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ENGROSSED SUBSTITUTE HOUSE BILL 1509

State of Washington 53rd Legislature 1993 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Locke, Sommers, Silver, Jacobsen, Ludwig and Bray)

Read first time 03/08/93.

1 AN ACT Relating to increasing flexibility of institutions of higher 2 education to manage personnel, construction, purchasing, printing, and 3 tuition; amending RCW 43.19.190, 43.19.1906, 43.78.030, 43.78.100, 4 43.78.110, 28B.50.330, 28B.10.350, 28B.10.355, 39.04.020, 39.04.150, 28B.15.031, 28B.15.202, 28B.15.402, 28B.15.502, 41.56.100, 28B.16.040, 5 28B.16.100, and 28B.16.200; reenacting and amending RCW 41.56.030; 6 7 adding a new section to chapter 28B.10 RCW; adding a new section to chapter 43.78 RCW; adding a new section to chapter 28B.15 RCW; adding 8 new sections to chapter 41.56 RCW; adding a new section to chapter 9 10 28B.16 RCW; creating new sections; repealing RCW 28B.15.824 and 28B.16.230; making an appropriation; providing an effective date; and 11 12 declaring an emergency.

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

14 NEW SECTION. Sec. 1. The legislature acknowledges the academic 15 freedom of institutions of higher education, and seeks to improve their 16 efficiency and effectiveness in carrying out their missions. By this legislature intends to increase the 17 flexibility of institutions of higher education to manage personnel, construction, 18 purchasing, printing, and tuition. 19

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PART I

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PURCHASING, PRINTING, AND CONSTRUCTION AUTHORITY

3 <u>NEW SECTION.</u> **Sec. 101.** A new section is added to chapter 28B.10 4 RCW to read as follows:

- 5 (1) An institution of higher education may exercise independently 6 otherwise granted to the director of powers general 7 administration in chapter 43.19 RCW in connection with the purchase and disposition of all material, supplies, services, and equipment needed 8 for the support, maintenance, and use of the respective institution of 10 education. Property disposition policies institutions of higher education shall be consistent with policies 11 12 followed by the department of general administration. Purchasing policies and procedures followed by institutions of higher education 13 14 shall be in compliance with chapters 39.19, 39.29, and 43.03 RCW, and 15 43.19.1901, 43.19.1906, 43.19.1911, 43.19.1917, 43.19.1937, 43.19.534, 43.19.685, 43.19.700 through 43.19.704, and 43.19.550 16 through 43.19.637. The community and technical colleges shall comply 17 18 with RCW 43.19.450. Except for the University of Washington, 19 institutions of higher education shall comply with RCW 43.19.1935, 43.19.19363, and 43.19.19368. If an institution of higher education 20 can satisfactorily demonstrate to the director of the office of 21 financial management that the cost of compliance is greater than the 22 23 value of benefits from any of the following statutes, then it shall be 24 exempt from them: RCW 43.19.685; 43.19.534; and 43.19.637. 25 institution of higher education that chooses to exercise independent purchasing authority for a commodity or group of commodities shall 26 notify the director of general administration. Thereafter the director 27 of general administration shall not be required to provide those 28 29 services for that institution for the duration of the general 30 administration contract term for that commodity or group commodities. 31
- (2) An institution of higher education may exercise independently those powers otherwise granted to the public printer in chapter 43.78 RCW in connection with the production or purchase of any printing and binding needed by the respective institution of higher education. Purchasing policies and procedures followed by institutions of higher education shall be in compliance with chapter 39.19 RCW. Any institution of higher education that chooses to exercise independent

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- l printing production or purchasing authority shall notify the public
- 2 printer. Thereafter the public printer shall not be required to
- 3 provide those services for that institution.

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4 **Sec. 102.** RCW 43.19.190 and 1991 c 238 s 135 are each amended to 5 read as follows:

6 The director of general administration, through the state 7 purchasing and material control director, shall:

- (1) Establish and staff such administrative organizational units within the division of purchasing as may be necessary for effective administration of the provisions of RCW 43.19.190 through 43.19.1939;
- administration of the provisions of RCW 43.19.190 through 43.19.1939; 10 (2) Purchase all material, supplies, services, and equipment needed 11 12 for the support, maintenance, and use of all state institutions, colleges, community colleges, technical colleges, college districts, 13 14 and universities, the offices of the elective state officers, the supreme court, the court of appeals, the administrative and other 15 departments of state government, and the offices of all appointive 16 officers of the state: PROVIDED, That the provisions of RCW 43.19.190 17 18 through 43.19.1937 do not apply in any manner to the operation of the 19 state legislature except as requested by said legislature: PROVIDED, That primary authority for the purchase of specialized equipment, 20 instructional, and research material for their own use shall rest with 21 the colleges, community colleges, and universities: PROVIDED FURTHER, 22 23 That universities operating hospitals and the state purchasing and 24 material control director, as the agent for state hospitals as defined in RCW 72.23.010, and for health care programs provided in state 25 26 correctional institutions as defined in RCW 72.65.010(3) and veterans' 27 institutions as defined in RCW 72.36.010 and 72.36.070, may make purchases for hospital operation by participating in contracts for 28 supplies, and equipment entered into 29 materials, by nonprofit 30 cooperative hospital ((service)) group purchasing organizations ((as defined in section 501(e) of the Internal Revenue Code, or its 31 32 successor)): PROVIDED FURTHER, That primary authority for the purchase 33 of materials, supplies, and equipment for resale to other than public 34 agencies shall rest with the state agency concerned: PROVIDED FURTHER, That authority to purchase services as included herein does not apply 35 36 to personal services as defined in chapter 39.29 RCW, unless such 37 organization specifically requests assistance from the division of 38 purchasing in obtaining personal services and resources are available

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- 1 within the division to provide such assistance: PROVIDED FURTHER, That
- 2 the authority for the purchase of insurance and bonds shall rest with
- 3 the risk manager under RCW 43.19.1935 ((as now or hereafter amended)):
- 4 PROVIDED FURTHER, That, except for the authority of the risk manager to
- 5 purchase insurance and bonds, the director is not required to provide
- 6 purchasing services for institutions of higher education that choose to
- 7 <u>exercise independent purchasing authority under section 101 of this</u>
- 8 <u>act</u>;
- 9 (3) Provide the required staff assistance for the state supply 10 management advisory board through the division of purchasing;
- 11 (4) Have authority to delegate to state agencies authorization to
- 12 purchase or sell, which authorization shall specify restrictions as to
- 13 dollar amount or to specific types of material, equipment, services,
- 14 and supplies: PROVIDED, That acceptance of the purchasing
- 15 authorization by a state agency does not relieve such agency from
- 16 conformance with other sections of RCW 43.19.190 through 43.19.1939,
- 17 ((as now or hereafter amended,)) or from policies established by the
- 18 director after consultation with the state supply management advisory
- 19 board: PROVIDED FURTHER, That delegation of such authorization to a
- 20 state agency, including an educational institution to which this
- 21 <u>section applies</u>, to purchase or sell material, equipment, services, and
- 22 supplies shall not be granted, or otherwise continued under a previous
- 23 authorization, if such agency is not in substantial compliance with
- 24 overall state purchasing and material control policies as established
- 25 herein;
- 26 (5) Contract for the testing of material, supplies, and equipment
- 27 with public and private agencies as necessary and advisable to protect
- 28 the interests of the state;
- 29 (6) Prescribe the manner of inspecting all deliveries of supplies,
- 30 materials, and equipment purchased through the division;
- 31 (7) Prescribe the manner in which supplies, materials, and
- 32 equipment purchased through the division shall be delivered, stored,
- 33 and distributed;
- 34 (8) Provide for the maintenance of a catalogue library,
- 35 manufacturers' and wholesalers' lists, and current market information;
- 36 (9) Provide for a commodity classification system and may, in
- 37 addition, provide for the adoption of standard specifications after
- 38 receiving the recommendation of the supply management advisory board;

