
HOUSE BILL 2408

State of Washington

69th Legislature

2026 Regular Session

By Representatives Walen, Hill, Reeves, and Donaghy; by request of Office of Financial Management

Read first time 01/13/26. Referred to Committee on State Government & Tribal Relations.

1 AN ACT Relating to improving government efficiency through
2 amending and repealing obsolete statutory language; amending RCW
3 41.04.665, 41.04.760, 41.06.500, 43.03.030, and 43.03.040; and
4 repealing RCW 41.06.155, 41.06.475, 41.06.476, 41.06.560, and
5 43.03.3051.

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

7 NEW SECTION. **Sec. 1.** The following acts or parts of acts are
8 each repealed:

9 (1) RCW 41.06.155 (Salaries—Implementation of changes to achieve
10 comparable worth) and 1993 c 281 s 28 & 1983 1st ex.s. c 75 s 6;

11 (2) RCW 41.06.475 (Employees with unsupervised access to children
12 —Rules for background investigation) and 2017 3rd sp.s. c 6 s 807,
13 2007 c 387 s 8, 2002 c 354 s 222, 1993 c 281 s 38, & 1986 c 269 s 2;

14 (3) RCW 41.06.476 (Background investigation rules—Updating) and
15 2011 1st sp.s. c 43 s 426 & 2001 c 296 s 6;

16 (4) RCW 41.06.560 (Monetary performance-based awards or
17 incentives—Restrictions) and 2012 2nd sp.s. c 7 s 916, 2011 1st sp.s.
18 c 39 s 11, & 2010 c 2 s 6; and

19 (5) RCW 43.03.3051 (Elected officials—Voluntary salary reduction)
20 and 2011 1st sp.s. c 39 s 2.

1 **Sec. 2.** RCW 41.04.665 and 2020 c 6 s 2 are each amended to read
2 as follows:

3 (1) An agency head may permit an employee to receive leave under
4 this section if:

5 (a) (i) The employee suffers from, or has a relative or household
6 member suffering from, an illness, injury, impairment, or physical or
7 mental condition which is of an extraordinary or severe nature;

8 (ii) The employee has been called to service in the uniformed
9 services;

10 (iii) The employee is a current member of the uniformed services
11 or is a veteran as defined under RCW 41.04.005, and is attending
12 medical appointments or treatments for a service connected injury or
13 disability;

14 (iv) The employee is a spouse of a current member of the
15 uniformed services or a veteran as defined under RCW 41.04.005, who
16 is attending medical appointments or treatments for a service
17 connected injury or disability and requires assistance while
18 attending appointment or treatment;

19 (v) A state of emergency has been declared anywhere within the
20 United States by the federal or any state government and the employee
21 has needed skills to assist in responding to the emergency or its
22 aftermath and volunteers his or her services to either a governmental
23 agency or to a nonprofit organization engaged in humanitarian relief
24 in the devastated area, and the governmental agency or nonprofit
25 organization accepts the employee's offer of volunteer services;

26 (vi) The employee is a victim of domestic violence, sexual
27 assault, or stalking;

28 (vii) The employee needs the time for parental leave; or

29 (viii) The employee is sick or temporarily disabled because of
30 pregnancy disability;

31 (b) The illness, injury, impairment, condition, call to service,
32 emergency volunteer service, or consequence of domestic violence,
33 sexual assault, temporary layoff under section 3(5), chapter 32, Laws
34 of 2010 1st sp. sess., or stalking has caused, or is likely to cause,
35 the employee to:

36 (i) Go on leave without pay status; or

37 (ii) Terminate state employment;

38 (c) The employee's absence and the use of shared leave are
39 justified;

40 (d) The employee has depleted or will shortly deplete his or her:

1 (i) Annual leave and sick leave reserves if he or she qualifies
2 under (a)(i) of this subsection;

3 (ii) Annual leave and paid military leave allowed under RCW
4 38.40.060 if he or she qualifies under (a)(ii) of this subsection;

5 (iii) Annual leave if he or she qualifies under (a)(v) or (vi)
6 of this subsection; or

7 (iv) Annual leave and sick leave reserves if the employee
8 qualifies under (a)(vii) or (viii) of this subsection; and

9 (e) The employee has abided by agency rules regarding:

10 (i) Sick leave use if he or she qualifies under (a)(i), (vi),
11 (vii), or (viii) of this subsection; or

