

FINAL BILL REPORT

SHB 2998

C 2 L 10
Synopsis as Enacted

Brief Description: Suspending certain monetary awards and salary increases.

Sponsors: House Committee on Ways & Means (originally sponsored by Representatives Seaquist, Armstrong, Hunt, Kessler, Wallace, Conway and Darneille).

House Committee on Ways & Means
Senate Committee on Ways & Means

Background:

The Washington Management Service (WMS) is a personnel system established for civil service managers in state government. Washington Management Service employees develop policies or direct the work of an agency, administer policies or programs of an agency or agency subdivision, or manage local offices or subdivisions of agencies. Washington Management Service positions often have responsibility for personnel administration, legislative relations, public information, or budgets, or have other duties that include exercising authority that is not merely routine or clerical in nature and requires the consistent use of independent judgment. During 2009 about 4,500 of the 65,000 non-higher education state employees occupied WMS positions.

Washington Management Service employees do not receive automatic annual salary increments as civil service employees do. Instead, a WMS employee's agency has discretion to grant WMS progression increases. Progression increases are added to base salary due to "growth and development" in the job. These progression increases were halted for a period of one year by the enactment of Engrossed Second Substitute Bill 5460 (relating to reducing the administrative cost of state government) on February 18, 2009.

The Exempt Management Service (EMS) is the employment category used for senior, executive-level positions that are exempt from state civil service law. They are at-will employees and serve at the pleasure of the appointing agency or authority. Creation of EMS positions is generally restricted, and may be designated either by statute or by the Director of Personnel at the request of the Governor or other elected official. During 2009 there were about 1,250 EMS positions in state government.

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.

"Performance Based Incentives and Bonuses" are considered to include awards or lump-sum payments that agencies may grant to civil service and WMS employees in recognition of special job performance, outstanding achievements, and special accomplishments under the general authority established in the state civil service statutes and rules. Such payments do not generally become a permanent addition to base pay.

In Chapter 534, Laws of 2009 (Engrossed Substitute House Bill 2049) the Department of Personnel was required to annually report on the award of performance-based incentives and bonuses to the Governor and Legislature. That report was first submitted in December of 2009, and it indicated that about \$1.9 million in performance based incentives and bonuses was awarded to employees, with an average award amount of \$204.

Summary:

No monetary-based awards or incentives may be granted to the Washington Civil Service, the Washington Management Service (WMS), or Civil Service-exempt employees until June 30, 2011. In addition, no growth and development progression adjustments may be granted to the WMS employees, nor any monetary performance-based awards or incentives to the Housing Finance Commission employees through June 30, 2011. The prohibitions on awards do not apply to the awards granted by the Washington State Productivity Board.

Votes on Final Passage:

House	97	0	
Senate	48	0	(Senate amended)
House	97	0	(House concurred)

Effective: February 15, 2010