
Ways & Means Committee

ESSB 5460

Brief Description: Reducing the administrative cost of state government during the 2007-2009 and 2009-2011 fiscal biennia.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Tom, Zarelli, Prentice, Hewitt and Kline).

Brief Summary of Engrossed Substitute Bill

- Prohibits state agencies from creating new positions or filling vacant positions, with some exceptions.
- Limits salary increases for certain state employees and limits equipment, travel, and personal services contracts.

Hearing Date: 2/3/09

Staff: Charlie Gavigan (786-7340)

Background:

The programs and functions of state government are administered by numerous state agencies and institutions, the costs of which are appropriated by the Legislature. These administrative costs include expenditures for salaries, wages, equipment, personal services contracts, and state employee travel and training.

The salaries and wages of state employees in positions that are classified under the State Civil Service Act are subject to collective bargaining agreements. The salaries and wages of other nonelected employees are determined by their employing agency, the Governor, or the state Department of Personnel.

Summary of Bill:

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.

For the 12 months following the enactment of this legislation, state agencies are prohibited from granting salary or wage increases to any employees who are exempt from classification under the State Civil Service Act.

Until July 1, 2009, state agencies are prohibited from establishing new employee positions or filling existing vacant employee positions. Exceptions are provided for specified functions directly related to public health and safety, law enforcement, revenue collections, and seasonal employment in natural resources agencies and the Department of Transportation maintenance program.

Until July 1, 2009, state agencies are prohibited from signing new contracts for personal services not related to an emergency or not funded from private or federal grants.

Until July 1, 2009, state agencies are prohibited from acquiring items of equipment exceeding \$1,000 and not relating to an emergency.

Until July 1, 2009, state agencies are prohibited from making expenditures for state employee out-of-state travel or training not related to an emergency or direct service delivery. Travel costs paid from private or federal grants are not affected.

The hiring, equipment, travel, training, and personal services contract restrictions do not apply to the unemployment insurance program.

In institutions of higher education, the restrictions on hiring, personal service contracts, equipment, travel, and training do not apply if the costs are not paid from state funds or tuition.

Exceptions to the prohibitions relating to hiring, contracts, equipment, travel, and training may be granted for executive branch agencies by the Director of Financial Management after two days' notice to the legislative fiscal committees. For the legislative and judicial branches, exceptions may be granted by the Secretary of the Senate, Chief Clerk of the House, and the Chief Justice, respectively.

To reflect the expenditure reductions in the act, the Office of Financial Management is directed to reduce allotments of appropriations from all state funds and accounts to state agencies for the remainder of the 2007-09 fiscal biennium. The allotment reduction of appropriations from the state General Fund and related funds for each agency is specified in a document compiled by the Legislative Evaluation and Accountability Program Committee on January 22, 2009, which document is incorporated by reference in the act.

The act applies to all agencies, offices, and institutions of the executive, legislative, and judicial branches of state government.

Appropriation: None.

Fiscal Note: Requested on January 31, 2009.

Effective Date: The bill contains an emergency clause and takes effect immediately.