

CERTIFICATION OF ENROLLMENT

**SENATE BILL 5990**

Chapter 387, Laws of 1995

54th Legislature  
1995 Regular Session

PAYMENT OF EXCESS COMPENSATION--PUBLIC NOTICE REQUIREMENTS

EFFECTIVE DATE: 7/23/95

Passed by the Senate April 22, 1995  
YEAS 47 NAYS 0

JOEL PRITCHARD

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**President of the Senate**

Passed by the House April 21, 1995  
YEAS 96 NAYS 0

CLYDE BALLARD

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**Speaker of the  
House of Representatives**

Approved May 16, 1995

MIKE LOWRY

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**Governor of the State of Washington**

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5990** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

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**Secretary**

FILED

May 16, 1995 - 11:37 a.m.

**Secretary of State  
State of Washington**

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**SENATE BILL 5990**

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AS AMENDED BY THE HOUSE

Passed Legislature - 1995 Regular Session

**State of Washington                      54th Legislature                      1995 Regular Session**

**By** Senators Long, Bauer, Cantu, Rinehart, Newhouse, Winsley, Wood, Deccio, Johnson, Finkbeiner, Loveland and Hochstatter

Read first time 02/21/95. Referred to Committee on Ways & Means.

1            AN ACT Relating to requiring public notice prior to entering into  
2 agreements to pay certain types of excess compensation; and adding a  
3 new section to chapter 41.50 RCW.

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

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

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

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

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

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

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

3 (e) Any other termination or severance payment.

4 (2) Any governing body entering into a contract that includes a  
5 compensation provision listed in subsection (1) of this section shall  
6 do so only after public notice in compliance with the open public  
7 meetings act, chapter 42.30 RCW. This notification requirement may be  
8 accomplished as part of the approval process for adopting a contract in  
9 whole, and does not require separate or additional open public  
10 meetings. At the public meeting, full disclosure shall be made of the  
11 nature of the proposed compensation provision, and the employer's  
12 estimate of the excess compensation billings under RCW 41.50.150 that  
13 the employing entity would have to pay as a result of the proposed  
14 compensation provision. The employer shall notify the department of  
15 its compliance with this section at the time the department bills the  
16 employer under RCW 41.40.150 for the pension impact of compensation  
17 provisions listed in subsection (1) of this section that are adopted  
18 after the effective date of this act.

19 (3) The requirements of subsection (2) of this section shall not  
20 apply to the adoption of a compensation provision listed in subsection  
21 (1) of this section if the compensation would not be includable in  
22 calculating benefits under chapter 41.32 or 41.40 RCW for the employees  
23 covered by the compensation provision.

Passed the Senate April 22, 1995.

Passed the House April 21, 1995.

Approved by the Governor May 16, 1995.

Filed in Office of Secretary of State May 16, 1995.