12 (ii) Military leave if he or she qualifies under (a)(ii) of this
13 subsection(~~;~~and

14 ~~(f)(i) Until the expiration of proclamation 20-05, issued~~
15 ~~February 29, 2020, by the governor and declaring a state of emergency~~
16 ~~in the state of Washington, or any amendment thereto, whichever is~~
17 ~~later, an agency head may permit an employee to receive shared leave~~
18 ~~under this section if the employee, or a relative or household~~
19 ~~member, is isolated or quarantined as recommended, requested, or~~
20 ~~ordered by a public health official or health care provider as a~~
21 ~~result of suspected or confirmed infection with or exposure to the~~
22 ~~2019 novel coronavirus (COVID-19). An agency head may permit use of~~
23 ~~shared leave under this subsection (1)(f) without considering the~~
24 ~~requirements of (a) through (e) of this subsection.~~

25 ~~(ii) The office of the governor must provide notice of the~~
26 ~~expiration of proclamation 20-05, or any amendment thereto, whichever~~
27 ~~is later, to the chief clerk of the house of representatives, the~~
28 ~~secretary of the senate, the office of the code reviser, and others~~
29 ~~as deemed appropriate by the office of the governor)).~~

30 (2)(a) The agency head shall determine the amount of leave, if
31 any, which an employee may receive under this section. However, the
32 agency head may not prevent an employee from using shared leave
33 intermittently or on nonconsecutive days so long as the leave has not
34 been returned under subsection (10) of this section. In addition, an
35 employee shall not receive a total of more than five hundred twenty-
36 two days of leave, except that, a supervisor may authorize leave in
37 excess of five hundred twenty-two days in extraordinary circumstances
38 for an employee qualifying for the shared leave program because he or
39 she is suffering from an illness, injury, impairment, or physical or
40 mental condition which is of an extraordinary or severe nature.

1 Shared leave received under the uniformed service shared leave pool
2 in RCW 41.04.685 is not included in this total.

3 (b) An employee receiving industrial insurance wage replacement
4 benefits may not receive greater than twenty-five percent of his or
5 her base salary from the receipt of shared leave under this section.

6 (3) The agency head must allow employees who are veterans, as
7 defined under RCW 41.04.005, and their spouses, to access shared
8 leave from the veterans' in-state service shared leave pool upon
9 employment.

10 (4) An employee may transfer annual leave, sick leave, and his or
11 her personal holiday, as follows:

12 (a) An employee who has an accrued annual leave balance of more
13 than ten days may request that the head of the agency for which the
14 employee works transfer a specified amount of annual leave to another
15 employee authorized to receive leave under subsection (1) of this
16 section. In no event may the employee request a transfer of an amount
17 of leave that would result in his or her annual leave account going
18 below ten days. For purposes of this subsection (4)(a), annual leave
19 does not accrue if the employee receives compensation in lieu of
20 accumulating a balance of annual leave.

21 (b) An employee may transfer a specified amount of sick leave to
22 an employee requesting shared leave only when the donating employee
23 retains a minimum of one hundred seventy-six hours of sick leave
24 after the transfer.

25 (c) An employee may transfer, under the provisions of this
26 section relating to the transfer of leave, all or part of his or her
27 personal holiday, as that term is defined under RCW 1.16.050, or as
28 such holidays are provided to employees by agreement with a school
29 district's board of directors if the leave transferred under this
30 subsection does not exceed the amount of time provided for personal
31 holidays under RCW 1.16.050.

32 (5) An employee of an institution of higher education under RCW
33 28B.10.016, school district, or educational service district who does
34 not accrue annual leave but does accrue sick leave and who has an
35 accrued sick leave balance of more than twenty-two days may request
36 that the head of the agency for which the employee works transfer a
37 specified amount of sick leave to another employee authorized to
38 receive leave under subsection (1) of this section. In no event may
39 such an employee request a transfer that would result in his or her
40 sick leave account going below twenty-two days. Transfers of sick

1 leave under this subsection are limited to transfers from employees
2 who do not accrue annual leave. Under this subsection, "sick leave"
3 also includes leave accrued pursuant to RCW 28A.400.300(1)(b) or
4 28A.310.240(1) with compensation for illness, injury, and
5 emergencies.

6 (6) Transfers of leave made by an agency head under subsections
7 (4) and (5) of this section shall not exceed the requested amount.

8 (7) Leave transferred under this section may be transferred from
9 employees of one agency to an employee of the same agency or, with
10 the approval of the heads of both agencies, to an employee of another
11 state agency.

