

HOUSE BILL REPORT

HB 1188

As Reported by House Committee On:
State Government

Title: An act relating to delaying annual leave payments upon employment termination.

Brief Description: Delaying annual leave payments upon employment termination.

Sponsors: Representatives S. Hunt, Johnson, Appleton and Holy.

Brief History:

Committee Activity:

State Government: 1/28/15, 1/29/15 [DPS].

Brief Summary of Substitute Bill

- Allows persons leaving employment from state government to defer payment of earned vacation leave.

HOUSE COMMITTEE ON STATE GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives S. Hunt, Chair; Bergquist, Vice Chair; Holy, Ranking Minority Member; Van Werven, Assistant Ranking Minority Member; Appleton, Gregory and Hawkins.

Staff: Marsha Reilly (786-7135).

Background:

State officers and employees are entitled to one day of paid vacation leave, also referred to as annual leave, for each month of employment. In addition, an employee shall receive an additional day of paid annual leave for the first two, three, and five continuous years of employment respectively. Continuous part-time employees also are entitled to receive vacation leave on a fractional basis of hours worked. Employees may accrue 30 days of unused vacation leave, although authorization to accumulate leave in excess of 30 days may be approved under certain conditions.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Upon leaving state employment, through termination, a reduction in force, resignation, dismissal, or retirement, a state officer or employee must be paid for any accrued vacation leave.

Summary of Substitute Bill:

State officers and employees who resign, are dismissed, or who leave employment because of a reduction in force, may request that payment of earned vacation leave be delayed for a period of up to 180 calendar days. The request must be made in writing by the officer or employee no later than the last day of employment.

Substitute Bill Compared to Original Bill:

The substitute bill adds the requirement that a request for delayed payment of vacation leave must be made in writing by the officer or employee no later than the last day of employment.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This is a modest bill, but it can have a big impact on state employees and their families. Current law requires that an employee receive a cash out of annual leave when leaving employment even though you plan to return to state employment in another capacity. Once you are cashed out, you cannot use the leave in your new job for six months. The bill does not impact pensions.

(With concerns) The University of Washington would like to focus the bill more. As written, it would require complicated system changes and programming costs to comply as payroll systems are designed to pay out leave immediately upon separation.

(Opposed) None.

Persons Testifying: (In support) Representative S. Hunt, prime sponsor; and Bill Lynch.

(With concerns) Genesee Adkins, University of Washington.

Persons Signed In To Testify But Not Testifying: None.