- 1 (10) Provide for the maintenance of inventory records of supplies, 2 materials, and other property;
- 3 (11) Prepare rules and regulations governing the relationship and 4 procedures between the division of purchasing and state agencies and 5 vendors;
- 6 (12) Publish procedures and guidelines for compliance by all state 7 agencies, including <u>those</u> educational institutions <u>to which this</u> 8 <u>section applies</u>, which implement overall state purchasing and material 9 control policies;
- 10 (13) Conduct periodic visits to state agencies, including those 11 educational institutions to which this section applies, to determine if 12 statutory provisions and supporting purchasing and material control 13 policies are being fully implemented, and based upon such visits, take 14 corrective action to achieve compliance with established purchasing and 15 material control policies under existing statutes when required.
- 16 **Sec. 103.** RCW 43.19.1906 and 1992 c 85 s 1 are each amended to 17 read as follows:

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- Insofar as practicable, all purchases and sales shall be based on competitive bids, and a formal sealed bid procedure shall be used as standard procedure for all purchases and contracts for purchases and sales executed by the state purchasing and material control director and under the powers granted by RCW 43.19.190 through 43.19.1939((, as now or hereafter amended)). This requirement also applies to purchases and contracts for purchases and sales executed by agencies, including educational institutions, under delegated authority granted in accordance with provisions of RCW 43.19.190 ((as now or hereafter amended)) or under section 101 of this act. However, formal sealed bidding is not necessary for:
- 29 (1) Emergency purchases made pursuant to RCW 43.19.200 if the 30 sealed bidding procedure would prevent or hinder the emergency from 31 being met appropriately;
- (2) Purchases not exceeding five thousand dollars, or subsequent limits as calculated by the office of financial management: PROVIDED, That the state director of general administration shall establish procedures to assure that purchases made by or on behalf of the various state agencies shall not be made so as to avoid the five thousand dollar bid limitation, or subsequent bid limitations as calculated by the office of financial management: PROVIDED FURTHER, That the state

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purchasing and material control director is authorized to reduce the 1 formal sealed bid limits of five thousand dollars, or subsequent limits 2 as calculated by the office of financial management, to a lower dollar 3 4 amount for purchases by individual state agencies((, including purchases of specialized equipment, instructional, and research 5 equipment and materials by colleges and universities,)) if considered 6 7 necessary to maintain full disclosure of competitive procurement or 8 otherwise to achieve overall state efficiency and economy in purchasing 9 and material control. Quotations from four hundred dollars to five 10 thousand dollars, or subsequent limits as calculated by the office of financial management, shall be secured from enough vendors to assure 11 establishment of a competitive price and may be obtained by telephone 12 or written quotations, or both. Immediately after the award is made, 13 the bid quotations obtained shall be recorded and open to public 14 15 inspection and shall be available by telephone inquiry. A record of competition for all such purchases from four hundred dollars to five 16 17 thousand dollars, or subsequent limits as calculated by the office of financial management, shall be documented for audit purposes on a 18 19 standard state form approved by the forms management center under the provisions of RCW 43.19.510. Purchases up to four hundred dollars may 20 be made without competitive bids based on buyer experience and 21 knowledge of the market in achieving maximum quality at minimum cost: 22 PROVIDED, That this four hundred dollar direct buy limit without 23 24 competitive bids may be increased incrementally as required to a 25 maximum of eight hundred dollars with the approval of at least ten of 26 the members of the state supply management advisory board, if warranted 27 by increases in purchasing costs due to inflationary trends; 28

- (3) Purchases which are clearly and legitimately limited to a single source of supply and purchases involving special facilities, services, or market conditions, in which instances the purchase price may be best established by direct negotiation;
- 32 (4) Purchases of insurance and bonds by the risk management office 33 under RCW 43.19.1935 ((as now or hereafter amended));
 - (5) Purchases and contracts for vocational rehabilitation clients of the department of social and health services: PROVIDED, That this exemption is effective only when the state purchasing and material control director, after consultation with the director of the division of vocational rehabilitation and appropriate department of social and health services procurement personnel, declares that such purchases may

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- be best executed through direct negotiation with one or more suppliers
 in order to expeditiously meet the special needs of the state's
 vocational rehabilitation clients;
- 4 (6) Purchases by universities for hospital operation or biomedical 5 teaching or research purposes and by the state purchasing and material control director, as the agent for state hospitals as defined in RCW 6 7 72.23.010, and for health care programs provided in state correctional 8 institutions as defined in RCW 72.65.010(3) and veterans' institutions 9 as defined in RCW 72.36.010 and 72.36.070, made by participating in 10 contracts for materials, supplies, and equipment entered into by 11 <u>nonprofit</u> cooperative hospital ((service)) group purchasing 12 organizations ((as defined in section 501(e) of the Internal Revenue 13 Code, or its successor));

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- (7) Purchases by institutions of higher education not exceeding fifteen thousand dollars ((that are funded by research grant or contract funds, or other nonstate appropriated funds)): PROVIDED, That for purchases between two thousand five hundred dollars and fifteen thousand dollars quotations shall be secured from enough vendors to assure establishment of a competitive price and may be obtained by telephone or written quotations, or both. A record of competition for all such purchases made from two thousand five hundred to fifteen thousand dollars shall be documented for audit purposes ((on a standard state form approved by the forms management center under provisions of RCW 43.19.510)); and
- 25 (8) Beginning on July 1, $((\frac{1989}{1995}))$ and on July 1 of each succeeding odd-numbered year, the ((five thousand)) dollar limits 26 specified in ((subsection (2) of)) this section shall be adjusted as 27 The office of financial management shall calculate such 28 limits by adjusting the previous biennium's limits by the appropriate 29 30 federal inflationary index reflecting the rate of inflation for the previous biennium. Such amounts shall be rounded to the nearest one 31 hundred dollars. 32
- 33 **Sec. 104.** RCW 43.78.030 and 1988 c 102 s 1 are each amended to 34 read as follows:
- The public printer shall print and bind the session laws, the journals of the two houses of the legislature, all bills, resolutions, documents, and other printing and binding of either the senate or house, as the same may be ordered by the legislature; and such forms,