12 (8) While an employee is on leave transferred under this section,
13 he or she shall continue to be classified as a state employee and
14 shall receive the same treatment in respect to salary, wages, and
15 employee benefits as the employee would normally receive if using
16 accrued annual leave or sick leave.

17 (a) All salary and wage payments made to employees while on leave
18 transferred under this section shall be made by the agency employing
19 the person receiving the leave. The value of leave transferred shall
20 be based upon the leave value of the person receiving the leave.

21 (b) In the case of leave transferred by an employee of one agency
22 to an employee of another agency, the agencies involved shall arrange
23 for the transfer of funds and credit for the appropriate value of
24 leave.

25 (i) Pursuant to rules adopted by the office of financial
26 management, funds shall not be transferred under this section if the
27 transfer would violate any constitutional or statutory restrictions
28 on the funds being transferred.

29 (ii) The office of financial management may adjust the
30 appropriation authority of an agency receiving funds under this
31 section only if and to the extent that the agency's existing
32 appropriation authority would prevent it from expending the funds
33 received.

34 (iii) Where any questions arise in the transfer of funds or the
35 adjustment of appropriation authority, the director of financial
36 management shall determine the appropriate transfer or adjustment.

37 (9) Leave transferred under this section shall not be used in any
38 calculation to determine an agency's allocation of full time
39 equivalent staff positions.

1 (10)(a) The value of any leave transferred under this section
2 which remains unused shall be returned at its original value to the
3 employee or employees who transferred the leave when the agency head
4 finds that the leave is no longer needed or will not be needed at a
5 future time in connection with the illness or injury for which the
6 leave was transferred or for any other qualifying condition. Unused
7 shared leave may not be returned until one of the following occurs:

8 (i) The agency head receives from the affected employee a
9 statement from the employee's doctor verifying that the illness or
10 injury is resolved; or

11 (ii) The employee is released to full-time employment; has not
12 received additional medical treatment for his or her current
13 condition or any other qualifying condition for at least six months;
14 and the employee's doctor has declined, in writing, the employee's
15 request for a statement indicating the employee's condition has been
16 resolved.

17 (b) If a shared leave account is closed and an employee later has
18 a need to use shared leave due to the same condition listed in the
19 closed account, the agency head must approve a new shared leave
20 request for the employee.

21 (c) To the extent administratively feasible, the value of unused
22 leave which was transferred by more than one employee shall be
23 returned on a pro rata basis.

24 (11) An employee who uses leave that is transferred to him or her
25 under this section may not be required to repay the value of the
26 leave that he or she used.

27 (12) The director of financial management may adopt rules as
28 necessary to implement subsection (2) of this section.

29 (13) For the purposes of this section, "shortly deplete" means
30 that the employee will have forty hours or less of the applicable
31 leave types under subsection (1)(d) of this section. However, the
32 employee is not required to deplete all of the employee's leave and
33 can maintain up to forty hours of the applicable leave types in
34 reserve.

35 **Sec. 3.** RCW 41.04.760 and 1999 c 178 s 3 are each amended to
36 read as follows:

37 State agencies are encouraged to participate in supported
38 employment activities. The department of social and health services,
39 in conjunction with (~~the department of personnel and~~) the office of

1 financial management, shall identify agencies that have positions and
2 funding conducive to implementing supported employment. An agency may
3 only participate in supported employment activities pursuant to this
4 section if the agency is able to operate the program within its
5 existing budget. These agencies shall:

6 (1) Designate a coordinator who will be responsible for
7 information and resource referral regarding the agency's supported
8 employment program. The coordinator shall serve as a liaison between
9 the agency and the (~~department of personnel~~) office of financial
10 management regarding supported employment;

11 (2) Submit an annual update to the department of social and
12 health services(~~, the department of personnel,~~) and the (~~office of~~
13 ~~financial management~~) office of equity. The annual update shall
14 include: A description of the agency's supported employment efforts,
15 the number of individuals placed in supported employment positions,
16 and an overall evaluation of the effectiveness of supported
17 employment for the agency.

