

CERTIFICATION OF ENROLLMENT
ENGROSSED SUBSTITUTE HOUSE BILL 1509

53rd Legislature
1993 Regular Session

Passed by the House April 25, 1993
Yeas 97 Nays 0

**Speaker of the
House of Representatives**

Passed by the Senate April 25, 1993
Yeas 37 Nays 10

President of the Senate

Approved

Governor of the State of Washington

CERTIFICATE

I, Alan Thompson, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 1509** as passed by the House of Representatives and the Senate on the dates hereon set forth.

Chief Clerk

FILED

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 1509

AS RECOMMENDED BY THE CONFERENCE COMMITTEE

Passed Legislature - 1993 Regular Session

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,
5 28B.15.031, 28B.15.202, 28B.15.402, 28B.15.502, 41.58.020, 28B.16.040,
6 41.06.070, 28B.16.200, and 41.06.280; reenacting and amending RCW
7 41.56.030; adding a new section to chapter 28B.10 RCW; adding a new
8 section to chapter 43.78 RCW; adding a new section to chapter 28B.15
9 RCW; adding new sections to chapter 41.56 RCW; adding a new section to
10 chapter 41.06 RCW; adding a new section to chapter 28B.16 RCW; creating
11 new sections; repealing RCW 28B.15.824; making an appropriation;
12 providing an effective date; and 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
17 act, the legislature intends to increase the flexibility of
18 institutions of higher education to manage personnel, construction,
19 purchasing, printing, and tuition.

1 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.

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:

8 (1) Establish and staff such administrative organizational units
9 within the division of purchasing as may be necessary for effective
10 administration of the provisions of RCW 43.19.190 through 43.19.1939;

11 (2) Purchase all material, supplies, services, and equipment needed
12 for the support, maintenance, and use of all state institutions,
13 colleges, community colleges, technical colleges, college districts,
14 and universities, the offices of the elective state officers, the
15 supreme court, the court of appeals, the administrative and other
16 departments of state government, and the offices of all appointive
17 officers of the state: PROVIDED, That the provisions of RCW 43.19.190
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,
20 That primary authority for the purchase of specialized equipment,
21 instructional, and research material for their own use shall rest with
22 the colleges, community colleges, and universities: PROVIDED FURTHER,
23 That universities operating hospitals and the state purchasing and
24 material control director, as the agent for state hospitals as defined
25 in RCW 72.23.010, and for health care programs provided in state
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
28 purchases for hospital operation by participating in contracts for
29 materials, supplies, and equipment entered into by nonprofit
30 cooperative hospital ((~~service~~)) group purchasing organizations ((~~as~~
31 ~~defined in section 501(e) of the Internal Revenue Code, or its~~
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,
35 That authority to purchase services as included herein does not apply
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

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 exercise independent purchasing authority under section 101 of this
8 act;

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 section applies, 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 those educational institutions to which this
8 section applies, 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:

18 Insofar as practicable, all purchases and sales shall be based on
19 competitive bids, and a formal sealed bid procedure shall be used as
20 standard procedure for all purchases and contracts for purchases and
21 sales executed by the state purchasing and material control director
22 and under the powers granted by RCW 43.19.190 through 43.19.1939(~~as~~
23 ~~now or hereafter amended~~). This requirement also applies to purchases
24 and contracts for purchases and sales executed by agencies, including
25 educational institutions, under delegated authority granted in
26 accordance with provisions of RCW 43.19.190 (~~as now or hereafter~~
27 ~~amended~~) or under section 101 of this act. However, formal sealed
28 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;

32 (2) Purchases not exceeding five thousand dollars, or subsequent
33 limits as calculated by the office of financial management: PROVIDED,
34 That the state director of general administration shall establish
35 procedures to assure that purchases made by or on behalf of the various
36 state agencies shall not be made so as to avoid the five thousand
37 dollar bid limitation, or subsequent bid limitations as calculated by
38 the office of financial management: PROVIDED FURTHER, That the state

1 purchasing and material control director is authorized to reduce the
2 formal sealed bid limits of five thousand dollars, or subsequent limits
3 as calculated by the office of financial management, to a lower dollar
4 amount for purchases by individual state agencies(~~(, including~~
5 ~~purchases of specialized equipment, instructional, and research~~
6 ~~equipment and materials by colleges and universities,)) if considered
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
11 financial management, shall be secured from enough vendors to assure
12 establishment of a competitive price and may be obtained by telephone
13 or written quotations, or both. Immediately after the award is made,
14 the bid quotations obtained shall be recorded and open to public
15 inspection and shall be available by telephone inquiry. A record of
16 competition for all such purchases from four hundred dollars to five
17 thousand dollars, or subsequent limits as calculated by the office of
18 financial management, shall be documented for audit purposes on a
19 standard state form approved by the forms management center under the
20 provisions of RCW 43.19.510. Purchases up to four hundred dollars may
21 be made without competitive bids based on buyer experience and
22 knowledge of the market in achieving maximum quality at minimum cost:
23 PROVIDED, That this four hundred dollar direct buy limit without
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
29 single source of supply and purchases involving special facilities,
30 services, or market conditions, in which instances the purchase price
31 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)~~);

34 (5) Purchases and contracts for vocational rehabilitation clients
35 of the department of social and health services: PROVIDED, That this
36 exemption is effective only when the state purchasing and material
37 control director, after consultation with the director of the division
38 of vocational rehabilitation and appropriate department of social and
39 health services procurement personnel, declares that such purchases may

1 be best executed through direct negotiation with one or more suppliers
2 in order to expeditiously meet the special needs of the state's
3 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
6 control director, as the agent for state hospitals as defined in RCW
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 nonprofit cooperative hospital ((service)) group purchasing
12 organizations ((as defined in section 501(e) of the Internal Revenue
13 Code, or its successor));

14 (7) Purchases by institutions of higher education not exceeding
15 fifteen thousand dollars ~~((that are funded by research grant or~~
16 ~~contract funds, or other nonstate appropriated funds))~~: PROVIDED, That
17 for purchases between two thousand five hundred dollars and fifteen
18 thousand dollars quotations shall be secured from enough vendors to
19 assure establishment of a competitive price and may be obtained by
20 telephone or written quotations, or both. A record of competition for
21 all such purchases made from two thousand five hundred to fifteen
22 thousand dollars shall be documented for audit purposes ~~((on a standard~~
23 ~~state form approved by the forms management center under provisions of~~
24 ~~RCW 43.19.510))~~; and

25 (8) Beginning on July 1, ~~((1989))~~ 1995, and on July 1 of each
26 succeeding odd-numbered year, the ~~((five thousand))~~ dollar limits
27 specified in ~~((subsection (2) of))~~ this section shall be adjusted as
28 follows: The office of financial management shall calculate such
29 limits by adjusting the previous biennium's limits by the appropriate
30 federal inflationary index reflecting the rate of inflation for the
31 previous biennium. Such amounts shall be rounded to the nearest one
32 hundred dollars.

