## 6444-S.E AMH HINK PRIN 261

ESSB 6444 - H AMD TO H AMD (H-5483.2/10) 1340 By Representative Hinkle

NOT ADOPTED 3/05/2010

1 On page 243, after line 30, insert the following:

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3 "<u>NEW SECTION.</u> Sec. 715. A new section is added to 2009 c 564 4 (uncodified) to read as follows:

5 The legislature finds that the governor's 2010 supplemental 6 operating budget request contains requests for funds to implement the 7 compensation and fringe benefits provisions of the bargaining 8 agreements negotiated with state employees following the conclusion of 9 the 2009 legislative session. As provided for in RCW 41.80.010(3)(b), 10 those requests for funds are hereby rejected as a whole.

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12 <u>NEW SECTION.</u> Sec. 716. A new section is added to 2009 c 564 13 (uncodified) to read as follows:

14 The appropriations for state agencies, including institutions of 15 higher education, are subject to the following conditions and 16 limitations: Appropriations are reduced to reflect changes to agency 17 appropriations to reflect savings resulting from changes to employee 18 compensation made by this section. The office of financial management 19 shall update agency appropriations schedules to reflect the changes to 20 funding levels in this section:

 1 negotiated under chapters 28B.52, 41.56, 47.64, 41.76 RCW, or 2 collective bargaining agreements negotiated by the nonprofit 3 corporation formed under chapter 67.40 RCW, except that a salary 4 increase may be granted for a position for which the employer has 5 demonstrated difficulty in retaining qualified employees if the 6 following conditions are met:

7 (a) The salary increase can be paid within existing resources; and
8 (b) The salary increase will not adversely impact the delivery of
9 client services.

10 (2) From the effective date of this act through June 30, 2011, a 11 salary or wage increase shall not be granted to any position exempt 12 from classification under this chapter, except that a salary increase 13 may be granted for a position for which the employer has demonstrated 14 difficulty in retaining qualified employees if the following 15 conditions are met:

(a) The salary increase can be paid within existing resources; and
(b) The salary increase will not adversely impact the delivery of
client services.

19 (3) Any agency granting a salary increase from the effective date 20 of this act through June 30, 2011, to a position classified or exempt 21 from classification under this chapter, shall submit a report to the 22 fiscal committees of the legislature no later than July 31, 2011, 23 detailing the positions for which salary increases were granted, the 24 size of the increases, and the reasons for giving the increases.

25 (4) This section expires July 1, 2011."

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27 Renumber remaining sections consecutively, correct internal 28 references accordingly, and correct the title.

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**EFFECT:** Rejects funding for the compensation and fringe benefit provisions of the collective bargaining agreements negotiated after the 2009 legislative session. Prohibits salary and wage increases for exempt employees from the effective date of the act until the end of the 09-11 fiscal biennium, and for employees

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covered by collective bargaining agreements from July 1, 2010, through the end of the biennium. Provides an exception for qualified employees that are demonstrated to be difficult to retain if certain conditions are met. Agencies must report their use of this exception to the fiscal committees of the Legislature by July 31, 2011.

## FISCAL IMPACT:

Reduces General Fund-State by \$6,596,000. Reduces Other Funds by \$9,526,000.

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