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blanks, record books, and printing and binding of every description as 1 may be ordered by all state officers, boards, commissions, and 2 institutions, and the supreme court, and the court of appeals and 3 officers thereof, as the same may be ordered on requisition, from time 4 to time, by the proper authorities. This section shall not apply to 5 the printing of the supreme court and the court of appeals reports, 6 7 ((or)) to the printing of bond certificates or bond offering disclosure 8 documents, or to any printing done or contracted for by institutions of 9 higher education: PROVIDED, That institutions of higher education, in consultation with the public printer, develop vendor selection 10 procedures comparable to those used by the public printer for 11 contracted printing jobs. Where any institution or institution of 12 13 higher learning of the state is or may become equipped with facilities for doing such work, it may do any printing: (1) For itself, or (2) 14 15 for any other state institution when such printing is done as part of 16 a course of study relative to the profession of printer. Any printing 17 and binding of whatever description as may be needed by any ((institution of higher learning,)) institution or agency of the state 18 19 department of social and health services not at Olympia, or the supreme 20 court or the court of appeals or any officer thereof, the estimated cost of which shall not exceed one thousand dollars, may be done by any 21 22 private printing company in the general vicinity within the state of 23 Washington so ordering, if in the judgment of the officer of the agency 24 so ordering, the saving in time and processing justifies the award to 25 such local private printing concern. ((Further, where any printing or 26 binding needed by an institution of higher education is to be paid for 27 from research grant or contract funds, short course revenues, or other nonstate appropriated funding source, such printing or binding may be 28 29 done by any private printing company in the state of Washington, 30 irrespective of the dollar limit specified in this section, when in the 31 judgment of the officer of the institution so ordering, the saving in time or cost justifies the award to such local private printing 32 33 concern.)) 34

Beginning on July 1, 1989, and on July 1 of each succeeding oddnumbered year, the dollar limit specified in this section shall be adjusted as follows: The office of financial management shall calculate such limit by adjusting the previous biennium's limit by an appropriate federal inflationary index reflecting the rate of inflation

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- 1 for the previous biennium. Such amounts shall be rounded to the
- 2 nearest fifty dollars.
- 3 <u>NEW SECTION.</u> **Sec. 105.** A new section is added to chapter 43.78
- 4 RCW to read as follows:
- 5 The public printer may use the state printing plant for the
- 6 purposes of printing or furnishing materials under RCW 43.78.100 if an
- 7 interlocal agreement under chapter 39.34 RCW has been executed between
- 8 an institution of higher education and the public printer.
- 9 Sec. 106. RCW 43.78.100 and 1965 c 8 s 43.78.100 are each amended
- 10 to read as follows:
- 11 The public printer shall furnish all paper, stock, and binding
- 12 materials required in all public work, and shall charge the same to the
- 13 state, as it is actually used, at the actual price at which it was
- 14 purchased plus five percent for waste, insurance, storage, and
- 15 handling. This section does not apply to institutions of higher
- 16 <u>education</u>.
- 17 **Sec. 107.** RCW 43.78.110 and 1982 c 164 s 3 are each amended to
- 18 read as follows:
- 19 Whenever in the judgment of the public printer certain printing,
- 20 ruling, binding, or supplies can be secured from private sources more
- 21 economically than by doing the work or preparing the supplies in the
- 22 state printing plant, ((he)) the public printer may obtain such work or
- 23 supplies from such private sources. ((The public printer shall notify
- 24 day training centers, group training homes, and sheltered workshops
- 25 providing printing and related trade services under RCW 43.19.532 of
- 26 the opportunity to bid on the provision of such work or supplies under
- 27 this section.))
- In event any work or supplies are secured on behalf of the state
- 29 under this section the state printing plant shall be entitled to add up
- 30 to five percent to the cost thereof to cover the handling of the orders
- 31 which shall be added to the bills and charged to the respective
- 32 authorities ordering the work or supplies. The five percent handling
- 33 charge shall not apply to contracts with institutions of higher
- 34 <u>education</u>.

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1 **Sec. 108.** RCW 28B.50.330 and 1991 c 238 s 48 are each amended to 2 read as follows:

3 The boards of trustees of college districts are empowered in 4 accordance with the provisions of this chapter to provide for the construction, reconstruction, erection, equipping, demolition, and 5 major alterations of buildings and other capital assets, and the 6 7 acquisition of sites, rights-of-way, easements, improvements, or 8 appurtenances for the use of the aforementioned colleges as authorized 9 by the college board in accordance with RCW 28B.50.140; to be financed 10 by bonds payable out of special funds from revenues hereafter derived from income received from such facilities, gifts, bequests, or grants, 11 12 and such additional funds as the legislature may provide, and payable out of a bond retirement fund to be established by the respective 13 14 district boards in accordance with rules and regulations of the state 15 board. With respect to building, improvements, or repairs, or other 16 work, where the estimated cost exceeds ((fifteen)) twenty-five thousand 17 dollars, complete plans and specifications for such work shall be prepared ((and such work shall be prepared)) and such work shall be put 18 19 out for public bids and the contract shall be awarded to the lowest 20 responsible bidder if in accordance with the bid specifications: That when such building, construction, renovation, 21 PROVIDED, remodeling, or demolition involves one trade or craft area and the 22 estimated cost exceeds ten thousand dollars, complete plans and 23 24 specifications for such work shall be prepared and such work shall be put out for public bids, and the contract shall be awarded to the 25 26 lowest responsible bidder if in accordance with the bid specifications. This subsection shall not apply when a contract is awarded by the small 27 works procedure authorized in RCW 39.04.150: PROVIDED FURTHER, That 28 any project regardless of dollar amount may be put to public bid. 29

- Where the estimated cost to any college of any building, improvements, or repairs, or other work, is less than ((five)) twenty-five thousand dollars, the publication requirements of RCW 39.04.020 ((and 39.04.070)) shall be inapplicable.
- 34 **Sec. 109.** RCW 28B.10.350 and 1985 c 152 s 1 are each amended to 35 read as follows:
- 36 (1) When the cost to The Evergreen State College, any regional 37 university, or state university, of any building, construction, 38 renovation, remodeling, or demolition other than maintenance or repairs

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will equal or exceed the sum of twenty-five thousand dollars, complete 2 plans and specifications for such work shall be prepared and such work shall be put out for public bids and the contract shall be awarded to 3 4 lowest responsible bidder if in accordance with the bid PROVIDED, That when the estimated cost of such 5 specifications: building, construction, renovation, remodeling, or demolition equals or 6 7 exceeds the sum of twenty-five thousand dollars, such project shall be 8 deemed a public works and "the prevailing rate of wage," under chapter 9 39.12 RCW shall be applicable thereto: PROVIDED FURTHER, That when such building, construction, renovation, remodeling, or demolition 10 involves one trade or craft area and the estimated cost exceeds ten 11 thousand dollars, complete plans and specifications for such work shall 12 13 be prepared and such work shall be put out for public bids, and the contract shall be awarded to the lowest responsible bidder if in 14 15 accordance with the bid specifications. This subsection shall not 16 apply when a contract is awarded by the small works procedure 17 authorized in RCW 28B.10.355.

(2) The Evergreen State College, any regional university, or state university may require a project to be put to public bid even when it is not required to do so under subsection (1) of this section.

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- (3) Where the estimated cost to The Evergreen State College, any regional university, or state university of any building, construction, renovation, remodeling, or demolition is less than twenty-five thousand dollars or the contract is awarded by the small works procedure authorized in RCW 28B.10.355, the publication requirements of RCW 39.04.020 ((and 39.04.090)) shall be inapplicable.
- (4) In the event of any emergency when the public interest or property of The Evergreen State College, regional university, or state university would suffer material injury or damage by delay, the president of such college or university may declare the existence of such an emergency and reciting the facts constituting the same may waive the requirements of this section with reference to any contract in order to correct the condition causing the emergency: PROVIDED, That an "emergency," for the purposes of this section, means a condition likely to result in immediate physical injury to persons or to property of such college or university in the absence of prompt remedial action or a condition which immediately impairs the institution's ability to perform its educational obligations.