33 **Sec. 104.** RCW 43.78.030 and 1988 c 102 s 1 are each amended to
34 read as follows:

35 The public printer shall print and bind the session laws, the
36 journals of the two houses of the legislature, all bills, resolutions,
37 documents, and other printing and binding of either the senate or
38 house, as the same may be ordered by the legislature; and such forms,

1 blanks, record books, and printing and binding of every description as
2 may be ordered by all state officers, boards, commissions, and
3 institutions, and the supreme court, and the court of appeals and
4 officers thereof, as the same may be ordered on requisition, from time
5 to time, by the proper authorities. This section shall not apply to
6 the printing of the supreme court and the court of appeals reports,
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
10 consultation with the public printer, develop vendor selection
11 procedures comparable to those used by the public printer for
12 contracted printing jobs. Where any institution or institution of
13 higher learning of the state is or may become equipped with facilities
14 for doing such work, it may do any printing: (1) For itself, or (2)
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
18 ~~((institution of higher learning,))~~ institution or agency of the state
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
21 cost of which shall not exceed one thousand dollars, may be done by any
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~~
28 ~~nonstate appropriated funding source, such printing or binding may be~~
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~~
32 ~~time or cost justifies the award to such local private printing~~
33 ~~concern.))~~

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

1 for the previous biennium. Such amounts shall be rounded to the
2 nearest fifty dollars.

3 NEW SECTION. **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 education.

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.))~~

28 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 education.

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
5 construction, reconstruction, erection, equipping, demolition, and
6 major alterations of buildings and other capital assets, and the
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
11 from income received from such facilities, gifts, bequests, or grants,
12 and such additional funds as the legislature may provide, and payable
13 out of a bond retirement fund to be established by the respective
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
18 prepared (~~((and such work shall be prepared))~~) and such work shall be put
19 out for public bids and the contract shall be awarded to the lowest
20 responsible bidder if in accordance with the bid specifications:
21 PROVIDED, That when such building, construction, renovation,
22 remodeling, or demolition involves one trade or craft area and the
23 estimated cost exceeds ten thousand dollars, complete plans and
24 specifications for such work shall be prepared and such work shall be
25 put out for public bids, and the contract shall be awarded to the
26 lowest responsible bidder if in accordance with the bid specifications.
27 This subsection shall not apply when a contract is awarded by the small
28 works procedure authorized in RCW 39.04.150: PROVIDED FURTHER, That
29 any project regardless of dollar amount may be put to public bid.

30 Where the estimated cost to any college of any building,
31 improvements, or repairs, or other work, is less than (~~((five))~~) twenty-
32 five thousand dollars, the publication requirements of RCW 39.04.020
33 (~~((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

1 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
3 shall be put out for public bids and the contract shall be awarded to
4 the lowest responsible bidder if in accordance with the bid
5 specifications: PROVIDED, That when the estimated cost of such
6 building, construction, renovation, remodeling, or demolition equals or
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
10 such building, construction, renovation, remodeling, or demolition
11 involves one trade or craft area and the estimated cost exceeds ten
12 thousand dollars, complete plans and specifications for such work shall
13 be prepared and such work shall be put out for public bids, and the
14 contract shall be awarded to the lowest responsible bidder if in
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.

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

21 (3) Where the estimated cost to The Evergreen State College, any
22 regional university, or state university of any building,
23 construction, renovation, remodeling, or demolition is less than
24 twenty-five thousand dollars or the contract is awarded by the small
25 works procedure authorized in RCW 28B.10.355, the publication
26 requirements of RCW 39.04.020 ((and 39.04.090)) shall be inapplicable.

27 (4) In the event of any emergency when the public interest or
28 property of The Evergreen State College, regional university, or state
29 university would suffer material injury or damage by delay, the
30 president of such college or university may declare the existence of
31 such an emergency and reciting the facts constituting the same may
32 waive the requirements of this section with reference to any contract
33 in order to correct the condition causing the emergency: PROVIDED,
34 That an "emergency," for the purposes of this section, means a
35 condition likely to result in immediate physical injury to persons or
36 to property of such college or university in the absence of prompt
37 remedial action or a condition which immediately impairs the
38 institution's ability to perform its educational obligations.

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

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

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

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

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

33 Whenever the state((7)) or any municipality shall determine that
34 any public work is necessary to be done, it shall cause plans,
35 specifications, or both thereof and an estimate of the cost of such
36 work to be made and filed in the office of the director, supervisor,
37 commissioner, trustee, board, or agency having by law the authority to
38 require such work to be done. The plans, specifications, and estimates

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

4 If the state((7)) or such municipality shall determine that it is
5 necessary or advisable that such work shall be executed by any means or
6 method other than by contract or by a small works roster process, and
7 it shall appear by such estimate that the probable cost of executing
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
11 for community colleges and technical colleges, then the state or such
12 municipality shall at least fifteen days before beginning work cause
13 such estimate, together with a description of the work, to be published
14 at least once in a legal newspaper of general circulation published in
15 or as near as possible to that part of the county in which such work is
16 to be done: PROVIDED, That when any emergency shall require the
17 immediate execution of such public work, upon a finding of the
18 existence of such emergency by the authority having power to direct
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
21 commencement of the work.

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
26 wildlife, and the state parks and recreation commission.

27 (2) In addition to any other power or authority that an agency may
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.

31 (3) The small works roster may make distinctions between
32 contractors based on the geographic areas served and the nature of the
33 work the contractor is qualified to perform. At least once every year,
34 the agency shall advertise in a newspaper of general circulation the
35 existence of the small works roster and shall add to the roster those
36 contractors who request to be included on the roster.

37 (4) Construction, repair, or alteration projects estimated to cost
38 less than fifty thousand dollars, or less than one hundred thousand

1 dollars for projects managed by the department of general
2 administration for community colleges and technical colleges, as
3 defined under chapter 28B.50 RCW, are exempt from the requirement that
4 the contracts be awarded after advertisement and competitive bid as
5 defined by RCW 39.04.010. In lieu of advertisement and competitive
6 bid, the agency shall solicit at least five quotations, confirmed in
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
10 quotation or reject all quotations. If the agency is unable to solicit
11 quotations from five qualified contractors on the small works roster
12 for a particular project, then the project shall be advertised and
13 competitively bid. The agency shall solicit quotations randomly from
14 contractors on the small works roster in a manner which will equitably
15 distribute the opportunity for these contracts among contractors on the
16 roster: PROVIDED, That whenever possible, the agency shall invite at
17 least one proposal from a minority contractor who shall otherwise
18 qualify to perform such work. Immediately after an award is made, the
19 bid quotations obtained shall be recorded, open to public inspection,
20 and available by telephone request.

