
SUBSTITUTE HOUSE BILL 2090

State of Washington

55th Legislature

1997 Regular Session

By House Committee on Higher Education (originally sponsored by Representatives Schoesler, Dyer, D. Sommers, Carrell, Linville, Sterk, Parlette and Doumit)

Read first time 03/05/97.

1 AN ACT Relating to community and technical college employees;
2 amending RCW 41.04.340; adding a new section to chapter 28B.50 RCW; and
3 creating a new section.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 28B.50 RCW
6 to read as follows:

7 (1) Unless the context clearly requires otherwise, the definitions
8 in this subsection apply throughout this section.

9 (a) "Employer" means the board of trustees for each college
10 district or the state board for community and technical colleges.

11 (b) "Eligible employee" means an employee of a college district or
12 the state board for community and technical colleges who belongs to one
13 of the following classifications:

14 (i) Academic employees as defined in RCW 28B.52.020;

15 (ii) Classified employees of technical colleges whose employment is
16 governed under chapter 41.56 RCW;

17 (iii) Professional, paraprofessional, and administrative employees
18 exempt from chapter 41.06 RCW; and

1 (iv) Employees of the state board for community and technical
2 colleges who are exempt from chapter 41.06 RCW.

3 (2) An attendance incentive program is established for all eligible
4 employees of a college district or the state board for community and
5 technical colleges entitled to accumulate sick leave and for whom
6 accurate sick leave records have been maintained. An eligible employee
7 may not receive compensation under this section for a portion of sick
8 leave accumulated at a rate in excess of one day per month.

9 (3) In January of the year following a year in which a minimum of
10 sixty days of sick leave is accrued, and each following January, an
11 eligible employee may exercise an option to receive remuneration for
12 unused sick leave accumulated in the previous year at a rate equal to
13 one day's monetary compensation of the employee for each four full days
14 of accrued sick leave in excess of sixty days. Sick leave for which
15 compensation has been received shall be deducted from accrued sick
16 leave at the rate of four days for every one day's monetary
17 compensation.

18 (4) At the time of separation from employment with a college
19 district or the state board for community and technical colleges due to
20 retirement or death, an eligible employee or the employee's estate may
21 receive remuneration at a rate equal to one day's current monetary
22 compensation of the employee for each four full days' accrued sick
23 leave.

24 (5) In lieu of remuneration for unused sick leave at retirement as
25 provided in subsection (4) of this section, an employer may, with
26 equivalent funds, provide eligible employees with a benefit plan that
27 provides reimbursement for medical expenses. For employees whose
28 conditions of employment are governed by chapter 28B.52 or 41.56 RCW,
29 such benefit plans shall be instituted only by agreement applicable to
30 the members of a bargaining unit. A benefit plan adopted must require,
31 as a condition of participation under the plan, that the employee sign
32 an agreement with the employer. The agreement must include a provision
33 to hold the employer harmless should the United States government find
34 that the employer or the employee is in debt to the United States as a
35 result of the employee not paying income taxes due on the equivalent
36 funds placed into the plan, or as a result of the employer not
37 withholding or deducting a tax, assessment, or other payment on the
38 funds as required under federal law. The agreement must also include
39 a provision that requires an eligible employee to forfeit remuneration

1 under subsection (4) of this section if the employee belongs to a unit
2 that has been designated to participate in the benefit plan permitted
3 under this subsection and the employee refuses to execute the required
4 agreement.

5 (6) Remuneration or benefits received under this section are not
6 included for the purposes of computing a retirement allowance under a
7 public retirement system in this state.

8 (7) The state board for community and technical colleges shall
9 adopt uniform rules to carry out the purposes of this section. The
10 rules shall define categories of eligible employees. The categories of
11 eligible employees are subject to approval by the office of financial
12 management. The rules shall also require that each employer maintain
13 complete and accurate sick leave records for all eligible employees.

14 (8) Should the legislature revoke a remuneration or benefit granted
15 under this section, an affected employee is not then entitled to
16 receive the benefits as a matter of contractual right.

17 **Sec. 2.** RCW 41.04.340 and 1993 c 281 s 17 are each amended to read
18 as follows:

19 (1) An attendance incentive program is established for all eligible
20 employees. As used in this section the term "eligible employee" means
21 any employee of the state, other than eligible employees of the
22 community and technical colleges and the state board for community and
23 technical colleges identified in section 1 of this act, and teaching
24 and research faculty at the state and regional universities and The
25 Evergreen State College, entitled to accumulate sick leave and for whom
26 accurate sick leave records have been maintained. No employee may
27 receive compensation under this section for any portion of sick leave
28 accumulated at a rate in excess of one day per month. The state and
29 regional universities and The Evergreen State College shall maintain
30 complete and accurate sick leave records for all teaching and research
31 faculty.

32 (2) In January of the year following any year in which a minimum of
33 sixty days of sick leave is accrued, and each January thereafter, any
34 eligible employee may receive remuneration for unused sick leave
35 accumulated in the previous year at a rate equal to one day's monetary
36 compensation of the employee for each four full days of accrued sick
37 leave in excess of sixty days. Sick leave for which compensation has

1 been received shall be deducted from accrued sick leave at the rate of
2 four days for every one day's monetary compensation.

3 (3) At the time of separation from state service due to retirement
4 or death, an eligible employee or the employee's estate may elect to
5 receive remuneration at a rate equal to one day's current monetary
6 compensation of the employee for each four full days of accrued sick
7 leave.

8 (4) Pursuant to this subsection, in lieu of cash remuneration the
9 state may, with equivalent funds, provide eligible employees with a
10 benefit plan providing for reimbursement of medical expenses. The
11 committee for deferred compensation shall develop any benefit plan
12 established under this subsection, but may offer and administer the
13 plan only if (a) each eligible employee has the option of whether to
14 receive cash remuneration or to have his or her employer transfer
15 equivalent funds to the plan; and (b) the committee has received an
16 opinion from the United States internal revenue service stating that
17 participating employees, prior to the time of receiving reimbursement
18 for expenses, will incur no United States income tax liability on the
19 amount of the equivalent funds transferred to the plan.

20 (5) Remuneration or benefits received under this section shall not
21 be included for the purpose of computing a retirement allowance under
22 any public retirement system in this state.

23 (6) With the exception of subsection (4) of this section, this
24 section shall be administered, and rules shall be adopted to carry out
25 its purposes, by the Washington personnel resources board for persons
26 subject to chapter 41.06 RCW: PROVIDED, That determination of classes
27 of eligible employees shall be subject to approval by the office of
28 financial management.

29 (7) Should the legislature revoke any remuneration or benefits
30 granted under this section, no affected employee shall be entitled
31 thereafter to receive such benefits as a matter of contractual right.

32 NEW SECTION. **Sec. 3.** If any part of section 1(5) of this act is
33 found to be in conflict with federal tax laws or rulings or regulations
34 of the federal internal revenue service, the conflicting part of
35 section 1(5) of this act is inoperative solely to the extent of the
36 conflict and such finding shall not affect the remainder of this act.

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