This subsection does not prohibit the payment of awards
10 provided for in chapter 41.60 RCW.

11 From July 1, 2011, until June 30, 2013, no performance-based
12 awards or incentives may be granted by the director or employers to
13 employees pursuant to a performance management confirmation granted
14 by the department of personnel under WAC 357-37-055.

15 **Sec. 3.** RCW 41.06.500 and 2011 1st sp.s. c 39 s 6 are each
16 amended to read as follows:

17 (1) Except as provided in RCW 41.06.070 and subject to RCW
18 41.04.820, notwithstanding any other provisions of this chapter, the
19 director is authorized to adopt, after consultation with state
20 agencies and employee organizations, rules for managers as defined in
21 RCW 41.06.022. These rules shall not apply to managers employed by
22 institutions of higher education or related boards or whose positions
23 are exempt. The rules shall govern recruitment, appointment,
24 classification and allocation of positions, examination, training and
25 career development, hours of work, probation, certification,
26 compensation, transfer, affirmative action, promotion, layoff,
27 reemployment, performance appraisals, discipline, and any and all
28 other personnel practices for managers. These rules shall be separate
29 from rules adopted for other employees, and to the extent that the
30 rules adopted under this section apply only to managers shall take
31 precedence over rules adopted for other employees, and are not
32 subject to review by the board.

33 (2) In establishing rules for managers, the director shall adhere
34 to the following goals:

35 (a) Development of a simplified classification system that
36 facilitates movement of managers between agencies and promotes upward
37 mobility;

38 (b) Creation of a compensation system that provides flexibility
39 in setting and changing salaries, and shall require review and

1 approval by the director in the case of any salary changes greater
2 than five percent proposed for any group of employees;

3 (c) Establishment of a performance appraisal system that
4 emphasizes individual accountability for program results and
5 efficient management of resources; effective planning, organization,
6 and communication skills; valuing and managing workplace diversity;
7 development of leadership and interpersonal abilities; and employee
8 development;

9 (d) Strengthening management training and career development
10 programs that build critical management knowledge, skills, and
11 abilities; focusing on managing and valuing workplace diversity;
12 empowering employees by enabling them to share in workplace decision
13 making and to be innovative, willing to take risks, and able to
14 accept and deal with change; promoting a workplace where the overall
15 focus is on the recipient of the government services and how these
16 services can be improved; and enhancing mobility and career
17 advancement opportunities;

18 (e) Permitting flexible recruitment and hiring procedures that
19 enable agencies to compete effectively with other employers, both
20 public and private, for managers with appropriate skills and
21 training; allowing consideration of all qualified candidates for
22 positions as managers; and achieving affirmative action goals and
23 diversity in the workplace;

24 (f) Providing that managers may only be reduced, dismissed,
25 suspended, or demoted for cause; and

26 (g) Facilitating decentralized and regional administration.

27 ~~(3) ((From February 18, 2009, through June 30, 2013, a salary or~~
28 ~~wage increase shall not be granted to any position under this~~
29 ~~section, except that increases may be granted for positions for which~~
30 ~~the employer has demonstrated difficulty retaining qualified~~
31 ~~employees if the following conditions are met:~~

32 ~~(a) The salary increase can be paid within existing resources;~~

33 ~~(b) The salary increase will not adversely impact the provision~~
34 ~~of client services; and~~

35 ~~(c) For any state agency of the executive branch, not including~~
36 ~~institutions of higher education, the salary increase is approved by~~
37 ~~the director of the office of financial management.~~

38 ~~Any agency granting a salary increase from February 15, 2010,~~
39 ~~through June 30, 2011, to a position under this section shall submit~~
40 ~~a report to the fiscal committees of the legislature no later than~~

1 ~~July 31, 2011, detailing the positions for which salary increases~~
2 ~~were granted, the size of the increases, and the reasons for giving~~
3 ~~the increases.~~

4 ~~Any agency granting a salary increase from July 1, 2011, through~~
5 ~~June 30, 2013, to a position under this section shall submit a report~~
6 ~~to the fiscal committees of the legislature by July 31, 2012, and~~
7 ~~July 31, 2013, detailing the positions for which salary increases~~
8 ~~were granted during the preceding fiscal year, the size of the~~
9 ~~increases, and the reasons for giving the increases.~~

10 ~~(4) From February 15, 2010, until June 30, 2013, no monetary~~
11 ~~performance-based awards or growth and development progression~~
12 ~~adjustments may be granted by the director or employers to the~~
13 ~~Washington management service employees covered by the rules adopted~~
14 ~~under this section. This subsection does not prohibit the payment of~~
15 ~~awards provided for in chapter 41.60 RCW.~~

16 ~~From July 1, 2011, until June 30, 2013, no performance-based~~
17 ~~awards or incentives may be granted by the director or employers to~~
18 ~~employees pursuant to a performance management confirmation granted~~
19 ~~by the department of personnel under WAC 357-37-055.~~