21 (5) The breaking down of any public work or improvement into units
22 or accomplishing any public work or improvement by phases for the
23 purpose of avoiding the minimum dollar amount for bidding is contrary
24 to public policy and is prohibited.

25 (6) The director of general administration shall adopt by rule a
26 procedure to prequalify contractors for inclusion on the small works
27 roster. Each agency shall follow the procedure adopted by the director
28 of general administration. No agency shall be required to make
29 available for public inspection or copying under chapter 42.17 RCW
30 financial information required to be provided by the prequalification
31 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**

37 **LOCAL TUITION AUTHORITY**

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
6 courses, self-supporting degree credit programs and courses, marine
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
11 activity fees, or fees, charges, rentals, and other income derived from
12 any or all revenue producing lands, buildings and facilities of the
13 colleges or universities heretofore or hereafter acquired, constructed
14 or installed, including but not limited to income from rooms,
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
18 by any college or university board of trustees or regents from time to
19 time. All moneys received as operating fees at any institution of
20 higher education shall be ~~((transmitted to the state treasurer within
21 thirty-five days of receipt to be deposited in the state general fund))~~
22 deposited in a local account containing only operating fees revenue and
23 related interest: 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, except the technical colleges, for the
26 purposes of RCW 28B.15.820~~((: PROVIDED FURTHER, That money received by~~
27 ~~institutions of higher education from the periodic payment plan~~
28 ~~authorized by RCW 28B.15.411 shall be transmitted to the state~~
29 ~~treasurer within five days following the close of registration of the~~
30 ~~appropriate quarter or semester))~~.

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

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

36 (1) For full time resident undergraduate students and all other
37 full time resident students not in graduate study programs or enrolled
38 in programs leading to the degrees of doctor of medicine, doctor of

1 dental surgery, and doctor of veterinary medicine, the total tuition
2 fees shall be thirty-three percent of the per student undergraduate
3 educational costs at the state universities computed as provided in RCW
4 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for each
5 academic year shall be one hundred and twenty dollars. Beginning with
6 the 1995-96 academic year the building fee for each academic year shall
7 be a percentage of total tuition fees. This percentage shall be
8 calculated by the higher education coordinating board and be based on
9 the actual percentage the building fee is of total tuition in the 1994-
10 95 academic year, rounded up to the nearest half percent.

11 (2) For full time resident graduate and law students not enrolled
12 in programs leading to the degrees of doctor of medicine, doctor of
13 dental surgery, and doctor of veterinary medicine, the total tuition
14 fees shall be twenty-three percent of the per student graduate
15 educational costs at the state universities computed as provided in RCW
16 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for each
17 academic year shall be one hundred and twenty dollars. Beginning with
18 the 1995-96 academic year the building fee for each academic year shall
19 be a percentage of total tuition fees. This percentage shall be
20 calculated by the higher education coordinating board and be based on
21 the actual percentage the building fee is of total tuition in the 1994-
22 95 academic year, rounded up to the nearest half percent.

23 (3) For full time resident students enrolled in programs leading to
24 the degrees of doctor of medicine, doctor of dental surgery, and doctor
25 of veterinary medicine, the total tuition fees shall be one hundred
26 sixty-seven percent of such fees charged in subsection (2) of this
27 section: PROVIDED, That the building fees for each academic year shall
28 be three hundred and forty-two dollars. Beginning with the 1995-96
29 academic year the building fee for each academic year shall be a
30 percentage of total tuition fees. This percentage shall be calculated
31 by the higher education coordinating board and be based on the actual
32 percentage the building fee is of total tuition in the 1994-95 academic
33 year, rounded up to the nearest half percent.

34 (4) For full time nonresident undergraduate students and such other
35 full time nonresident students not in graduate study programs or
36 enrolled in programs leading to the degrees of doctor of medicine,
37 doctor of dental surgery, or doctor of veterinary medicine, the total
38 tuition fees shall be one hundred percent of the per student
39 undergraduate educational costs at the state universities computed as

1 provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the building
2 fees for each academic year shall be three hundred and fifty-four
3 dollars. Beginning with the 1995-96 academic year the building fee for
4 each academic year shall be a percentage of total tuition fees. This
5 percentage shall be calculated by the higher education coordinating
6 board and be based on the actual percentage the building fee is of
7 total tuition in the 1994-95 academic year, rounded up to the nearest
8 half percent.

9 (5) For full time nonresident graduate and law students not
10 enrolled in programs leading to the degrees of doctor of medicine,
11 doctor of dental surgery, and doctor of veterinary medicine, the total
12 tuition fees shall be sixty percent of the per student graduate
13 educational costs at the state universities computed as provided in RCW
14 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for each
15 academic year shall be three hundred and fifty-four dollars. Beginning
16 with the 1995-96 academic year the building fee for each academic year
17 shall be a percentage of total tuition fees. This percentage shall be
18 calculated by the higher education coordinating board and be based on
19 the actual percentage the building fee is of total tuition in the 1994-
20 95 academic year, rounded up to the nearest half percent.

21 (6) For full time nonresident students enrolled in programs leading
22 to the degrees of doctor of medicine, doctor of dental surgery, and
23 doctor of veterinary medicine, the total tuition fees shall be one
24 hundred sixty-seven percent of such fees charged in subsection (5) of
25 this section: PROVIDED, That the building fees for each academic year
26 shall be five hundred and fifty-five dollars. Beginning with the 1995-
27 96 academic year the building fee for each academic year shall be a
28 percentage of total tuition fees. This percentage shall be calculated
29 by the higher education coordinating board and be based on the actual
30 percentage the building fee is of total tuition in the 1994-95 academic
31 year, rounded up to the nearest half percent.

32 (7) The governing boards of the state universities shall charge to
33 and collect from each student, a services and activities fee. The
34 governing board may increase the existing fee annually, consistent with
35 budgeting procedures set forth in RCW 28B.15.045, by a percentage not
36 to exceed the annual percentage increase in resident undergraduate
37 tuition fees: PROVIDED, That such percentage increase shall not apply
38 to that portion of the services and activities fee previously committed
39 to the repayment of bonded debt. The services and activities fee

1 committee provided for in RCW 28B.15.045 may initiate a request to the
2 governing board for a fee increase.

