

2 **SB 5990** - H COMM AMD **ADOPTED AS AMENDED 4/6/95**

3 By Committee on Appropriations

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5 Strike everything after the enacting clause and insert the
6 following:

7 "NEW SECTION. **Sec. 1.** A new section is added to chapter 41.50 RCW
8 to read as follows:

9 (1) Except as limited by subsection (3) of this section, the
10 governing body of an employer under chapter 41.32 or 41.40 RCW shall
11 comply with the provisions of subsection (2) of this section prior to
12 executing a contract or collective bargaining agreement with members
13 under chapter 41.32 or 41.40 RCW which provides for:

14 (a) A cash out of unused annual leave in excess of two hundred
15 forty hours of such leave. "Cash out" for purposes of this subsection
16 means any payment in lieu of an accrual of annual leave or any payment
17 added to regular salary, concurrent with a reduction of annual leave;

18 (b) A cash out of any other form of leave;

19 (c) A payment for, or in lieu of, any personal expense or
20 transportation allowance;

21 (d) The portion of any payment, including overtime payments, that
22 exceeds twice the regular rate of pay; or

23 (e) Any other termination or severance payment.

24 (2) Any governing body entering into a contract, other than a
25 collective bargaining agreement, that includes a compensation provision
26 listed in subsection (1) of this section shall do so only after public
27 notice in compliance with the open public meetings act, chapter 42.30
28 RCW. This notification requirement may be accomplished as part of the
29 approval process for adopting a contract in whole, and does not require
30 separate or additional open public meetings. At two consecutive public
31 meetings, full disclosure shall be made of the nature of the proposed
32 compensation provision, and the employer's estimate of the excess
33 compensation billings under RCW 41.50.150 that the employing entity
34 would have to pay as a result of the proposed compensation provision.
35 Only after the second of these two public meetings may the governing
36 body adopt the proposed compensation provisions. The employer shall

1 notify the department of its compliance with this section at the time
2 the department bills the employer under RCW 41.40.150 for the pension
3 impact of compensation provisions listed in subsection (1) of this
4 section that are adopted after the effective date of this act.

5 (3) The requirements of subsection (2) of this section shall not
6 apply to the adoption of a compensation provision listed in subsection
7 (1) of this section if the compensation would not be includable in
8 calculating benefits under chapter 41.32 or 41.40 RCW for the employees
9 covered by the compensation provision."

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13 On page 1, line 2 of the title, after "compensation;" strike the
14 remainder of the title and insert "and adding a new section to chapter
15 41.50 RCW."

16 EFFECT: Only requires public notice if compensation is used in
17 calculating a retirement benefit under PERS or TRS; only requires one
18 public notice and meeting prior to adoption of one of the listed forms
19 of compensation; eliminates LEOFF employers and members from the
20 reporting requirement.

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