20 ~~From July 1, 2011, through June 29, 2013, salaries for all~~
21 ~~positions under this section are subject to RCW 41.04.820.)) For the~~
22 ~~twenty-four months following the effective date of this section, a~~
23 ~~salary or wage increase shall not be granted to any position under~~
24 ~~this section.~~

25 **Sec. 4.** RCW 43.03.030 and 2011 1st sp.s. c 39 s 7 are each
26 amended to read as follows:

27 (1) Wherever the compensation of any appointive state officer or
28 employee is fixed by statute, it may be hereafter increased or
29 decreased in the manner provided by law for the fixing of
30 compensation of other appointive state officers or employees; but
31 this subsection shall not apply to the heads of state departments.

32 (2) Wherever the compensation of any state officer appointed by
33 the governor, or of any employee in any office or department under
34 the control of any such officer, is fixed by statute, such
35 compensation may hereafter, from time to time, be changed by the
36 governor, and he or she shall have power to fix such compensation at
37 any amount not to exceed the amount fixed by statute.

38 (3) ~~((From February 18, 2009, through June 30, 2013, a salary or~~
39 ~~wage increase shall not be granted to any position under this~~

1 ~~section, except that increases may be granted for positions for which~~
2 ~~the employer has demonstrated difficulty retaining qualified~~
3 ~~employees if the following conditions are met:~~

4 ~~(a) The salary increase can be paid within existing resources;~~

5 ~~(b) The salary increase will not adversely impact the provision~~
6 ~~of client services; and~~

7 ~~(c) For any state agency of the executive branch, not including~~
8 ~~institutions of higher education, the salary increase is approved by~~
9 ~~the director of the office of financial management.~~

10 ~~Any agency granting a salary increase from February 15, 2010,~~
11 ~~through June 30, 2011, to a position exempt under this section shall~~
12 ~~submit a report to the fiscal committees of the legislature no later~~
13 ~~than July 31, 2011, detailing the positions for which salary~~
14 ~~increases were granted, the size of the increases, and the reasons~~
15 ~~for giving the increases.~~

16 ~~Any agency granting a salary increase from July 1, 2011, through~~
17 ~~June 30, 2013, to a position exempt under this section shall submit a~~
18 ~~report to the fiscal committees of the legislature by July 31, 2012,~~
19 ~~and July 31, 2013, detailing the positions for which salary increases~~
20 ~~were granted during the preceding fiscal year, the size of the~~
21 ~~increases, and the reasons for giving the increases.~~

22 ~~From July 1, 2011, through June 29, 2013, salaries for all~~
23 ~~positions under this section are subject to RCW 41.04.820.)) For the~~
24 ~~twenty-four months following the effective date of this section, a~~
25 ~~salary or wage increase shall not be granted to any position under~~
26 ~~this section.~~

27 NEW SECTION. Sec. 5. STATE EMPLOYMENT. (1) For the twenty-four
28 months following the effective date of this section, state agencies
29 of the legislative, executive, and judicial branches shall not
30 establish new staff positions or fill vacant existing staff positions
31 except as specifically authorized by this section.

32 (2) The following activities of state agencies are exempt from
33 subsection (1) of this section:

34 (a) Direct custody, supervision, and patient care in corrections,
35 juvenile rehabilitation, institutional care of veterans, the mentally
36 ill, developmentally disabled, state hospitals, the special
37 commitment center, and the schools for the blind and the deaf;

38 (b) Direct protective services to children and other vulnerable
39 populations in the department of social and health services;

- 1 (c) Washington state patrol investigative services and field
2 enforcement;
- 3 (d) Hazardous materials response and emergency cleanup;
- 4 (e) Emergency public health and patient safety response and the
5 public health laboratory;
- 6 (f) Military operations and emergency management within the
7 military department;
- 8 (g) Firefighting;
- 9 (h) Enforcement officers in the department of fish and wildlife,
10 the liquor and cannabis board, the gambling commission, and the
11 department of natural resources;
- 12 (i) Park rangers at the parks and recreation commission;
- 13 (j) Seasonal employment by natural resources agencies to the
14 extent that employment levels do not exceed the prior fiscal year;
- 15 (k) Seasonal employment in the department of transportation
16 maintenance programs to the extent that employment levels do not
17 exceed the prior fiscal year;
- 18 (l) Employees hired on a seasonal basis by the department of
19 agriculture for inspection and certification of agricultural products
20 and for insect detection;
- 21 (m) Activities directly related to tax and fee collection,
22 revenue generation, auditing, and recovery;
- 23 (n) In institutions of higher education, any positions directly
24 related to academic programs, as well as positions not funded from
25 state funds or tuition;
- 26 (o) Operations of the state lottery and liquor and cannabis board
27 business enterprises;
- 28 (p) The unemployment insurance program of the employment security
29 department; and
- 30 (q) Activities that are necessary to receive or maintain federal
31 funds by the state.
- 32 (3) The exemptions specified in subsection (2) of this section do
33 not require the establishment of new staff positions or the filling
34 of vacant existing staff positions in the activities specified.
- 35 (4) Exceptions to this section may be granted under section 9 of
36 this act.