3 **Sec. 203.** RCW 28B.15.402 and 1992 c 231 s 10 are each amended to
4 read as follows:

5 Tuition fees and maximum services and activities fees at the
6 regional universities and The Evergreen State College for other than
7 the summer term shall be as follows:

8 (1) For full time resident undergraduate students and all other
9 full time resident students not in graduate study programs, the total
10 tuition fees shall be twenty-five percent of the per student
11 undergraduate educational costs at the regional universities computed
12 as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the
13 building fees for each academic year shall be seventy-six dollars and
14 fifty cents. Beginning with the 1995-96 academic year the building fee
15 for each academic year shall be a percentage of total tuition fees.
16 This percentage shall be calculated by the higher education
17 coordinating board and be based on the actual percentage the building
18 fee is of total tuition in the 1994-95 academic year, rounded up to the
19 nearest half percent.

20 (2) For full time resident graduate students, the total tuition
21 fees shall be twenty-three percent of the per student graduate
22 educational costs at the regional universities computed as provided in
23 RCW 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for
24 each academic year shall be seventy-six dollars and fifty cents.
25 Beginning with the 1995-96 academic year the building fee for each
26 academic year shall be a percentage of total tuition fees. This
27 percentage shall be calculated by the higher education coordinating
28 board and be based on the actual percentage the building fee is of
29 total tuition in the 1994-95 academic year, rounded up to the nearest
30 half percent.

31 (3) For full time nonresident undergraduate students and all other
32 full time nonresident students not in graduate study programs, the
33 total tuition fees shall be one hundred percent of the per student
34 undergraduate educational costs at the regional universities computed
35 as provided in RCW 28B.15.067 and 28B.15.070: PROVIDED, That the
36 building fees for each academic year shall be two hundred and
37 ninety-five dollars and fifty cents. Beginning with the 1995-96
38 academic year the building fee for each academic year shall be a

1 percentage of total tuition fees. This percentage shall be calculated
2 by the higher education coordinating board and be based on the actual
3 percentage the building fee is of total tuition in the 1994-95 academic
4 year, rounded up to the nearest half percent.

5 (4) For full time nonresident graduate students, the total tuition
6 fees shall be seventy-five percent of the per student graduate
7 educational costs at the regional universities computed as provided in
8 RCW 28B.15.067 and 28B.15.070: PROVIDED, That the building fees for
9 each academic year shall be two hundred and ninety-five dollars and
10 fifty cents. Beginning with the 1995-96 academic year the building fee
11 for each academic year shall be a percentage of total tuition fees.
12 This percentage shall be calculated by the higher education
13 coordinating board and be based on the actual percentage the building
14 fee is of total tuition in the 1994-95 academic year, rounded up to the
15 nearest half percent.

16 (5) The governing boards of each of the regional universities and
17 The Evergreen State College shall charge to and collect from each
18 student, a services and activities fee. The governing board may
19 increase the existing fee annually, consistent with budgeting
20 procedures set forth in RCW 28B.15.045, by a percentage not to exceed
21 the annual percentage increase in resident undergraduate tuition fees:
22 PROVIDED, That such percentage increase shall not apply to that portion
23 of the services and activities fee previously committed to the
24 repayment of bonded debt. The services and activities fee committee
25 provided for in RCW 28B.15.045 may initiate a request to the governing
26 board for a fee increase.

27 **Sec. 204.** RCW 28B.15.502 and 1992 c 231 s 11 are each amended to
28 read as follows:

29 Tuition fees and maximum services and activities fees at each
30 community college for other than the summer term shall be set by the
31 state board for community and technical colleges as follows:

32 (1) For full time resident students, the total tuition fees shall
33 be twenty-three percent of the per student educational costs at the
34 community colleges computed as provided in RCW 28B.15.067 and
35 28B.15.070: PROVIDED, That the building fees for each academic year
36 shall be one hundred and twenty-seven dollars and fifty cents.
37 Beginning with the 1995-96 academic year the building fee for each
38 academic year shall be a percentage of total tuition fees. This

1 percentage shall be calculated by the higher education coordinating
2 board and be based on the actual percentage the building fee is of
3 total tuition in the 1994-95 academic year, rounded up to the nearest
4 half percent.

5 (2) For full time nonresident students, the total tuition fees
6 shall be one hundred percent of the per student educational costs at
7 the community colleges computed as provided in RCW 28B.15.067 and
8 28B.15.070: PROVIDED, That the building fees for each academic year
9 shall be four hundred and three dollars and fifty cents. Beginning
10 with the 1995-96 academic year the building fee for each academic year
11 shall be a percentage of total tuition fees. This percentage shall be
12 calculated by the higher education coordinating board and be based on
13 the actual percentage the building fee is of total tuition in the 1994-
14 95 academic year, rounded up to the nearest half percent.

15 (3) The governing boards of each of the state community colleges
16 shall charge to and collect from each student a services and activities
17 fee. Each governing board may increase the existing fee annually,
18 consistent with budgeting procedures set forth in RCW 28B.15.045, by a
19 percentage not to exceed the annual percentage increase in resident
20 student tuition fees: PROVIDED, That such percentage increase shall
21 not apply to that portion of the services and activities fee previously
22 committed to the repayment of bonded debt. The services and activities
23 fee committee provided for in RCW 28B.15.045 may initiate a request to
24 the governing board for a fee increase.

25 (4) Tuition and services and activities fees consistent with
26 subsection (3) of this section shall be set by the state board for
27 community and technical colleges for summer school students unless the
28 community college charges fees in accordance with RCW 28B.15.515.

29 Subject to the limitations of RCW 28B.15.910, each governing board
30 may charge such fees for ungraded courses, noncredit courses, community
31 services courses, and self-supporting courses as it, in its discretion,
32 may determine, consistent with the rules and regulations of the state
33 board for community and technical colleges.

34 Before June 30, 1995, no individual waiver program under this
35 section may be reduced by more than twice the percentage reduction
36 required in operating fee foregone revenue from tuition waivers in the
37 biennial state appropriations act.

1 (1) "Public employer" means any officer, board, commission,
2 council, or other person or body acting on behalf of any public body
3 governed by this chapter (~~as designated by RCW 41.56.020~~), or any
4 subdivision of such public body. For the purposes of this section, the
5 public employer of district court or superior court employees for wage-
6 related matters is the respective county legislative authority, or
7 person or body acting on behalf of the legislative authority, and the
8 public employer for nonwage-related matters is the judge or judge's
9 designee of the respective district court or superior court.

