

(19) Section 3, chapter 123, Laws of 1965 ex. sess., section 1, chapter 36, Laws of 1967, section 181, chapter 34, Laws of 1975-'76 2nd ex. sess. and RCW 91.12-.030; and

(20) Section 4, chapter 123, Laws of 1965 ex. sess. and RCW 91.12.040.

****NEW SECTION. Sec. 81. This 1977 amendatory act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions and shall take effect on July 1, 1977.***

***Sec. 81. was vetoed, see message at end of chapter.**

Passed the Senate May 23, 1977.

Passed the House May 20, 1977.

Approved by the Governor June 2, 1977, with the exception of section 81 which is vetoed.

Filed in Office of Secretary of State June 2, 1977.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith without my approval as to one section, Substitute Senate Bill No. 2924 entitled:

"AN ACT Relating to transportation; creating a department of transportation and prescribing its general structure, personnel, powers, duties, and functions; transferring to the jurisdiction of the department of transportation and/or the secretary of transportation certain powers, duties and functions of the department of highways, the highway commission, the toll bridge authority, the aeronautics commission, the planning and community affairs agency, and the canal commission; transferring to the jurisdiction of the secretary of transportation certain powers, duties, and functions of certain state officials, boards, and commissions; providing the procedure for the aforesaid transfers; saving certain rights; abolishing certain state agencies and offices;"

Section 81 of the bill declares an emergency and provides for the act to take effect July 1, 1977. Under the Constitution, Article II, Sections 1(b) and 41, the use of an emergency clause should be restricted to those instances where the use is clearly warranted due to the urgency of the situation.

This bill creates a new state agency with great responsibilities. Many provisions of the bill must be carefully studied and will require implementation. In addition, the selection of commissioners and consolidation of other agencies within the department of transportation will necessitate some time. For these reasons I see no need for the emergency clause and thus have respectfully vetoed the same. With the exception of section 81 which I have vetoed, the remainder of Substitute Senate Bill No. 2924 is approved."

CHAPTER 152

[Substitute Senate Bill No. 2383]

STATE AND HIGHER EDUCATION PUBLIC EMPLOYMENT—SALARY AND FRINGE BENEFIT SURVEYS—JOB PERFORMANCE EVALUATION—TRAINING—RULES

AN ACT Relating to public employment; providing salary surveys; providing for local administration and management by institutions of higher education and related boards; mandating the higher education personnel board to adopt rules for training programs and regular increment pay increases; amending section 15, chapter 1, Laws of 1961 as last amended by section 1, chapter 75, Laws of 1973 1st ex. sess. and RCW 41.06.150; amending section 16, chapter 1, Laws of 1961 and RCW 41.06.160; amending section 10, chapter 36, Laws of 1969 ex. sess. as last amended by section 1, chapter 122, Laws of 1975 1st ex. sess. and RCW 28B.16.100; amending section 11, chapter 36, Laws of 1969 ex. sess. as amended by section 2, chapter 122, Laws of 1975 1st ex. sess. and RCW 28B.16.110; adding new sections to chapter 36, Laws of 1969 ex. sess. and to chapter 28B.16 RCW; adding new sections to chapter 41.06 RCW; repealing section 9, chapter 1, Laws of 1961 and RCW 41.06.090; and declaring an emergency.

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

Section 1. Section 15, chapter 1, Laws of 1961 as last amended by section 1, chapter 75, Laws of 1973 1st ex. sess. and RCW 41.06.150 are each amended to read as follows:

The board shall adopt ~~((and promulgate))~~ rules ~~((and regulations))~~, consistent with the purposes and provisions of this chapter and with the best standards of personnel administration, regarding the basis ~~((for;))~~ and procedures to be followed for~~(;):~~:

(1) The dismissal, suspension, or demotion of an employee, and appeals therefrom;

(2) Certification of names for vacancies, including departmental promotions, with the number of names equal to two more names than there are vacancies to be filled, such names representing applicants rated highest on eligibility lists;