18 **Sec. 4.** RCW 41.06.500 and 2011 1st sp.s. c 39 s 6 are each
19 amended to read as follows:

20 (1) Except as provided in RCW 41.06.070 and subject to RCW
21 41.04.820, notwithstanding any other provisions of this chapter, the
22 director is authorized to adopt, after consultation with state
23 agencies and employee organizations, rules for managers as defined in
24 RCW 41.06.022. These rules shall not apply to managers employed by
25 institutions of higher education or related boards or whose positions
26 are exempt. The rules shall govern recruitment, appointment,
27 classification and allocation of positions, examination, training and
28 career development, hours of work, probation, certification,
29 compensation, transfer, affirmative action, promotion, layoff,
30 reemployment, performance appraisals, discipline, and any and all
31 other personnel practices for managers. These rules shall be separate
32 from rules adopted for other employees, and to the extent that the
33 rules adopted under this section apply only to managers shall take
34 precedence over rules adopted for other employees, and are not
35 subject to review by the board.

36 (2) In establishing rules for managers, the director shall adhere
37 to the following goals:

1 (a) Development of a simplified classification system that
2 facilitates movement of managers between agencies and promotes upward
3 mobility;

4 (b) Creation of a compensation system that provides flexibility
5 in setting and changing salaries, and shall require review and
6 approval by the director in the case of any salary changes greater
7 than five percent proposed for any group of employees;

8 (c) Establishment of a performance appraisal system that
9 emphasizes individual accountability for program results and
10 efficient management of resources; effective planning, organization,
11 and communication skills; valuing and managing workplace diversity;
12 development of leadership and interpersonal abilities; and employee
13 development;

14 (d) Strengthening management training and career development
15 programs that build critical management knowledge, skills, and
16 abilities; focusing on managing and valuing workplace diversity;
17 empowering employees by enabling them to share in workplace decision
18 making and to be innovative, willing to take risks, and able to
19 accept and deal with change; promoting a workplace where the overall
20 focus is on the recipient of the government services and how these
21 services can be improved; and enhancing mobility and career
22 advancement opportunities;

23 (e) Permitting flexible recruitment and hiring procedures that
24 enable agencies to compete effectively with other employers, both
25 public and private, for managers with appropriate skills and
26 training; allowing consideration of all qualified candidates for
27 positions as managers; and achieving affirmative action goals and
28 diversity in the workplace;

29 (f) Providing that managers may only be reduced, dismissed,
30 suspended, or demoted for cause; and

31 (g) Facilitating decentralized and regional administration.

32 ~~((3) From February 18, 2009, through June 30, 2013, a salary or~~
33 ~~wage increase shall not be granted to any position under this~~
34 ~~section, except that increases may be granted for positions for which~~
35 ~~the employer has demonstrated difficulty retaining qualified~~
36 ~~employees if the following conditions are met:~~

37 ~~(a) The salary increase can be paid within existing resources;~~

38 ~~(b) The salary increase will not adversely impact the provision~~
39 ~~of client services; and~~

1 ~~(c) For any state agency of the executive branch, not including~~
2 ~~institutions of higher education, the salary increase is approved by~~
3 ~~the director of the office of financial management.~~

4 ~~Any agency granting a salary increase from February 15, 2010,~~
5 ~~through June 30, 2011, to a position under this section shall submit~~
6 ~~a report to the fiscal committees of the legislature no later than~~
7 ~~July 31, 2011, detailing the positions for which salary increases~~
8 ~~were granted, the size of the increases, and the reasons for giving~~
9 ~~the increases.~~

10 ~~Any agency granting a salary increase from July 1, 2011, through~~
11 ~~June 30, 2013, to a position under this section shall submit a report~~
12 ~~to the fiscal committees of the legislature by July 31, 2012, and~~
13 ~~July 31, 2013, detailing the positions for which salary increases~~
14 ~~were granted during the preceding fiscal year, the size of the~~
15 ~~increases, and the reasons for giving the increases.~~

16 ~~(4) From February 15, 2010, until June 30, 2013, no monetary~~
17 ~~performance-based awards or growth and development progression~~
18 ~~adjustments may be granted by the director or employers to the~~
19 ~~Washington management service employees covered by the rules adopted~~
20 ~~under this section. This subsection does not prohibit the payment of~~
21 ~~awards provided for in chapter 41.60 RCW.~~

22 ~~From July 1, 2011, until June 30, 2013, no performance-based~~
23 ~~awards or incentives may be granted by the director or employers to~~
24 ~~employees pursuant to a performance management confirmation granted~~
25 ~~by the department of personnel under WAC 357-37-055.~~

26 ~~From July 1, 2011, through June 29, 2013, salaries for all~~
27 ~~positions under this section are subject to RCW 41.04.820.)~~

28 **Sec. 5.** RCW 43.03.030 and 2011 1st sp.s. c 39 s 7 are each
29 amended to read as follows:

30 (1) Wherever the compensation of any appointive state officer or
31 employee is fixed by statute, it may be hereafter increased or
32 decreased in the manner provided by law for the fixing of
33 compensation of other appointive state officers or employees; but
34 this subsection shall not apply to the heads of state departments.