10 (2) "Public employee" means any employee of a public employer
11 except any person (a) elected by popular vote, or (b) appointed to
12 office pursuant to statute, ordinance or resolution for a specified
13 term of office by the executive head or body of the public employer, or
14 (c) whose duties as deputy, administrative assistant or secretary
15 necessarily imply a confidential relationship to the executive head or
16 body of the applicable bargaining unit, or any person elected by
17 popular vote or appointed to office pursuant to statute, ordinance or
18 resolution for a specified term of office by the executive head or body
19 of the public employer, or (d) who is a personal assistant to a
20 district court judge, superior court judge, or court commissioner. For
21 the purpose of (d) of this subsection, no more than one assistant for
22 each judge or commissioner may be excluded from a bargaining unit.

23 (3) "Bargaining representative" means any lawful organization which
24 has as one of its primary purposes the representation of employees in
25 their employment relations with employers.

26 (4) "Collective bargaining" means the performance of the mutual
27 obligations of the public employer and the exclusive bargaining
28 representative to meet at reasonable times, to confer and negotiate in
29 good faith, and to execute a written agreement with respect to
30 grievance procedures and collective negotiations on personnel matters,
31 including wages, hours and working conditions, which may be peculiar to
32 an appropriate bargaining unit of such public employer, except that by
33 such obligation neither party shall be compelled to agree to a proposal
34 or be required to make a concession unless otherwise provided in this
35 chapter. In the case of the Washington state patrol, "collective
36 bargaining" shall not include wages and wage-related matters.

37 (5) "Commission" means the public employment relations commission.

38 (6) "Executive director" means the executive director of the
39 commission.

1 (7) "Uniformed personnel" means (a) law enforcement officers as
2 defined in RCW 41.26.030 as now or hereafter amended, of cities with a
3 population of fifteen thousand or more or law enforcement officers
4 employed by the governing body of any county with a population of
5 seventy thousand or more, or (b) fire fighters as that term is defined
6 in RCW 41.26.030, as now or hereafter amended.

7 (8) "Institution of higher education" means the University of
8 Washington, Washington State University, Central Washington University,
9 Eastern Washington University, Western Washington University, The
10 Evergreen State College, and the various state community colleges.

11 **Sec. 303.** RCW 41.58.020 and 1975 1st ex.s. c 296 s 4 are each
12 amended to read as follows:

13 (1) It shall be the duty of the commission, in order to prevent or
14 minimize interruptions growing out of labor disputes, to assist
15 employers and employees to settle such disputes through mediation and
16 fact-finding.

17 (2) The commission, through the director, may proffer its services
18 in any labor dispute (~~((involving a political subdivision, municipal
19 corporation, or the community college system of the state))~~) arising
20 under a collective bargaining statute administered by the commission,
21 either upon its own motion or upon the request of one or more of the
22 parties to the dispute, whenever in its judgment such dispute threatens
23 to cause a substantial disruption to the public welfare.

24 (3) If the director is not able to bring the parties to agreement
25 by mediation within a reasonable time, (~~((he))~~) the director shall seek
26 to induce the parties to voluntarily seek other means of settling the
27 dispute without resort to strike or other coercion, including
28 submission to the employees in the bargaining unit of the employer's
29 last offer of settlement for approval or rejection in a secret ballot.
30 The failure or refusal of either party to agree to any procedure
31 suggested by the director shall not be deemed a violation of any duty
32 or obligation imposed by this chapter.

33 (4) Final adjustment by a method agreed upon by the parties is
34 declared to be the desirable method for settlement of grievance
35 disputes arising over the application or interpretation of an existing
36 collective bargaining agreement. The commission is directed to make
37 its mediation and fact-finding services available in the settlement of
38 such grievance disputes only as a last resort.

1 NEW SECTION. **Sec. 304.** A new section is added to chapter 41.56
2 RCW to read as follows:

3 (1) At any time after July 1, 1993, an institution of higher
4 education and the exclusive bargaining representative of a bargaining
5 unit of employees classified under chapter 28B.16 or 41.06 RCW as
6 appropriate may exercise their option to have their relationship and
7 corresponding obligations governed entirely by the provisions of this
8 chapter by complying with the following:

9 (a) The parties will file notice of the parties' intent to be so
10 governed, subject to the mutual adoption of a collective bargaining
11 agreement permitted by this section recognizing the notice of intent.
12 The parties shall provide the notice to the higher education personnel
13 board or its successor and the commission;

14 (b) During the negotiation of an initial contract between the
15 parties under this chapter, the parties' scope of bargaining shall be
16 governed by this chapter and any disputes arising out of the collective
17 bargaining rights and obligations under this subsection shall be
18 determined by the commission. If the commission finds that the parties
19 are at impasse, the notice filed under (a) of this subsection shall be
20 void and have no effect; and

21 (c) On the first day of the month following the month during which
22 the institution of higher education and the exclusive bargaining
23 representative provide notice to the higher education personnel board
24 or its successor and the commission that they have executed an initial
25 collective bargaining agreement recognizing the notice of intent filed
26 under (a) of this subsection, chapter 28B.16 or 41.06 RCW as
27 appropriate shall cease to apply to all employees in the bargaining
28 unit covered by the agreement.

29 (2) All collective bargaining rights and obligations concerning
30 relations between an institution of higher education and the exclusive
31 bargaining representative of its employees who have agreed to exercise
32 the option permitted by this section shall be determined under this
33 chapter, subject to the following:

34 (a) The commission shall recognize, in its current form, the
35 bargaining unit as certified by the higher education personnel board or
36 its successor and the limitations on collective bargaining contained in
37 RCW 41.56.100 shall not apply to that bargaining unit.

38 (b) If, on the date of filing the notice under subsection (1)(a) of
39 this section, there is a union shop authorized for the bargaining unit

1 under rules adopted by the higher education personnel board or its
2 successor, the union shop requirement shall continue in effect for the
3 bargaining unit and shall be deemed incorporated into the collective
4 bargaining agreement applicable to the bargaining unit.