37 NEW SECTION. **Sec. 6.** PERSONAL SERVICES CONTRACTS. For the
38 twenty-four months following the effective date of this section,
39 state agencies of the legislative, executive, and judicial branches

1 shall not enter into any contracts or other agreements for the
2 acquisition of personal services not related to an emergency or other
3 catastrophic event that requires government action to protect life or
4 public safety. This section does not apply to personal services
5 contracts or other agreements for the acquisition of personal
6 services where the costs are funded exclusively from private or
7 federal grants, where the costs are for tax and fee collection, where
8 the costs are for revenue generation and auditing activities, where
9 the costs are necessary to receive or maintain federal funds by the
10 state, or, in institutions of higher education, where the costs are
11 not funded from state funds or tuition. Exceptions to this section
12 may be granted under section 9 of this act. This section does not
13 apply to the unemployment insurance program of the employment
14 security department.

15 NEW SECTION. **Sec. 7.** EQUIPMENT PURCHASES. For the twenty-four
16 months following the effective date of this section, state agencies
17 of the legislative, executive, and judicial branches shall not enter
18 into any contracts or other agreements for the acquisition of any
19 item of equipment the cost of which exceeds five thousand dollars and
20 is not related to an emergency or other catastrophic event that
21 requires government action to protect life or public safety.
22 Exceptions to this section may be granted under section 9 of this
23 act. This section does not apply to the unemployment insurance
24 program of the employment security department, to costs that are for
25 tax and fee collection, for revenue generation and audit activities,
26 for receiving or maintaining federal funds by the state, or, in
27 institutions of higher education, to costs not funded from state
28 funds or tuition.

29 NEW SECTION. **Sec. 8.** STATE EMPLOYEE TRAVEL AND TRAINING. For
30 the twenty-four months following the effective date of this section,
31 state agencies of the legislative, executive, and judicial branches
32 shall not make expenditures for the cost or reimbursement of out-of-
33 state travel or out-of-state training by state employees where the
34 travel or training is not related to (1) an emergency or other
35 catastrophic event that requires government action to protect life or
36 public safety, or (2) direct service delivery, and the travel or
37 training occurs after the effective date of this section and before
38 July 1, 2021. This section does not apply to travel expenditures when

1 the costs are funded exclusively from private or federal grants.
2 Exceptions to this section may be granted under section 9 of this
3 act. This section does not apply to the unemployment insurance
4 program of the employment security department, to costs that are for
5 tax and fee collection, for revenue generation and audit activities,
6 for receiving or maintaining federal funds by the state, or, in
7 institutions of higher education, to costs not funded from state
8 funds or tuition.

9 NEW SECTION. **Sec. 9.** EXCEPTIONS. (1) Exceptions to sections 5
10 through 8 of this act may be granted for the critically necessary
11 work of an agency as provided in this section.

12 (2) For agencies of the executive branch, the exceptions shall be
13 subject to approval by the director of financial management. For
14 agencies of the judicial branch, the exceptions shall be subject to
15 approval of the chief justice of the supreme court. For the house of
16 representatives and the senate, the exceptions shall be subject to
17 approval of the chief clerk of the house of representatives and the
18 secretary of the senate, respectively, under the direction of the
19 senate committee on facilities and operations and the executive rules
20 committee of the house of representatives. For other legislative
21 agencies, the exceptions shall be subject to approval of both the
22 chief clerk of the house of representatives and the secretary of the
23 senate under the direction of the senate committee on facilities and
24 operations and the executive rules committee of the house of
25 representatives.

26 (3) Exceptions approved under subsection (2) of this section
27 shall take effect no sooner than five business days following
28 notification of the chair and ranking minority member of the ways and
29 means committees in the house of representatives and the senate. The
30 person approving exceptions under subsection (2) of this section
31 shall send the exceptions to the legislature for consideration every
32 thirty days from the effective date of this section, or earlier
33 should volume or circumstances so necessitate.

34 NEW SECTION. **Sec. 10.** If any provision of this act or its
35 application to any person or circumstance is held invalid, the
36 remainder of the act or the application of the provision to other
37 persons or circumstances is not affected.

1 NEW SECTION. **Sec. 11.** This act is necessary for the immediate
2 preservation of the public peace, health, or safety, or support of
3 the state government and its existing public institutions, and takes
4 effect immediately.

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