
SUBSTITUTE SENATE BILL 5048

State of Washington

54th Legislature

1995 Regular Session

By Senate Committee on Government Operations (originally sponsored by Senators Haugen, Winsley and Pelz)

Read first time 02/08/95.

1 AN ACT Relating to disclosure of compensation for local government
2 chief administrative officers; adding a new section to chapter 42.16
3 RCW; and creating new sections.

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

5 NEW SECTION. **Sec. 1.** It is the policy of the legislature that
6 citizens have a right to know the total compensation that is paid to
7 local government chief administrative officers.

8 NEW SECTION. **Sec. 2.** A new section is added to chapter 42.16 RCW
9 to read as follows:

10 (1)(a) All local governments shall fully disclose in their adopted
11 budget the total compensation to be paid or provided to chief
12 administrative officers when that total exceeds one hundred thousand
13 dollars in any one calendar year. The one hundred thousand dollar
14 amount shall be adjusted annually based on the governmental price index
15 established by the department of revenue under RCW 82.14.200. The
16 disclosure must be on a separate page in the budget and must include
17 the employee's name, title, and a list of the compensation elements and
18 their respective dollar amounts or values. Those items of compensation

1 listed that are not available to all employees must be identified. Any
2 change in compensation for the chief administrative officer not
3 available to all employees must be identified as an agenda item and
4 disclosed at an open public meeting.

5 (b) After a chief administrative officer is retained, a local
6 government shall disclose, as an agenda item at an open public meeting,
7 the terms and conditions of employment when the total compensation will
8 exceed one hundred thousand dollars in any one calendar year. The
9 terms and conditions disclosed shall include:

- 10 (i) Compensation;
11 (ii) Moving expenses paid;
12 (iii) Terms of a separation agreement including severance pay; and
13 (iv) Any other nonrecurring expenses.

14 (c) Upon termination of a chief administrative officer subject to
15 (a) of this subsection, the local government shall disclose, as an
16 agenda item at an open public meeting, the terms and conditions of any
17 separation agreement, including severance pay, costs of outplacement
18 counseling, and any other compensation.

19 (2)(a) For the purposes of this section, "local government" means
20 a city, town, county, special purpose district, school district, or
21 other municipal corporation or quasi-municipal corporation.

22 (b) For the purposes of this section, "chief administrative
23 officer" means that person who has general administrative
24 responsibility over the affairs of the local government as determined
25 by the legislative authority, the elected executive of the local
26 government, or the board of directors of a school district and any
27 person who has general administrative responsibility of a function of
28 the local government when that person is appointed by a governing board
29 or other authority that is appointed by the elected executive of the
30 local government or the legislative authority of the local government.

31 (3) For the purposes of this section, "compensation" includes, but
32 is not limited to, the annual dollar value of the following cash and
33 noncash compensation:

- 34 (a) Base salary and benefits, listed separately, available to all
35 employees;
36 (b) Perquisites and other personal benefits;
37 (c) Deferred compensation or deferred tax annuities;
38 (d) Performance incentives;
39 (e) Contributions to trusts or retirement plans;

- 1 (f) Insurance premiums;
- 2 (g) Vehicle allowances or vehicles furnished to the employee;
- 3 (h) Tax or financial planning services;
- 4 (i) Health, recreation, professional, service, or social
- 5 organization membership dues;
- 6 (j) Annuities; and
- 7 (k) Child and elder care services.

8 NEW SECTION. **Sec. 3.** The state auditor shall establish and
9 consult with a temporary committee to develop definitions and
10 guidelines that meet the intent and requirements of section 2 of this
11 act. The committee shall include but not be limited to representatives
12 from local government as defined in section 2 of this act. Definitions
13 and guidelines under this section shall be established before September
14 1, 1995.

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