5 (c) Salary increases negotiated for the employees in the bargaining
6 unit shall be subject to the following:

7 (i) Salary increases shall continue to be appropriated by the
8 legislature. The exclusive bargaining representative shall meet before
9 a legislative session with the governor or governor's designee and the
10 representative of the institution of higher education concerning the
11 total dollar amount for salary increases and health care contributions
12 that will be contained in the appropriations proposed by the governor
13 under RCW 43.88.060;

14 (ii) The collective bargaining agreements may provide for salary
15 increases from local efficiency savings that are different from or that
16 exceed the amount or percentage for salary increases provided by the
17 legislature in the omnibus appropriations act for the institution of
18 higher education or allocated to the board of trustees by the state
19 board for community and technical colleges, but the base for salary
20 increases provided by the legislature under (c)(i) of this subsection
21 shall include only those amounts appropriated by the legislature, and
22 the base shall not include any additional salary increases provided
23 under this subsection (2)(c)(ii);

24 (iii) Any provisions of the collective bargaining agreements
25 pertaining to salary increases provided under (c)(i) of this subsection
26 shall be subject to modification by the legislature. If any provision
27 of a salary increase provided under (c)(i) of this subsection is
28 changed by subsequent modification of the appropriations act by the
29 legislature, both parties shall immediately enter into collective
30 bargaining for the sole purpose of arriving at a mutually agreed upon
31 replacement for the modified provision.

32 (3) Nothing in this section may be construed to permit an
33 institution of higher education to bargain collectively with an
34 exclusive bargaining representative concerning any matter covered by:

35 (a) Chapter 41.05 RCW, except for the related cost or dollar
36 contributions or additional or supplemental benefits as permitted by
37 chapter (Engrossed Second Substitute Senate Bill No. 5304), Laws
38 of 1993; or (b) chapter 41.32 or 41.40 RCW.

1 **Sec. 305.** RCW 28B.16.040 and 1990 c 60 s 201 are each amended to
2 read as follows:

3 The following classifications, positions, and employees of
4 institutions of higher education and related boards are hereby exempted
5 from coverage of this chapter:

6 (1) Members of the governing board of each institution and related
7 boards, all presidents, vice presidents and their confidential
8 secretaries, administrative and personal assistants; deans, directors,
9 and ((chairmen)) chairpersons; academic personnel; and executive heads
10 of major administrative or academic divisions employed by institutions
11 of higher education; principal assistants to executive heads of major
12 administrative or academic divisions; other managerial or professional
13 employees in an institution or related board having substantial
14 responsibility for directing or controlling program operations and
15 accountable for allocation of resources and program results, or for the
16 formulation of institutional policy, or for carrying out personnel
17 administration or labor relations functions, legislative relations,
18 public information, development, senior computer systems and network
19 programming, or internal audits and investigations; and any employee of
20 a community college district whose place of work is one which is
21 physically located outside the state of Washington and who is employed
22 pursuant to RCW 28B.50.092 and assigned to an educational program
23 operating outside of the state of Washington.

24 (2) Student, part time, or temporary employees, and part time
25 professional consultants, as defined by the higher education personnel
26 board, employed by institutions of higher education and related boards.

27 (3) The director, ((his)) the director's confidential secretary,
28 assistant directors, and professional education employees of the state
29 board for community and technical colleges ((education)).

30 (4) The personnel director of the higher education personnel board
31 and ((his)) the director's confidential secretary.

32 (5) The governing board of each institution, and related boards,
33 may also exempt from this chapter, subject to the employees right of
34 appeal to the higher education personnel board, classifications
35 involving research activities, counseling of students, extension or
36 continuing education activities, graphic arts or publications
37 activities requiring prescribed academic preparation or special
38 training, ((and principal assistants to executive heads of major
39 administrative or academic divisions,)) as determined by the higher

1 education personnel board: PROVIDED, That no nonacademic employee
2 engaged in office, clerical, maintenance, or food and trade services
3 may be exempted by the higher education personnel board under this
4 provision.

5 Any classified employee having civil service status in a classified
6 position who accepts an appointment in an exempt position shall have
7 the right of reversion to the highest class of position previously
8 held, or to a position of similar nature and salary.

9 A person occupying an exempt position who is terminated from the
10 position for gross misconduct or malfeasance does not have the right of
11 reversion to a classified position as provided for in this section.

12 **Sec. 306.** RCW 41.06.070 and 1993 c ... (Engrossed Substitute House
13 Bill No. 2054) s 21 are each amended to read as follows:

14 (1) The provisions of this chapter do not apply to:

15 (a) The members of the legislature or to any employee of, or
16 position in, the legislative branch of the state government including
17 members, officers, and employees of the legislative council,
18 legislative budget committee, statute law committee, and any interim
19 committee of the legislature;

20 (b) The justices of the supreme court, judges of the court of
21 appeals, judges of the superior courts or of the inferior courts, or to
22 any employee of, or position in the judicial branch of state
23 government;

24 (c) Officers, academic personnel, and employees of technical
25 colleges;

26 (d) The officers of the Washington state patrol;

27 (e) Elective officers of the state;

28 (f) The chief executive officer of each agency;

29 (g) In the departments of employment security, fisheries, social
30 and health services, the director and the director's confidential
31 secretary; in all other departments, the executive head of which is an
32 individual appointed by the governor, the director, his or her
33 confidential secretary, and his or her statutory assistant directors;

34 (h) In the case of a multimember board, commission, or committee,
35 whether the members thereof are elected, appointed by the governor or
36 other authority, serve ex officio, or are otherwise chosen:

37 (i) All members of such boards, commissions, or committees;

1 (ii) If the members of the board, commission, or committee serve on
2 a part-time basis and there is a statutory executive officer: The
3 secretary of the board, commission, or committee; the chief executive
4 officer of the board, commission, or committee; and the confidential
5 secretary of the chief executive officer of the board, commission, or
6 committee;

7 (iii) If the members of the board, commission, or committee serve
8 on a full-time basis: The chief executive officer or administrative
9 officer as designated by the board, commission, or committee; and a
10 confidential secretary to the chair of the board, commission, or
11 committee;

12 (iv) If all members of the board, commission, or committee serve ex
13 officio: The chief executive officer; and the confidential secretary
14 of such chief executive officer;

15 (i) The confidential secretaries and administrative assistants in
16 the immediate offices of the elective officers of the state;

17 (j) Assistant attorneys general;

18 (k) Commissioned and enlisted personnel in the military service of
19 the state;

20 (l) Inmate, student, part-time, or temporary employees, and part-
21 time professional consultants, as defined by the Washington personnel
22 resources board;

23 (m) The public printer or to any employees of or positions in the
24 state printing plant;

25 (n) Officers and employees of the Washington state fruit
26 commission;

27 (o) Officers and employees of the Washington state apple
28 advertising commission;

29 (p) Officers and employees of the Washington state dairy products
30 commission;

31 (q) Officers and employees of the Washington tree fruit research
32 commission;

33 (r) Officers and employees of the Washington state beef commission;

34 (s) Officers and employees of any commission formed under chapter
35 15.66 RCW;

36 (t) Officers and employees of the state wheat commission formed
37 under chapter 15.63 RCW;

38 (u) Officers and employees of agricultural commissions formed under
39 chapter 15.65 RCW;

