# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## State Government & Tribal Affairs Committee

### **HB 1671**

**Brief Description:** Modifying provisions relating to reclassifications, class studies, and salary adjustments.

**Sponsors:** Representative Green; by request of Department of Personnel.

#### **Brief Summary of Bill**

- Replaces Washington Personnel Resources Board (Board) with the Director of Personnel (Director) in all of RCW 41.06.152.
- Modifies and gives authority to the Director to define the criteria used to adopt classification revisions, class studies, and salary adjustments.
- Deletes the subsections that describe the Board's functions in classification revisions, class studies, and salary adjustments.

**Hearing Date:** 2/16/07

**Staff:** Alison Hellberg (786-7152).

#### **Background:**

The Personnel System Reform Act (Act) was enacted in 2002. The Act restructured the state civil service system, created a new option for the state to competitively contract work done by state employees, and expanded collective bargaining to include wages and benefits. As part of the restructuring of the state civil service system, the Act transferred rule-making authority from the Washington Personnel Resources Board to the Department of Personnel, transferred appeal authority from the Personnel Appeals Board to the Washington Personnel Resources Board, and abolished the Personnel Appeals Board.

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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.

The Director must also adopt and revise a comprehensive classification plan for all positions in the classified service. When an agency requests revisions, class studies, or salary adjustments, the Director may only adopt the revisions that are due to documented:

- recruitment and retention difficulties;
- salary compression or inversion;
- increased duties and responsibilities; or
- inequities, defined as similar work assigned to different job classes with a salary disparity greater than 7.5 percent.

The Office of Financial Management (OFM) must review the agency's fiscal impact statement and concur that the cost of the revisions can be absorbed by the agency.

When the costs of revisions cannot be absorbed by an agency, the Board may submit a prioritized list of reclassifications, class studies, and salary adjustments to the Governor's Office and the fiscal committees of the Legislature. The Legislature may establish a level of funding to be applied by the Board to the prioritized list.

#### **Summary of Bill:**

The Director shall adopt only those job classification revisions, class studies, and salary adjustments that, as defined by the Director, are due to:

- documented recruitment or retention difficulties;
- salary compression or inversion;
- classification plan maintenance;
- higher level duties and responsibilities; or
- inequities.

The OFM must also have reviewed the affected agency's fiscal impact statement and concurred that the affected agency can absorb the cost of the reclassification, class study, or salary adjustment.

The Board is replaced with the Director throughout RCW 41.06.152. The subsections dealing with the following issues are repealed:

- The procedure the Board follows for classification revisions, class studies, or salary adjustments that cannot be absorbed by an agency; and
- The 1999-2001 biennium.

**Appropriation:** None.

Fiscal Note: Available.

**Effective Date:** The bill takes effect 90 days after adjournment of session in which bill is passed.