relating to trial by jury, and the amendments to RCW 26.32.085(2) and 26.37.015(3) accomplished by sections 31(2) and 35(3) of this act shall not apply to actions or proceedings commenced prior to the effective date of this act.

Passed the Senate February 18, 1976. Passed the House February 13, 1976. Approved by the Governor February 21, 1976. Filed in Office of Secretary of State February 21, 1976.

## **CHAPTER 43**

## [Substitute Senate Bill No. 2635] STATE PERSONNEL BOARD APPEALS—HEARING OFFICERS

AN ACT Relating to state government; amending section 11, chapter 1, Laws of 1961 and RCW 41-.06.110; amending section 12, chapter 1, Laws of 1961 and RCW 41.06.120; amending section 17, chapter 1, Laws of 1961 and RCW 41.06.170; adding a new section to chapter 28B.16 RCW; adding new sections to chapter 1, Laws of 1961 and to chapter 41.06 RCW; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 11, chapter 1, Laws of 1961 and RCW 41.06.110 are each amended to read as follows:

(1) There is hereby created a state personnel board composed of three members appointed by the governor, subject to confirmation by the senate: PROVID-ED, That no member appointed when the legislature was not in session shall continue to be a member of the board after the thirtieth day of the next legislative session unless his appointment shall have been approved by the senate. The first such board shall be appointed within thirty days after December 8, 1960 for terms of two, four, and six years. Each odd numbered year thereafter the governor shall appoint a member for a six year term. Persons so appointed shall have clearly demonstrated an interest and belief in the merit principle, shall not hold any other employment with the state, shall not have been an officer of a political party for a period of one year immediately prior to such appointment, and shall not be or become a candidate for partisan elective public office during the term to which they are appointed;

(2) Each member of the board shall be paid fifty dollars for each day in which he has actually attended a meeting of the board officially held. The members of the board may receive any number of daily payments for official meetings of the board, actually attended: PROVIDED, That after July 1, 1962, no one board member shall receive more than one thousand five hundred dollars in any fiscal year for this purpose: PROVIDED, FURTHER, That such limitation shall not apply to daily payments for the hearing of employee appeals. Members of the board shall also be reimbursed for necessary travel and other expenses incurred in the discharge of their official duties on the same basis as is provided for state officers and employees generally.

(3) At its first meeting following the appointment of all of its members, and annually thereafter, the board shall elect a chairman and vice chairman from among its members to serve one year. The presence of at least two members of the

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board shall constitute a quorum to transact business. A written public record shall be kept by the board of all actions of the board. The director of personnel shall serve as secretary.

(4) The board may appoint and compensate hearing officers to hear and conduct appeals. Such compensation shall be paid on a contractual basis for each hearing, in accordance with the provisions of chapter 43.88 RCW and rules adopted pursuant thereto, as they relate to personal service contracts.

Sec. 2. Section 12, chapter 1, Laws of 1961 and RCW 41.06.120 are each amended to read as follows:

(1) In the necessary conduct of its work, the board shall meet monthly unless there is no pending business requiring board action and may hold hearings, such hearings to be called by (a) the chairman of the board, or (b) a majority of the members of the board. An official notice of the calling of the hearing shall be filed with the secretary, and all members shall be notified of the hearing within a reasonable period of time prior to its convening. Appeal hearings may be conducted by two members of the board: PROVIDED, That if said two members do not agree on the decision, a hearing shall be held in the presence of all three members of the board;

(2) No release of material, or statement of findings shall be made except with the approval of a majority of the board;

(3) In the conduct of hearings or investigations, a member of the board, ((or)) the director of personnel, or the hearing officer, may administer oaths;

(4) Hearings may be conducted by a hearing officer duly appointed by the board.

Sec. 3. Section 17, chapter 1, Laws of 1961 and RCW 41.06.170 are each amended to read as follows:

(1) The board, in the promulgation of rules and regulations governing suspensions for cause, shall not authorize an appointing authority to suspend an employee for more than fifteen calendar days as a single penalty or more than thirty calendar days in any one calendar year as an accumulation of several penalties. The board shall require that the appointing authority give written notice to the employee not later than one day after the suspension takes effect, stating the reasons for and the duration thereof. The authority shall file a copy of the notice with the director of personnel.

(2) Any employee who is reduced, dismissed, suspended, or demoted, after completing his probationary period of service as provided by the rules and regulations of the board, or any employee who is adversely affected by a violation of the state civil service law, chapter 41.06 RCW, or rules promulgated pursuant thereto, shall have the right to appeal to the board not later than thirty days after the effective date of such action. The employee shall be furnished with specified charges in writing when ((the)) a reduction, dismissal, suspension, or demotion action is taken. Such appeal shall be in writing, and ((shall be heard by)) the board ((within thirty days after its receipt)) shall set the case for hearing and the final decision, including an appeal to the board from the hearing examiner, if any, shall be rendered within ninety days from the date the appeal was first received: PROVIDED, That an extension may be permitted if agreed to by the employee and the employing agency. The board shall furnish the agency concerned with a copy of the appeal in advance of the hearing.

<u>NEW SECTION.</u> Sec. 4. There is added to chapter 1, Laws of 1961 and to chapter 41.06 RCW a new section to read as follows:

The board may appoint, following consultation with employee organizations and employing agencies, one or more hearings officers to preside over, conduct and make recommended decisions in accordance with rules established by the board in all cases of employee appeals to the board. Hearings officers shall not be employees of the state. The hearings officer shall conduct hearings in the same manner and shall have the same authority as provided in hearings by the board. The recommended decisions shall be forthwith served upon the parties and transmitted to the board. Within thirty days of service of the recommended decision, any party adversely affected may appeal directly to the board, which shall proceed in accordance with RCW 41.06.120, as now or hereafter amended. Such hearings by the board shall not be limited to the record.

<u>NEW SECTION.</u> Sec. 5. If any provision of this 1976 amendatory act, or its application to any person or circumstance is held invalid, the remainder of the act, or the application of the provision to other persons or circumstances is not affected.

Passed the Senate February 17, 1976. Passed the House February 13, 1976. Approved by the Governor February 21, 1976. Filed in Office of Secretary of State February 21, 1976.

## **CHAPTER 44**

[Substitute Senate Bill No. 3001] FIRE FIGHTERS, LAW ENFORCEMENT OFFICERS—PENSION BENEFITS— INCREASES—APPEALS

AN ACT Relating to public employment retirement systems; amending section 38, chapter 209, Laws of 1969 ex. sess. as last amended by section 1, chapter 178, Laws of 1975 1st ex. sess. and RCW 41.16.145; amending section 33, chapter 209, Laws of 1969 ex. sess. as last amended by section 2, chapter 178, Laws of 1975 1st ex. sess. and RCW 41.18.104; and amending section 6, chapter 209, Laws of 1969 ex. sess. as amended by section 1, chapter 216, Laws of 1971 ex. sess. and RCW 41.26.060.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 38, chapter 209, Laws of 1969 ex. sess. as last amended by section 1, chapter 178, Laws of 1975 1st ex. sess. and RCW 41.16.145 are each amended to read as follows:

The amount of all benefits payable under the provisions of RCW 41.16.080, 41.16.120, 41.16.130, 41.16.140 and 41.16.230 as now or hereafter amended, shall be increased annually as hereafter in this section provided. The local pension board shall meet subsequent to March 31st but prior to June 30th of each year for the purposes of adjusting benefit allowances payable pursuant to the aforementioned sections. The local board shall determine the increase in the consumer