1 (v) Officers and employees of the nonprofit corporation formed
2 under chapter 67.40 RCW;

3 (w) Liquor vendors appointed by the Washington state liquor control
4 board pursuant to RCW 66.08.050: PROVIDED, HOWEVER, That rules adopted
5 by the Washington personnel resources board pursuant to RCW 41.06.150
6 regarding the basis for, and procedures to be followed for, the
7 dismissal, suspension, or demotion of an employee, and appeals
8 therefrom shall be fully applicable to liquor vendors except those part
9 time agency vendors employed by the liquor control board when, in
10 addition to the sale of liquor for the state, they sell goods, wares,
11 merchandise, or services as a self-sustaining private retail business;

12 (x) Executive assistants for personnel administration and labor
13 relations in all state agencies employing such executive assistants
14 including but not limited to all departments, offices, commissions,
15 committees, boards, or other bodies subject to the provisions of this
16 chapter and this subsection shall prevail over any provision of law
17 inconsistent herewith unless specific exception is made in such law;

18 (y) In each agency with fifty or more employees: Deputy agency
19 heads, assistant directors or division directors, and not more than
20 three principal policy assistants who report directly to the agency
21 head or deputy agency heads;

22 (z) All employees of the marine employees' commission;

23 (aa) Up to a total of five senior staff positions of the western
24 library network under chapter 27.26 RCW responsible for formulating
25 policy or for directing program management of a major administrative
26 unit. This subsection shall expire on June 30, 1997;

27 (2) The following classifications, positions, and employees of
28 institutions of higher education and related boards are hereby exempted
29 from coverage of this chapter:

30 (a) Members of the governing board of each institution of higher
31 education and related boards, all presidents, vice-presidents and their
32 confidential secretaries, administrative and personal assistants;
33 deans, directors, and chairs; academic personnel; and executive heads
34 of major administrative or academic divisions employed by institutions
35 of higher education; principal assistants to executive heads of major
36 administrative or academic divisions; other managerial or professional
37 employees in an institution or related board having substantial
38 responsibility for directing or controlling program operations and
39 accountable for allocation of resources and program results, or for the

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 (b) Student, part-time, or temporary employees, and part-time
10 professional consultants, as defined by the Washington personnel
11 resources board, employed by institutions of higher education and
12 related boards;

13 (c) The governing board of each institution, and related boards,
14 may also exempt from this chapter classifications involving research
15 activities, counseling of students, extension or continuing education
16 activities, graphic arts or publications activities requiring
17 prescribed academic preparation or special training(~~(, and principal~~
18 ~~assistants to executive heads of major administrative or academic~~
19 ~~divisions,)) as determined by the board: PROVIDED, That no nonacademic
20 employee engaged in office, clerical, maintenance, or food and trade
21 services may be exempted by the board under this provision;~~

22 (d) Printing craft employees in the department of printing at the
23 University of Washington;

24 (3) In addition to the exemptions specifically provided by this
25 chapter, the Washington personnel resources board may provide for
26 further exemptions pursuant to the following procedures. The governor
27 or other appropriate elected official may submit requests for exemption
28 to the Washington personnel resources board stating the reasons for
29 requesting such exemptions. The Washington personnel resources board
30 shall hold a public hearing, after proper notice, on requests submitted
31 pursuant to this subsection. If the board determines that the position
32 for which exemption is requested is one involving substantial
33 responsibility for the formulation of basic agency or executive policy
34 or one involving directing and controlling program operations of an
35 agency or a major administrative division thereof, the Washington
36 personnel resources board shall grant the request and such
37 determination shall be final as to any decision made before July 1,
38 1993. The total number of additional exemptions permitted under this
39 subsection shall not exceed one percent of the number of employees in

1 the classified service not including employees of institutions of
2 higher education and related boards for those agencies not directly
3 under the authority of any elected public official other than the
4 governor, and shall not exceed a total of twenty-five for all agencies
5 under the authority of elected public officials other than the
6 governor. The Washington personnel resources board shall report to
7 each regular session of the legislature during an odd-numbered year all
8 exemptions granted under subsections (1) (x) and (y) and (2) of this
9 section, together with the reasons for such exemptions.

10 The salary and fringe benefits of all positions presently or
11 hereafter exempted except for the chief executive officer of each
12 agency, full-time members of boards and commissions, administrative
13 assistants and confidential secretaries in the immediate office of an
14 elected state official, and the personnel listed in subsections (1) (j)
15 through (v) and (2) of this section, shall be determined by the
16 Washington personnel resources board.

17 Any person holding a classified position subject to the provisions
18 of this chapter shall, when and if such position is subsequently
19 exempted from the application of this chapter, be afforded the
20 following rights: If such person previously held permanent status in
21 another classified position, such person shall have a right of
22 reversion to the highest class of position previously held, or to a
23 position of similar nature and salary.

24 Any classified employee having civil service status in a classified
25 position who accepts an appointment in an exempt position shall have
26 the right of reversion to the highest class of position previously
27 held, or to a position of similar nature and salary.

28 A person occupying an exempt position who is terminated from the
29 position for gross misconduct or malfeasance does not have the right of
30 reversion to a classified position as provided for in this section.

31 **Sec. 307.** RCW 28B.16.200 and 1979 c 151 s 18 are each amended to
32 read as follows:

33 (1) There is hereby created a fund within the state treasury,
34 designated as the "higher education personnel board service fund," to
35 be used by the board as a revolving fund for the payment of salaries,
36 wages, and operations required for the administration of the provisions
37 of this chapter, the budget for which shall be subject to review and
38 approval and appropriation by the legislature. Subject to the

1 requirements of subsection (2) of this section, an amount not to exceed
2 one-half of one percent of the salaries and wages for all positions in
3 the classified service shall be contributed from the operations
4 appropriations of each institution and the state board for community
5 and technical colleges ((education)) and credited to the higher
6 education personnel board service fund as such allotments are approved
7 pursuant to chapter 43.88 RCW. Subject to the above limitations, such
8 amount shall be charged against the allotments pro rata, at a rate to
9 be fixed by the director of financial management from time to time,
10 which will provide the board with funds to meet its anticipated
11 expenditures during the allotment period.

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

31 (3) Moneys from the higher education personnel board service fund
32 shall be disbursed by the state treasurer by warrants on vouchers duly
33 authorized by the board.

