(DIGEST AS ENACTED)

Reduces base salaries by three percent for state employees of the executive, legislative, and judicial branches, except for: (1) Elected officials whose salaries are set by the commission on salaries for elected officials;

- (2) Employees at higher education institutions;
- (3) Certificated employees of the state school for the blind and the center for childhood deafness and hearing loss;
- (4) Commissioned officers of the Washington state patrol represented by the state patrol troopers association and the Washington state patrol lieutenants association;
- (5) Represented ferry workers of the department of transportation; and
- (6) Employees whose monthly full-time equivalent salary is less than two thousand five hundred dollars per month.

Authorizes and encourages state elected officials of the executive branch to voluntarily reduce their salary.

Authorizes and encourages employers of the executive, legislative, and judicial branches to implement a salary reduction for employees exempt from the salary reduction requirements.

Requires higher education institutions to achieve compensation reductions as specifically set forth in the 2011-2013 fiscal biennium omnibus appropriations act.

Authorizes certain agencies and higher education institutions to grant wage or salary increases under certain circumstances.

Requires the director of the department of personnel and the director of the department of retirement systems to adopt rules as necessary to implement the temporary salary reductions.