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1 Sec. 110. RCW 28B.10.355 and 1985 c 152 s 2 are each amended to 2 read as follows:

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Each board of regents of the state universities and each board of trustees of the regional universities and The Evergreen State College may establish a small works roster. The small works roster authorized by this section may be used for any public works project for which the estimated cost is less than ((fifty)) one hundred thousand dollars. Each board shall adopt rules to implement this section.

9 The roster shall be composed of all responsible contractors who have requested to be on the list. Each board shall establish a procedure for securing telephone or written quotations from the contractors on the small works roster to assure establishment of a 12 competitive price and for awarding contracts to the lowest responsible bidder. This procedure shall require either that a good faith effort 14 be made to request quotations from all contractors on the small works roster who have indicated the capability of performing the kind of public works being contracted or that the board shall solicit quotations from at least five contractors in a manner that will 19 equitably distribute the opportunity among contractors on the roster. Immediately after an award is made, the bid quotations obtained shall be recorded, open to public inspection and available by telephone inquiry. Each board may adopt a procedure to prequalify contractors for inclusion on the small works roster. No board may be required to make available for public inspection or copying under chapter 42.17 RCW financial information required to be provided by the prequalification procedure. 26

27 The small works roster shall be revised at least once each year by publishing notice of such opportunity in at least one newspaper of 28 29 general circulation in the state. Responsible contractors shall be 30 added to the list at any time they submit a written request.

RCW 39.04.020 and 1986 c 282 s 2 are each amended to 31 Sec. 111. read as follows: 32

33 Whenever the state((-)) or any municipality shall determine that 34 any public work is necessary to be done, it shall cause plans, specifications, or both thereof and an estimate of the cost of such 35 36 work to be made and filed in the office of the director, supervisor, commissioner, trustee, board, or agency having by law the authority to 37 require such work to be done. The plans, specifications, and estimates 38

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of cost shall be approved by the director, supervisor, commissioner, 1 trustee, board, or agency and the original draft or a certified copy filed in such office before further action is taken.

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4 If the state((τ)) or such municipality shall determine that it is 5 necessary or advisable that such work shall be executed by any means or method other than by contract or by a small works roster process, and 6 it shall appear by such estimate that the probable cost of executing 7 8 such work will exceed the sum of fifteen thousand dollars or the 9 amounts specified in RCW 28B.10.350 or 28B.10.355 for colleges and 10 universities, or the amounts specified in RCW 28B.50.330 or 39.04.150 for community colleges and technical colleges, then the state or such 11 12 municipality shall at least fifteen days before beginning work cause 13 such estimate, together with a description of the work, to be published at least once in a legal newspaper of general circulation published in 14 15 or as near as possible to that part of the county in which such work is 16 PROVIDED, That when any emergency shall require the 17 immediate execution of such public work, upon a finding of the existence of such emergency by the authority having power to direct 18 19 such public work to be done and duly entered of record, publication of 20 description and estimate may be made within seven days after the commencement of the work. 21

22 Sec. 112. RCW 39.04.150 and 1988 c 36 s 12 are each amended to 23 read as follows:

- 24 (1) As used in this section, "agency" means the department of 25 general administration, the department of fisheries, the department of wildlife, and the state parks and recreation commission. 26
- (2) In addition to any other power or authority that an agency may 27 28 have, each agency, alone or in concert, may establish a small works 29 roster consisting of all qualified contractors who have requested to be 30 included on the roster.
 - small works roster may make distinctions between (3) The contractors based on the geographic areas served and the nature of the work the contractor is qualified to perform. At least once every year, the agency shall advertise in a newspaper of general circulation the existence of the small works roster and shall add to the roster those contractors who request to be included on the roster.
- (4) Construction, repair, or alteration projects estimated to cost 37 less than fifty thousand dollars, or less than one hundred thousand 38

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- dollars for projects managed by the department of general 1 administration for community colleges and technical colleges, as 2 defined under chapter 28B.50 RCW, are exempt from the requirement that 3 4 the contracts be awarded after advertisement and competitive bid as defined by RCW 39.04.010. In lieu of advertisement and competitive 5 bid, the agency shall solicit at least five quotations, confirmed in 6 7 writing, from contractors chosen by random number generated by computer 8 from the contractors on the small works roster for the category of job 9 type involved and shall award the work to the party with the lowest quotation or reject all quotations. If the agency is unable to solicit 10 11 quotations from five qualified contractors on the small works roster for a particular project, then the project shall be advertised and 12 13 competitively bid. The agency shall solicit quotations randomly from contractors on the small works roster in a manner which will equitably 14 15 distribute the opportunity for these contracts among contractors on the roster: PROVIDED, That whenever possible, the agency shall invite at 16 17 least one proposal from a minority contractor who shall otherwise qualify to perform such work. Immediately after an award is made, the 18 19 bid quotations obtained shall be recorded, open to public inspection, 20 and available by telephone request.
- (5) The breaking down of any public work or improvement into units or accomplishing any public work or improvement by phases for the purpose of avoiding the minimum dollar amount for bidding is contrary to public policy and is prohibited.
 - (6) The director of general administration shall adopt by rule a procedure to prequalify contractors for inclusion on the small works roster. Each agency shall follow the procedure adopted by the director of general administration. No agency shall be required to make available for public inspection or copying under chapter 42.17 RCW financial information required to be provided by the prequalification procedure.
- 32 (7) An agency may adopt by rule procedures to implement this 33 section which shall not be inconsistent with the procedures adopted by 34 the director of the department of general administration pursuant to 35 subsection (6) of this section.

36 PART II

LOCAL TUITION AUTHORITY

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1 **Sec. 201.** RCW 28B.15.031 and 1987 c 15 s 2 are each amended to 2 read as follows:

3 The term "operating fees" as used in this chapter shall include the 4 fees, other than building fees, charged all students registering at the 5 state's colleges and universities but shall not include fees for short courses, self-supporting degree credit programs and courses, marine 6 7 station work, experimental station work, correspondence or extension 8 courses, and individual instruction and student deposits or rentals, 9 disciplinary and library fines, which colleges and universities shall 10 have the right to impose, laboratory, gymnasium, health, and student activity fees, or fees, charges, rentals, and other income derived from 11 12 any or all revenue producing lands, buildings and facilities of the 13 colleges or universities heretofore or hereafter acquired, constructed or installed, including but not limited to income from rooms, 14 15 dormitories, dining rooms, hospitals, infirmaries, housing or student 16 activity buildings, vehicular parking facilities, land, or the 17 appurtenances thereon, or such other special fees as may be established by any college or university board of trustees or regents from time to 18 19 time. All moneys received as operating fees at any institution of 20 higher education shall be ((transmitted to the state treasurer within thirty-five days of receipt to be deposited in the state general fund)) 21 deposited in a local account containing only operating fees revenue and 22 23 <u>related interest</u>: PROVIDED, That two and one-half percent of ((moneys 24 received as)) operating fees ((be exempt from such deposit and)) shall 25 be retained by the institutions for the purposes of RCW 28B.15.820((÷ 26 PROVIDED FURTHER, That money received by institutions of higher 27 education from the periodic payment plan authorized by RCW 28B.15.411 28 shall be transmitted to the state treasurer within five days following the close of registration of the appropriate quarter or semester)). 29

