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**SUBSTITUTE SENATE BILL 5994**

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**State of Washington**

**54th Legislature**

**1995 Regular Session**

**By** Senate Committee on Ways & Means (originally sponsored by Senators West, Moyer, Deccio, Hochstatter, Oke, Finkbeiner, Palmer, Winsley, Johnson, Schow, Hale and Strannigan)

Read first time 03/06/95.

1 AN ACT Relating to the state employee attendance incentive program;  
2 and amending RCW 41.04.340.

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

4 **Sec. 1.** RCW 41.04.340 and 1993 c 281 s 17 are each amended to read  
5 as follows:

6 (1) An attendance incentive program is established for all eligible  
7 employees.

8 (2) As used in this section, the term "eligible employee" means any  
9 employee of the state, other than teaching and research faculty at the  
10 state and regional universities and The Evergreen State College,  
11 entitled to accumulate sick leave and for whom accurate sick leave  
12 records have been maintained, if the employee is paid an annual salary  
13 that is less than the salary paid to classified employees at step K,  
14 range 55 as identified in the state salary schedule adopted under  
15 chapter 41.06 RCW.

16 (3) No employee may receive compensation under this section for any  
17 portion of sick leave accumulated at a rate in excess of one day per  
18 month. The state and regional universities and The Evergreen State

1 College shall maintain complete and accurate sick leave records for all  
2 teaching and research faculty.

3 ~~((+2))~~ (4) In January of the year following any year in which a  
4 minimum of sixty days of sick leave is accrued, and each January  
5 thereafter, any eligible employee may receive remuneration for unused  
6 sick leave accumulated in the previous year at a rate equal to one  
7 day's monetary compensation of the employee for each four full days of  
8 accrued sick leave in excess of sixty days. Sick leave for which  
9 compensation has been received shall be deducted from accrued sick  
10 leave at the rate of four days for every one day's monetary  
11 compensation. Remuneration may be paid only for sick leave accrued  
12 during those months of the previous year while occupying an eligible  
13 job classification.

14 ~~((+3))~~ (5) At the time of separation from state service due to  
15 retirement or death, an eligible employee or the employee's estate may  
16 elect to receive remuneration at a rate equal to one day's current  
17 monetary compensation of the employee for each four full days of  
18 accrued sick leave.

19 ~~((+4))~~ (6) Pursuant to this subsection, in lieu of cash  
20 remuneration the state may, with equivalent funds, provide eligible  
21 employees with a benefit plan providing for reimbursement of medical  
22 expenses. The committee for deferred compensation shall develop any  
23 benefit plan established under this subsection, but may offer and  
24 administer the plan only if (a) each eligible employee has the option  
25 of whether to receive cash remuneration or to have his or her employer  
26 transfer equivalent funds to the plan; and (b) the committee has  
27 received an opinion from the United States internal revenue service  
28 stating that participating employees, prior to the time of receiving  
29 reimbursement for expenses, will incur no United States income tax  
30 liability on the amount of the equivalent funds transferred to the  
31 plan.

32 ~~((+5))~~ (7) Remuneration or benefits received under this section  
33 shall not be included for the purpose of computing a retirement  
34 allowance under any public retirement system in this state.

35 ~~((+6))~~ (8) With the exception of subsection ~~((+4))~~ (6) of this  
36 section, this section shall be administered, and rules shall be adopted  
37 to carry out its purposes, by the Washington personnel resources board  
38 for persons subject to chapter 41.06 RCW: PROVIDED, That determination  
39 of classes of eligible employees shall be subject to approval by the

1 office of financial management. In January of each year, each agency  
2 of the state shall provide written notification of the benefits  
3 available under this section to the eligible employees of the agency.

4 ((+7)) (9) Should the legislature revoke any remuneration or  
5 benefits granted under this section, no affected employee shall be  
6 entitled thereafter to receive such benefits as a matter of contractual  
7 right.

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