34 NEW SECTION. Sec. 308. A new section is added to chapter 41.06
35 RCW to read as follows:

36 (1) There is hereby created a fund within the state treasury,
37 designated as the "higher education personnel service fund," to be used
38 by the board as a revolving fund for the payment of salaries, wages,

1 and operations required for the administration of institutions of
2 higher education and related boards, the budget for which shall be
3 subject to review and approval and appropriation by the legislature.
4 Subject to the requirements of subsection (2) of this section, an
5 amount not to exceed one-half of one percent of the salaries and wages
6 for all positions in the classified service shall be contributed from
7 the operations appropriations of each institution and the state board
8 for community and technical colleges and credited to the higher
9 education personnel service fund as such allotments are approved
10 pursuant to chapter 43.88 RCW. Subject to the above limitations, such
11 amount shall be charged against the allotments pro rata, at a rate to
12 be fixed by the director of financial management from time to time,
13 which will provide the board with funds to meet its anticipated
14 expenditures during the allotment period.

15 (2) If employees of institutions of higher education cease to be
16 classified under this chapter pursuant to an agreement authorized by
17 section 304 of this act, each institution of higher education and the
18 state board for community and technical colleges shall continue, for
19 six months after the effective date of the agreement, to make
20 contributions to the higher education personnel service fund based on
21 employee salaries and wages that includes the employees under the
22 agreement. At the expiration of the six-month period, the director of
23 financial management shall make across-the-board reductions in
24 allotments of the higher education personnel service fund for the
25 remainder of the biennium so that the charge to the institutions of
26 higher education and state board for community and technical colleges
27 based on the salaries and wages of the remaining employees of
28 institutions of higher education and related boards classified under
29 this chapter does not increase during the biennium, unless an increase
30 is authorized by the legislature. The director of financial management
31 shall report the amount and impact of any across-the-board reductions
32 made under this section to the appropriations committee of the house of
33 representatives and the ways and means committee of the senate, or
34 appropriate successor committees, within thirty days of making the
35 reductions.

36 (3) Moneys from the higher education personnel service fund shall
37 be disbursed by the state treasurer by warrants on vouchers duly
38 authorized by the board.

1 **Sec. 309.** RCW 41.06.280 and 1993 c ... (Engrossed Substitute House
2 Bill No. 2054) s 34 are each amended to read as follows:

3 There is hereby created a fund within the state treasury,
4 designated as the "department of personnel service fund," to be used by
5 the board as a revolving fund for the payment of salaries, wages, and
6 operations required for the administration of the provisions of this
7 chapter, applicable provisions of chapter 41.04 RCW, and chapter 41.60
8 RCW. An amount not to exceed one and one-half percent of the approved
9 allotments of salaries and wages for all positions in the classified
10 service in each of the agencies subject to this chapter, except the
11 institutions of higher education, shall be charged to the operations
12 appropriations of each agency and credited to the department of
13 personnel service fund as the allotments are approved pursuant to
14 chapter 43.88 RCW. Subject to the above limitations, the amount shall
15 be charged against the allotments pro rata, at a rate to be fixed by
16 the director from time to time which, together with income derived from
17 services rendered under RCW 41.06.080, will provide the department with
18 funds to meet its anticipated expenditures during the allotment period,
19 including the training requirements in RCW 41.06.--- and 41.06.---
20 (sections 9 and 12, chapter ... (Engrossed Substitute House Bill No.
21 2054), Laws of 1993).

22 The director of personnel shall fix the terms and charges for
23 services rendered by the department of personnel pursuant to RCW
24 41.06.080, which amounts shall be credited to the department of
25 personnel service fund and charged against the proper fund or
26 appropriation of the recipient of such services on a quarterly basis.
27 Payment for services so rendered under RCW 41.06.080 shall be made on
28 a quarterly basis to the state treasurer and deposited by him in the
29 department of personnel service fund.

30 Moneys from the department of personnel service fund shall be
31 disbursed by the state treasurer by warrants on vouchers duly
32 authorized by the board.

33 NEW SECTION. **Sec. 310.** A new section is added to chapter 28B.16
34 RCW to read as follows:

35 At any time after July 1, 1993, an institution of higher education
36 and the exclusive bargaining representative of a bargaining unit of
37 employees classified under this chapter or chapter 41.06 RCW as
38 appropriate may exercise their option to have their relationship and

1 corresponding obligations governed entirely by the provisions of
2 chapter 41.56 RCW, by filing notice of the parties' intent to be so
3 governed, subject to the mutual adoption of a collective bargaining
4 agreement recognizing the notice of intent. The parties shall provide
5 the notice to the board or its successor and the public employment
6 relations commission. On the first day of the month following the
7 month during which the institution of higher education and the
8 exclusive bargaining representative provide notice to the board or its
9 successor and the public employment relations commission that they have
10 executed an initial collective bargaining agreement recognizing the
11 notice of intent, this chapter shall cease to apply to all employees in
12 the bargaining unit covered by the agreement, and all labor relations
13 functions of the board or its successor with respect to these employees
14 shall be transferred to the public employment relations commission.

15 **PART IV**
16 **MISCELLANEOUS**

17 NEW SECTION. **Sec. 401.** Section 305 of this act shall take effect
18 if section 21 of Engrossed Substitute House Bill No. 2054 is not signed
19 into law by June 30, 1993.

20 NEW SECTION. **Sec. 402.** Section 306 of this act shall take effect
21 if section 21 of Engrossed Substitute House Bill No. 2054 is signed
22 into law by June 30, 1993.

23 NEW SECTION. **Sec. 403.** Section 307 of this act shall take effect
24 if section 68 of Engrossed Substitute House Bill No. 2054 is not signed
25 into law by June 30, 1993.

26 NEW SECTION. **Sec. 404.** Section 308 of this act shall take effect
27 if sections 34 and 68 of Engrossed Substitute House Bill No. 2054 are
28 signed into law by June 30, 1993.

29 NEW SECTION. **Sec. 405.** Section 309 of this act shall take effect
30 if section 34 of Engrossed Substitute House Bill No. 2054 is signed
31 into law by June 30, 1993.

1 NEW SECTION. **Sec. 406.** The sum of dollars, or as much
2 thereof as may be necessary, is appropriated for the biennium ending
3 June 30, 1995, from each public four-year institution's and the
4 community colleges' operating fees account established in RCW
5 28B.15.824 to the respective institution's local account for the
6 purposes of sections 201 through 205 of this act.

7 NEW SECTION. **Sec. 407.** If any provision of this act or its
8 application to any person or circumstance is held invalid, the
9 remainder of the act or the application of the provision to other
10 persons or circumstances is not affected.

11 NEW SECTION. **Sec. 408.** This act is necessary for the immediate
12 preservation of the public peace, health, or safety, or support of the
13 state government and its existing public institutions, and shall take
14 effect July 1, 1993.

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