30 **Sec. 202.** RCW 28B.15.202 and 1992 c 231 s 7 are each amended to 31 read as follows:

Tuition fees and maximum services and activities fees at the 33 University of Washington and at Washington State University for other 34 than the summer term shall be as follows:

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(1) For full time resident undergraduate students and all other full time resident students not in graduate study programs or enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, and doctor of veterinary medicine, the total tuition

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- fees shall be ((thirty-three percent)) one-third of the per student undergraduate educational costs at the state universities computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for each academic year shall be ((one hundred and twenty dollars)) six percent of total tuition fees.
- (2) For full time resident graduate and law students not enrolled 6 7 in programs leading to the degrees of doctor of medicine, doctor of 8 dental surgery, and doctor of veterinary medicine, the total tuition 9 fees shall be twenty-three percent of the per student graduate 10 educational costs at the state universities computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for each 11 academic year shall be ((one hundred and twenty dollars)) four percent 12 13 of total tuition fees.
- (3) For full time resident students enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, and doctor of veterinary medicine, the total tuition fees shall be one hundred sixty-seven percent of such fees charged in subsection (2) of this section: PROVIDED, That the building fees for each academic year shall be ((three hundred and forty-two dollars)) six percent of total tuition fees.
 - (4) For full time nonresident undergraduate students and such other full time nonresident students not in graduate study programs or enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, or doctor of veterinary medicine, the total tuition fees shall be one hundred percent of the per student undergraduate educational costs at the state universities computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for each academic year shall be ((three hundred and fifty-four dollars)) six percent of total tuition fees.
 - (5) For full time nonresident graduate and law students not enrolled in programs leading to the degrees of doctor of medicine, doctor of dental surgery, and doctor of veterinary medicine, the total tuition fees shall be sixty percent of the per student graduate educational costs at the state universities computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for each academic year shall be ((three hundred and fifty-four dollars)) four percent of total tuition fees.
- 38 (6) For full time nonresident students enrolled in programs leading 39 to the degrees of doctor of medicine, doctor of dental surgery, and

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- doctor of veterinary medicine, the total tuition fees shall be one hundred sixty-seven percent of such fees charged in subsection (5) of this section: PROVIDED, That the building fees for each academic year shall be ((five hundred and fifty-five dollars)) four percent of total tuition fees.
- (7) The governing boards of the state universities shall charge to 6 7 and collect from each student, a services and activities fee. 8 governing board may increase the existing fee annually, consistent with 9 budgeting procedures set forth in RCW 28B.15.045, by a percentage not 10 to exceed the annual percentage increase in resident undergraduate tuition fees: PROVIDED, That such percentage increase shall not apply 11 12 to that portion of the services and activities fee previously committed 13 to the repayment of bonded debt. The services and activities fee committee provided for in RCW 28B.15.045 may initiate a request to the 14 15 governing board for a fee increase.
- 16 **Sec. 203.** RCW 28B.15.402 and 1992 c 231 s 10 are each amended to 17 read as follows:
- Tuition fees and maximum services and activities fees at the regional universities and The Evergreen State College for other than the summer term shall be as follows:
- (1) For full time resident undergraduate students and all other full time resident students not in graduate study programs, the total tuition fees shall be twenty-five percent of the per student undergraduate educational costs at the regional universities computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for each academic year shall be ((seventy-six dollars and fifty cents)) five percent of total tuition fees.
- (2) For full time resident graduate students, the total tuition fees shall be twenty-three percent of the per student graduate educational costs at the regional universities computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for each academic year shall be ((seventy-six dollars and fifty cents)) three percent of total tuition fees.
- 34 (3) For full time nonresident undergraduate students and all other 35 full time nonresident students not in graduate study programs, the 36 total tuition fees shall be one hundred percent of the per student 37 undergraduate educational costs at the regional universities computed 38 as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the

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- building fees for each academic year shall be ((two hundred and
 ninety-five dollars and fifty cents)) five percent of total tuition
 fees.
- 4 (4) For full time nonresident graduate students, the total tuition 5 fees shall be seventy-five percent of the per student graduate 6 educational costs at the regional universities computed as provided in 7 RCW 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for each academic year shall be ((two hundred and ninety-five dollars and fifty cents)) four percent of total tuition fees.
- 10 (5) The governing boards of each of the regional universities and The Evergreen State College shall charge to and collect from each 11 student, a services and activities fee. The governing board may 12 13 increase the existing fee annually, consistent with budgeting procedures set forth in RCW 28B.15.045, by a percentage not to exceed 14 the annual percentage increase in resident undergraduate tuition fees: 15 16 PROVIDED, That such percentage increase shall not apply to that portion 17 of the services and activities fee previously committed to the repayment of bonded debt. The services and activities fee committee 18 19 provided for in RCW 28B.15.045 may initiate a request to the governing board for a fee increase. 20
- 21 **Sec. 204.** RCW 28B.15.502 and 1992 c 231 s 11 are each amended to 22 read as follows:
- Tuition fees and maximum services and activities fees at each community college for other than the summer term shall be set by the state board for community and technical colleges as follows:
- (1) For full time resident students, the total tuition fees shall be twenty-three percent of the per student educational costs at the community colleges computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for each academic year shall be ((one hundred and twenty-seven dollars and fifty cents)) fourteen percent of total tuition fees.
- (2) For full time nonresident students, the total tuition fees shall be one hundred percent of the per student educational costs at the community colleges computed as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for each academic year shall be ((four hundred and three dollars and fifty cents)) ten percent of total tuition fees.

- (3) The governing boards of each of the state community colleges 1 shall charge to and collect from each student a services and activities 2 3 Each governing board may increase the existing fee annually, 4 consistent with budgeting procedures set forth in RCW 28B.15.045, by a 5 percentage not to exceed the annual percentage increase in resident student tuition fees: PROVIDED, That such percentage increase shall 6 7 not apply to that portion of the services and activities fee previously committed to the repayment of bonded debt. The services and activities 8 9 fee committee provided for in RCW 28B.15.045 may initiate a request to 10 the governing board for a fee increase.
- 11 (4) Tuition and services and activities fees consistent with 12 subsection (3) of this section shall be set by the state board for 13 community and technical colleges for summer school students unless the 14 community college charges fees in accordance with RCW 28B.15.515.
- Subject to the limitations of RCW 28B.15.910, each governing board may charge such fees for ungraded courses, noncredit courses, community services courses, and self-supporting courses as it, in its discretion, may determine, consistent with the rules and regulations of the state board for community and technical colleges.
- Before June 30, 1995, no individual waiver program under this section may be reduced by more than twice the percentage reduction required in operating fee foregone revenue from tuition waivers in the biennial state appropriations act.
- NEW SECTION. Sec. 205. A new section is added to chapter 28B.15 RCW to read as follows:
- 26 It is the intent of the legislature that:
- In making appropriations from the state's general fund to 28 institutions of higher education, each appropriation shall conform to 29 the following:
- (1) The appropriation shall be reduced by the amount of operating fees revenue estimated to be collected from students enrolled at the state-funded enrollment level specified in the omnibus biennial operating appropriations act and the estimated interest on operating fees revenue, minus obligations under RCW 28B.15.820 and 43.99I.040 and minus the amount of waived operating fees authorized under RCW 28B.15.910;
- 37 (2) The appropriation shall not be reduced by the amount of 38 operating fees revenue collected from students enrolled above the

