

1 **SSB 5990 - H AMD 662 WITHDRAWN 4/12/95**

2 By Representative Carlson

3 Strike everything after the enacting clause and insert the  
4 following:

5  
6 "NEW SECTION. **Sec. 1.** A new section is added to chapter  
7 41.50 RCW to read as follows:

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

13 (a) A cash out of unused annual leave in excess of two hundred  
14 forty hours of such leave. "Cash out" for purposes of this  
15 subsection means any payment in lieu of an accrual of annual leave  
16 or any payment added to salary or wages, concurrent with a  
17 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  
22 that exceeds twice the regular rate of pay; and

23 (e) Any other termination or severance payment.

24 (2) Any governing body entering into a contract or collective  
25 bargaining agreement that includes a compensation provision listed  
26 in subsection (1) of this section shall do so only after public  
27 notice in compliance with the open public meetings act, chapter  
28 42.30 RCW. This notification requirement may be accomplished as  
29 part of the approval process for adopting a contract or collective  
30 bargaining agreement in whole, and does not require separate or  
31 additional open public meetings. At two consecutive public

1 meetings, full disclosure shall be made of the nature of the  
2 proposed compensation provision, and the employer's estimate of the  
3 excess compensation billings under RCW 41.50.150 that the employing  
4 entity would have to pay as a result of the proposed compensation  
5 provision. The employer shall notify the department of its  
6 compliance with this section at the time the department bills the  
7 employer under RCW 41.40.150 for the pension impact of compensation  
8 provisions listed in subsection (1) of this section that are  
9 adopted after the effective date of this act.

10 (3) The requirements of subsection (2) of this section shall  
11 not apply to the adoption of a compensation provision listed in  
12 subsection (1) of this section if the compensation would not be  
13 includable in calculating benefits under chapter 41.32 or 41.40 RCW  
14 for the employees covered by the compensation provision."  
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**EFFECT:** Requires PERS I or TRS I employers to provide notice during two consecutive public meetings of compensation practices resulting in an increase in retirement costs from excess compensation. Also makes a technical correction consistent with the definition of "cashouts."