35 (2) Wherever the compensation of any state officer appointed by
36 the governor, or of any employee in any office or department under
37 the control of any such officer, is fixed by statute, such
38 compensation may hereafter, from time to time, be changed by the

1 governor, and he or she shall have power to fix such compensation at
2 any amount not to exceed the amount fixed by statute.

3 ~~((3) From February 18, 2009, through June 30, 2013, a salary or~~
4 ~~wage increase shall not be granted to any position under this~~
5 ~~section, except that increases may be granted for positions for which~~
6 ~~the employer has demonstrated difficulty retaining qualified~~
7 ~~employees if the following conditions are met:~~

8 ~~(a) The salary increase can be paid within existing resources;~~

9 ~~(b) The salary increase will not adversely impact the provision~~
10 ~~of client services; and~~

11 ~~(c) For any state agency of the executive branch, not including~~
12 ~~institutions of higher education, the salary increase is approved by~~
13 ~~the director of the office of financial management.~~

14 ~~Any agency granting a salary increase from February 15, 2010,~~
15 ~~through June 30, 2011, to a position exempt under this section shall~~
16 ~~submit a report to the fiscal committees of the legislature no later~~
17 ~~than July 31, 2011, detailing the positions for which salary~~
18 ~~increases were granted, the size of the increases, and the reasons~~
19 ~~for giving the increases.~~

20 ~~Any agency granting a salary increase from July 1, 2011, through~~
21 ~~June 30, 2013, to a position exempt under this section shall submit a~~
22 ~~report to the fiscal committees of the legislature by July 31, 2012,~~
23 ~~and July 31, 2013, detailing the positions for which salary increases~~
24 ~~were granted during the preceding fiscal year, the size of the~~
25 ~~increases, and the reasons for giving the increases.~~

26 ~~From July 1, 2011, through June 29, 2013, salaries for all~~
27 ~~positions under this section are subject to RCW 41.04.820.)~~

28 **Sec. 6.** RCW 43.03.040 and 2018 c 272 s 1 are each amended to
29 read as follows:

30 Subject to RCW 41.04.820, the directors of the several
31 departments and members of the several boards and commissions, whose
32 salaries are fixed by the governor and the chief executive officers
33 of the agencies named in RCW 43.03.028(1) as now or hereafter amended
34 shall each severally receive such salaries, payable in monthly
35 installments, as shall be fixed by the governor or the appropriate
36 salary fixing authority, and, unless set according to RCW
37 41.26.717(1), in an amount not to exceed the recommendations of the
38 office of financial management. ~~((From February 18, 2009, through~~
39 ~~June 30, 2013, a salary or wage increase shall not be granted to any~~

1 ~~position under this section, except that increases may be granted for~~
2 ~~positions for which the employer has demonstrated difficulty~~
3 ~~retaining qualified employees if the following conditions are met:~~

4 ~~(1) The salary increase can be paid within existing resources;~~

5 ~~(2) The salary increase will not adversely impact the provision~~
6 ~~of client services; and~~

7 ~~(3) For any state agency of the executive branch, not including~~
8 ~~institutions of higher education, the salary increase is approved by~~
9 ~~the director of the office of financial management.~~

10 ~~Any agency granting a salary increase from February 15, 2010,~~
11 ~~through June 30, 2011, to a position under this section shall submit~~
12 ~~a report to the fiscal committees of the legislature no later than~~
13 ~~July 31, 2011, detailing the positions for which salary increases~~
14 ~~were granted, the size of the increases, and the reasons for giving~~
15 ~~the increases.~~

16 ~~Any agency granting a salary increase from July 1, 2011, through~~
17 ~~June 30, 2013, to a position under this section shall submit a report~~
18 ~~to the fiscal committees of the legislature by July 31, 2012, and~~
19 ~~July 31, 2013, detailing the positions for which salary increases~~
20 ~~were granted during the preceding fiscal year, the size of the~~
21 ~~increases, and the reasons for giving the increases.)~~

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