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- 1 state-funded level, but within the over-enrollment limitations,
- 2 specified in the omnibus biennial operating appropriations act; and
- 3 (3) The general fund state appropriation shall not be reduced by
- 4 the amount of operating fees revenue collected as a result of waiving
- 5 less operating fees revenue than the amounts authorized under RCW
- 6 28B.15.910.
- 7 NEW SECTION. Sec. 206. RCW 28B.15.824 and 1992 c 231 s 36 are
- 8 each repealed.
- 9 PART III
- 10 EMPLOYMENT RELATIONS
- 11 <u>NEW SECTION.</u> **Sec. 301.** A new section is added to chapter 41.56
- 12 RCW to read as follows:
- In addition to the entities listed in RCW 41.56.020, this chapter
- 14 shall apply to institutions of higher education with respect to the
- 15 employees classified under chapter 28B.16 RCW or covered by a
- 16 bargaining agreement under section 304(2) of this act.
- 17 Sec. 302. RCW 41.56.030 and 1992 c 36 s 2 and 1991 c 363 s 119 are
- 18 each reenacted and amended to read as follows:
- 19 As used in this chapter:
- 20 (1) "Public employer" means any officer, board, commission,
- 21 council, <u>institution of higher education</u>, or other person or body
- 22 acting on behalf of any public body governed by this chapter as
- 23 designated by RCW 41.56.020, 41.56.022, 41.56.024, and section 301 of
- 24 this act, or any subdivision of such public body. For the purposes of
- 25 this section, the public employer of district court or superior court
- 26 employees for wage-related matters is the respective county legislative
- 27 authority, or person or body acting on behalf of the legislative
- 28 authority, and the public employer for nonwage-related matters is the
- 29 judge or judge's designee of the respective district court or superior
- 30 court.
- 31 (2) "Public employee" means any employee of a public employer
- 32 except any person (a) elected by popular vote, or (b) appointed to
- 33 office pursuant to statute, ordinance or resolution for a specified
- 34 term of office by the executive head or body of the public employer, or
- 35 (c) whose duties as deputy, administrative assistant or secretary

- necessarily imply a confidential relationship to the executive head or 1 2 body of the applicable bargaining unit, or any person elected by popular vote or appointed to office pursuant to statute, ordinance or 3 4 resolution for a specified term of office by the executive head or body of the public employer, or (d) who is a personal assistant to a 5 district court judge, superior court judge, or court commissioner. For 6 7 the purpose of (d) of this subsection, no more than one assistant for 8 each judge or commissioner may be excluded from a bargaining unit.
- 9 (3) "Bargaining representative" means any lawful organization which 10 has as one of its primary purposes the representation of employees in 11 their employment relations with employers.
- 12 (4) "Collective bargaining" means the performance of the mutual 13 obligations of the public employer and the exclusive bargaining representative to meet at reasonable times, to confer and negotiate in 14 15 good faith, and to execute a written agreement with respect to grievance procedures and collective negotiations on personnel matters, 16 17 including wages, hours and working conditions, which may be peculiar to an appropriate bargaining unit of such public employer, except that by 18 19 such obligation neither party shall be compelled to agree to a proposal 20 or be required to make a concession unless otherwise provided in this chapter. In the case of the Washington state patrol, "collective 21 bargaining" shall not include wages and wage-related matters. 22 institutions of higher education, "collective bargaining" shall not 23 24 include employee benefits provided under chapters 41.05 and 41.40 RCW, 25 including issues of eligibility.
 - (5) "Commission" means the public employment relations commission.
- 27 (6) "Executive director" means the executive director of the 28 commission.

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- (7) "Uniformed personnel" means (a) law enforcement officers as defined in RCW 41.26.030 as now or hereafter amended, of cities with a population of fifteen thousand or more or law enforcement officers employed by the governing body of any county with a population of seventy thousand or more, or (b) fire fighters as that term is defined in RCW 41.26.030, as now or hereafter amended.
- 35 <u>(8) "Institutions of higher education" means the same as the</u> 36 <u>definition in RCW 28B.16.020.</u>
- 37 **Sec. 303.** RCW 41.56.100 and 1989 c 45 s 1 are each amended to read 38 as follows:

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- (1) A public employer shall have the authority to engage in 1 2 collective bargaining with the exclusive bargaining representative and no public employer shall refuse to engage in collective bargaining with 3 4 the exclusive bargaining representative((: PROVIDED, That)). Except as otherwise authorized in section 304 of this act, nothing contained 5 herein shall require any public employer to bargain collectively with 6 7 any bargaining representative concerning any matter which by ordinance, 8 resolution or charter of ((said)) the public employer, or by statute, 9 has been delegated to any civil service commission or personnel board 10 similar in scope, structure and authority to the board created by 11 chapter 41.06 RCW.
- (2) Upon the failure of the public employer and the exclusive 12 13 bargaining representative to conclude a collective bargaining agreement, any matter in dispute may be submitted by either party to 14 15 the commission. If a public employer implements its last and best 16 offer where there is no contract settlement, allegations that either party is violating the terms of the implemented offer shall be subject 17 to grievance arbitration procedures if and as such procedures are set 18 19 forth in the implemented offer, or, if not in the implemented offer, if 20 and as such procedures are set forth in the parties' last contract.
- NEW SECTION. **Sec. 304.** A new section is added to chapter 41.56 RCW to read as follows:
- 23 (1) On the effective date of this section, the commission shall 24 recognize, in their current form, all bargaining units certified by the 25 higher education personnel board as of June 30, 1993.
- (2) At any time after the effective date of this section, a 26 bargaining unit at an institution of higher education certified under 27 this chapter or recognized under subsection (1) of this section and the 28 29 public employer may agree to have their relationship and corresponding obligations governed entirely by the provisions of chapter 41.56 RCW by 30 mutual adoption of a collective bargaining agreement stating the 31 parties' intent to be so governed. The parties shall provide notice 32 and a copy of the agreement to the higher education personnel board and 33 34 the commission. On the first day of the month following the month during which notice is received by the agencies, chapter 28B.16 RCW 35 36 shall cease to apply to all employees in the bargaining unit covered by the agreement, and the limitations on bargaining contained in RCW 37 41.56.100(1) shall cease to apply to the institution. 38

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- 1 (3) If a bargaining unit and an institution mutually agree to a 2 collective bargaining agreement permitted in subsection (2) of this 3 section, salary increases for the employees in the bargaining unit 4 shall be subject to the following:
- 5 (a) Salary increases shall continue to be appropriated by the 6 legislature and, except as otherwise provided under (c) of this 7 subsection, contract provisions relating to salary increases shall not 8 exceed the amount or percentage established by the legislature in the 9 appropriations act for the institutions or as allocated to the board of 10 trustees by the state board for community and technical colleges.
- 11 (b) Any provisions of the contracts pertaining to salary increases 12 shall not be binding upon future actions of the legislature. If any 13 provision of a salary increase provided under (a) of this subsection is 14 changed by subsequent modification of the appropriations act by the 15 legislature, both parties shall immediately enter into collective 16 bargaining for the sole purpose of arriving at a mutually agreed upon 17 replacement for the modified provision.
- 18 (c) The agreements may provide for salary increases that are in 19 addition to increases provided by the legislature. However, the base 20 for salary increases provided by the legislature under (a) of this 21 subsection shall include only those amounts appropriated by the 22 legislature and the base shall not include any additional salary 23 increases provided under this subsection (c).
- 24 **Sec. 305.** RCW 28B.16.040 and 1990 c 60 s 201 are each amended to 25 read as follows:
- The following classifications, positions, and employees of institutions of higher education and related boards are hereby exempted from coverage of this chapter:
- 29 (1) Members of the governing board of each institution and related all presidents, vice presidents and their confidential 30 secretaries, administrative and personal assistants; deans, directors, 31 and ((chairmen)) chairpersons; academic personnel; and executive heads 32 33 of major administrative or academic divisions employed by institutions 34 of higher education; principal assistants to executive heads of major 35 administrative or academic divisions; other managerial or professional employees in an institution or related board having substantial 36 responsibility for directing or controlling program operations and 37 38 accountable for allocation of resources and program results, or for the

