

# FINAL BILL REPORT

## SSB 5988

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Synopsis as Enacted

**Brief Description:** Establishing compensation levels for certain employees of the state investment board.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Snyder, McDonald, Spanel, Winsley, Prentice and Jacobsen; by request of State Investment Board).

**Senate Committee on Ways & Means**  
**House Committee on Appropriations**

**Background:** The State Investment Board (SIB) invests and manages 29 state trust and retirement funds with a current market value of \$58 billion. The funds are categorized into six types: retirement, deferred compensation program, insurance, permanent, advanced college tuition program, and other trusts. For this purpose, the SIB employs investment officers. Compensation levels for the confidential secretary and all investment officers, including the deputy director for investment management, are currently established by the Washington Personnel Resources Board. The SIB sets the salary for the executive director of the board.

**Summary:** The State Investment Board is authorized to set compensation levels for the executive director, a confidential secretary and all investment officers, by conducting a biennial survey of compensation levels at other state investment boards of similar size. The Joint Legislative Audit and Review Committee reviews the survey. The SIB is authorized to maintain a retention pool, from the earnings managed by the board, to use for salary increases for investment officers. Funds for salary increases may not, on average, exceed 5 percent. The SIB must notify the director of the Department of Personnel, the director of Financial Management and the chairs of the House of Representatives and Senate fiscal committees at least 60 days before the effective date of the proposed changes to compensation levels. The authority of the State Committee on Agency Officials' Salaries to review the salary for the chief executive officer of the State Finance Committee is deleted.

**Votes on Final Passage:**

Senate	48	0	
House	94	2	(House amended)
Senate			(Senate refused to concur)
House	96	2	(House amended)
Senate	40	0	(Senate concurred)

**Effective:** July 22, 2001