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- 1 formulation of institutional policy, or for carrying out personnel
- 2 administration or labor relations functions, legislative relations,
- 3 public information, development, senior computer systems and network
- 4 programming, or internal audits and investigations; and any employee of
- 5 a community college district whose place of work is one which is
- 6 physically located outside the state of Washington and who is employed
- 7 pursuant to RCW 28B.50.092 and assigned to an educational program
- 8 operating outside of the state of Washington.
- 9 (2) Student, part time, or temporary employees, and part time 10 professional consultants, as defined by the higher education personnel
- 11 board, employed by institutions of higher education and related boards.
- 12 (3) The director, his confidential secretary, assistant directors,
- 13 and professional education employees of the state board for community
- 14 <u>and technical</u> college<u>s</u> ((education)).
- 15 (4) The personnel director of the higher education personnel board
- 16 and his confidential secretary.
- 17 (5) The governing board of each institution, and related boards,
- 18 may also exempt from this chapter, subject to the employees right of
- 19 appeal to the higher education personnel board, classifications
- 20 involving research activities, counseling of students, extension or
- 21 continuing education activities, graphic arts or publications
- 22 activities requiring prescribed academic preparation or special
- 23 training, ((and principal assistants to executive heads of major
- 24 administrative or academic divisions,)) as determined by the higher
- 25 education personnel board: PROVIDED, That no nonacademic employee
- 26 engaged in office, clerical, maintenance, or food and trade services
- 27 may be exempted by the higher education personnel board under this
- 28 provision.
- 29 Any classified employee having civil service status in a classified
- 30 position who accepts an appointment in an exempt position shall have
- 31 the right of reversion to the highest class of position previously
- 32 held, or to a position of similar nature and salary.
- 33 A person occupying an exempt position who is terminated from the
- 34 position for gross misconduct or malfeasance does not have the right of
- 35 reversion to a classified position as provided for in this section.
- 36 Sec. 306. RCW 28B.16.100 and 1990 c 60 s 202 are each amended to
- 37 read as follows:

- The higher education personnel board shall adopt rules, consistent with the purposes and provisions of this chapter and with the best standards of personnel administration, regarding the basis and procedures to be followed for:
- 5 (1) The dismissal, suspension, or demotion of an employee, and 6 appeals therefrom;
- 7 (2) Certification of names for vacancies, including promotions, 8 with the number of names equal to four more names than there are 9 vacancies to be filled, such names representing applicants rated 10 highest on eligibility lists: PROVIDED, That when other applicants 11 have scores equal to the lowest score among the names certified, their 12 names shall also be certified;
- 13 (3) Examination for all positions in the competitive and 14 noncompetitive service;
- 15 (4) Appointments;
- 16 (5) Probationary periods of six to twelve months and rejections 17 therein, depending on the job requirements of the class;
- 18 (6) Transfers;

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- 19 (7) Sick leaves and vacations;
- 20 (8) Hours of work;
- 21 (9) Layoffs when necessary and subsequent reemployment, both 22 according to seniority;
 - (10) ((Determination of appropriate bargaining units within any institution or related boards: PROVIDED, That in making such determination the board shall consider the duties, skills, and working conditions of the employees, the history of collective bargaining by the employees and their bargaining representatives, the extent of organization among the employees, and the desires of the employees;
 - (11) Certification and decertification of exclusive bargaining representatives: PROVIDED, That after certification of an exclusive bargaining representative and upon the representative's request, the director shall hold an election among employees in a bargaining unit to determine by a majority whether to require as a condition of employment membership in the certified exclusive bargaining representative on or after the thirtieth day following the beginning of employment or the date of such election, whichever is the later, and the failure of an employee to comply with such condition of employment constitutes cause for dismissal: PROVIDED FURTHER, That no more often than once in each twelve month period after expiration of twelve months following the

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date of the original election in a bargaining unit and upon petition of 1 thirty percent of the members of a bargaining unit the director shall 2 hold an election to determine whether a majority wish to rescind such 3 4 condition of employment: PROVIDED FURTHER, That for purposes of this 5 clause, membership in the certified exclusive bargaining representative is satisfied by the payment of monthly or other periodic dues and does 6 7 not require payment of initiation, reinstatement, or any other fees or 8 fines and includes full and complete membership rights: AND PROVIDED 9 FURTHER, That in order to safeguard the right of nonassociation of 10 public employees, based on bona fide religious tenets or teachings of a church or religious body of which such public employee is a member, 11 such public employee shall pay to the union, for purposes within the 12 13 program of the union as designated by such employee that would be in harmony with his individual conscience, an amount of money equivalent 14 15 to regular union dues minus any included monthly premiums for union-16 sponsored insurance programs, and such employee shall not be a member 17 of the union but is entitled to all the representation rights of a union member; 18

- (12) Agreements between institutions or related boards and certified exclusive bargaining representatives providing for grievance procedures and collective negotiations on all personnel matters over which the institution or the related board may lawfully exercise discretion;
- (13) Written agreements may contain provisions for payroll deductions of employee organization dues upon authorization by the employee member and for the cancellation of such payroll deduction by the filing of a proper prior notice by the employee with the institution and the employee organization: PROVIDED, That nothing contained herein permits or grants to any employee the right to strike or refuse to perform his official duties;
- (14))) Adoption and revision of comprehensive classification plans for all positions in the classified service, based on investigation and analysis of the duties and responsibilities of each such position;
- (((15))) (11) Allocation and reallocation of positions within the classification plan;
 - $((\frac{16}{16}))$ (12) Adoption and revision of salary schedules and compensation plans which reflect the prevailing rates in Washington state private industries and other governmental units for positions of a similar nature but the rates in the salary schedules or plans shall

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be increased if necessary to attain comparable worth under an 1 implementation plan under RCW 28B.16.116 and which shall be competitive 2 in the state or the locality in which the institution or related boards 3 4 are located, such adoption, revision, and implementation subject to 5 approval as to availability of funds by the director of financial management in accordance with the provisions of chapter 43.88 RCW, and 6 7 after consultation with the chief financial officer of each institution 8 or related board for that institution or board, or in the case of 9 community colleges, by the chief financial officer of the state board 10 for community <u>and technical</u> college<u>s</u> ((education)) for the various community colleges; 11

12 (((17))) <u>(13)</u> Training programs including in-service, promotional, 13 and supervisory;

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38 39 (((18))) <u>(14)</u> Increment increases within the series of steps for each pay grade based on length of service for all employees whose standards of performance are such as to permit them to retain job status in the classified service;

 $((\frac{19}{19}))$ (15) Providing for veteran's preference as provided by existing statutes, with recognition of preference in regard to layoffs and subsequent reemployment for veterans and their widows by giving such eligible veterans and their widows additional credit in computing their seniority by adding to their unbroken higher education service, as defined by the board, the veteran's service in the military not to exceed five years of such service. For the purposes of this section, "veteran" means any person who has one or more years of active military service in any branch of the armed forces of the United States or who has less than one year's service and is discharged with a disability incurred in the line of duty or is discharged at the convenience of the government and who, upon termination of such service, has received an honorable discharge, a discharge for physical reasons with an honorable record, or a release from active military service with evidence of service other than that for which an undesirable, bad conduct, or dishonorable discharge shall be given: PROVIDED, HOWEVER, That the widow of a veteran is entitled to the benefits of this section regardless of the veteran's length of active military service: PROVIDED FURTHER, That for the purposes of this section "veteran" does not include any person who has voluntarily retired with twenty or more years of active military service and whose military retirement pay is in excess of five hundred dollars per month;

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- (((20))) (16) Assuring that persons who are or have been employed in classified positions under chapter 41.06 RCW will be eligible for employment, reemployment, transfer, and promotion in respect to classified positions covered by this chapter; ((and
- (21)) (17) Assuring that any person who is or has been employed in a classified position under this chapter will be eligible for employment, reemployment, transfer, and promotion in respect to classified positions at any other institution of higher education or related board((\cdot)); and
- 10 (((22))) <u>(18)</u> Affirmative action in appointment, promotion, 11 transfer, recruitment, training, and career development; development 12 and implementation of affirmative action goals and timetables; and 13 monitoring of progress against those goals and timetables.
- The board shall consult with the human rights commission in the development of rules consistent with federal guidelines pertaining to affirmative action. The board shall transmit a report annually to the human rights commission which states the progress each institution of higher education has made in meeting affirmative action goals and timetables.
- 20 **Sec. 307.** RCW 28B.16.200 and 1979 c 151 s 18 are each amended to 21 read as follows:
- 22 (1) There is hereby created a fund within the state treasury, 23 designated as the "higher education personnel board service fund," to 24 be used by the board as a revolving fund for the payment of salaries, 25 wages, and operations required for the administration of the provisions of this chapter, the budget for which shall be subject to review and 26 27 approval and appropriation by the legislature. Subject to the requirements of subsection (2) of this section, an amount not to exceed 28 29 one-half of one percent of the salaries and wages for all positions in the classified service shall be contributed from the operations 30 appropriations of each institution and the state board for community 31 and technical colleges ((education)) and credited to the higher 32 33 education personnel board service fund as such allotments are approved 34 pursuant to chapter 43.88 RCW. Subject to the above limitations, such amount shall be charged against the allotments pro rata, at a rate to 35 36 be fixed by the director of financial management from time to time, 37 which will provide the board with funds to meet its anticipated 38 expenditures during the allotment period.

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(2) If employees cease to be classified under this chapter pursuant 1 to an agreement authorized by section 304 of this act, each institution 2 3 of higher education and the state board for community and technical colleges shall continue, for six months after the effective date of the 4 agreement, to make contributions to the higher education personnel 5 board service fund based on employee salaries and wages that includes 6 7 the employees under the agreement. At the expiration of the six-month 8 period, the director of financial management shall make across-the-9 board reductions in allotments of the higher education personnel board service fund for the remainder of the biennium so that the charge to 10 the institutions of higher education and state board based on the 11 salaries and wages of the remaining employees classified under this 12 13 chapter does not increase during the biennium, unless an increase is authorized by the legislature. The director of financial management 14 shall report the amount and impact of any across-the-board reductions 15 16 made under this section to the appropriations committee of the house of representatives and the ways and means committee of the senate, or 17 appropriate successor committees, within thirty days of making the 18 19 reductions.

20 <u>(3)</u> Moneys from the higher education personnel board service fund 21 shall be disbursed by the state treasurer by warrants on vouchers duly 22 authorized by the board.

NEW SECTION. Sec. 308. A new section is added to chapter 28B.16 RCW to read as follows:

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At any time after the effective date of this section, a bargaining unit at an institution of higher education certified or recognized under chapter 41.56 RCW and the institution may agree to have their relationship and corresponding obligations governed entirely by the provisions of chapter 41.56 RCW by mutual adoption of a collective bargaining agreement stating the parties' intent to be so governed. The parties shall provide notice and a copy of the agreement to the board and the public employment relations commission. On the first day of the month following the month during which notice is received by the agencies, this chapter shall cease to apply to all employees in the bargaining unit covered by the agreement.

NEW SECTION. **Sec. 309.** (1) On the effective date of this section, the labor relations functions of the higher education personnel board

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- 1 set forth in chapter 36, Laws of 1969 ex. sess. shall be transferred to 2 the commission.
- 3 (2) On the effective date of this section, all business pending 4 before the higher education personnel board that pertains to the functions transferred to the commission by this section shall be 5 continued and acted upon by the commission. All existing contracts and 6 7 obligations pertaining to such functions shall remain in full force and 8 effect, but shall be performed by the commission in lieu of the higher 9 education personnel board. The transfer of any functions shall not 10 affect the validity of any act performed by the higher education personnel board or any officer or employee thereof before the effective 11 date of the transferral of such functions. 12
- 13 (3) Notwithstanding any other provisions of this act, contracts or agreements are authorized between the commission and the higher 14 15 education personnel board with respect to functions transferred by this 16 section. Such contract or agreement may provide for an employee or 17 employees of the higher education personnel board or other person or persons to continue to provide services relating to pending business 18 19 that is transferred to the commission as of the effective date of this 20 section, until such pending business is completed.
- NEW SECTION. Sec. 310. (1) All employees of the higher education personnel board classified under the provisions of chapter 28B.16 RCW, the higher education personnel law, whose positions are entirely concerned with functions transferred to the commission by section 309 of this act, shall be transferred to the jurisdiction of the commission.
- 27 (2) All funds, reports, documents, surveys, books, records, files, papers, or other writings in the possession of the higher education 28 29 personnel board pertaining to the functions transferred to the commission by section 309 of this act shall by the effective date of 30 this section, be delivered to the custody of the commission. 31 cabinets, furniture, office equipment, motor vehicles, and other 32 33 tangible property employed in carrying out the functions transferred by 34 section 309 of this act shall by the effective date of this section be transferred to the commission. 35
- 36 <u>NEW SECTION.</u> **Sec. 311.** RCW 28B.16.230 and 1973 c 62 s 6 & 1969 37 ex.s. c 215 s 14 are each repealed.

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<u>NEW SE</u>	CTION. Sec	. 401.	The sum	of	. dollars,	or as	much
thereof as	may be nec	essary,	is appro	priated f	for the bienr	nium e	nding
June 30,	1995, from	each pu	ablic fo	ur-year	institution'	s and	the
community	colleges'	operatir	ng fees	account	establishe	ed in	RCW

PART IV

MISCELLANEOUS

- 7 28B.15.824 to the respective institution's local account for the
- 8 purposes of sections 201 through 205 of this act.

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- 9 <u>NEW SECTION.</u> **Sec. 402.** If any provision of this act or its 10 application to any person or circumstance is held invalid, the 11 remainder of the act or the application of the provision to other 12 persons or circumstances is not affected.
- NEW SECTION. Sec. 403. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect July 1, 1993.

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