(3) Examinations for all positions in the competitive and noncompetitive service;

(4) Appointments;

(5) Probationary periods of six months and rejections therein;

(6) Transfers;

(7) Sick leaves and vacations;

(8) Hours of work;

(9) Layoffs when necessary and subsequent reemployment, both according to seniority;

(10) Determination of appropriate bargaining units within any agency: PROVIDED, That in making such determination the board shall consider the duties, skills, and working conditions of the employees, the history of collective bargaining by the employees and their bargaining representatives, the extent of organization among the employees, and the desires of the employees;

(11) Certification and decertification of exclusive bargaining representatives~~(;):~~: PROVIDED, That after certification of an exclusive bargaining representative and upon said representative's request, the director shall hold an election among employees in a bargaining unit to determine by a majority whether to require as a condition of employment membership in the certified exclusive bargaining representative on or after the thirtieth day following the beginning of employment or the date of such election, whichever is the later, and the failure of an employee to comply with such a condition of employment shall constitute cause for dismissal: PROVIDED FURTHER, That no more often than once in each twelve month period after expiration of twelve months following the date of the original election in a bargaining unit and upon petition of thirty percent of the members of a bargaining unit the director shall hold an election to determine whether a majority wish to rescind such condition of employment: PROVIDED FURTHER, That for purposes of this clause membership in the certified exclusive bargaining representative shall be satisfied by the payment of monthly or other periodic dues and shall not require payment of initiation, reinstatement, or any other fees or fines and shall include full and complete membership rights: AND PROVIDED FURTHER, That in order to safeguard the right of nonassociation of public employees, based on bona fide religious tenets or teachings of a church or religious body of which such public employee is a member, such public employee shall pay to the union, for purposes within the program of the union as designated

by such employee that would be in harmony with his individual conscience, an amount of money equivalent to regular union dues minus any included monthly premiums for union sponsored insurance programs, and such employee shall not be a member of the union but shall be entitled to all the representation rights of a union member;

(12) Agreements between agencies and certified exclusive bargaining representatives providing for grievance procedures and collective negotiations on all personnel matters over which the appointing authority of the appropriate bargaining unit of such agency may lawfully exercise discretion;

(13) Written agreements may contain provisions for payroll deductions of employee organization dues upon authorization by the employee member and for the cancellation of such payroll deduction by the filing of a proper prior notice by the employee with the appointing authority and the employee organization: PROVIDED, That nothing contained herein shall permit or grant to any employee the right to strike or refuse to perform his official duties;

(14) Adoption and revision of a comprehensive classification plan for all positions in the classified service, based on investigation and analysis of the duties and responsibilities of each such position;

(15) Allocation and reallocation of positions within the classification plan;

(16) Adoption and revision of a state salary schedule to reflect (~~not less than~~) the prevailing rates in Washington state private industries and other governmental units (~~for positions of a similar nature~~), such adoption and revision subject to approval by the (~~state budget~~) director of the office of program planning and fiscal management in accordance with the provisions of chapter 43.88 RCW;

(17) Training programs, including in-service, promotional and supervisory;

(18) (~~regular~~) Increment increases within the series of steps for each pay grade(~~(-)~~) based on length of service for all employees whose standards of performance are such as to permit them to retain job status in the classified service; and

(19) Providing for veteran's preference as required by existing statutes, with recognition of preference in regard to layoffs and subsequent reemployment for veterans and their widows by giving such eligible veterans and their widows additional credit in computing their seniority by adding to their unbroken state service, as defined by the board, the veteran's service in the military not to exceed five years. For the purposes of this section, "veteran" means any person who has one or more years of active military service in any branch of the armed forces of the United States or who has less than one year's service and is discharged with a disability incurred in the line of duty or is discharged at the convenience of the government and who, upon termination of such service has received an honorable discharge, a discharge for physical reasons with an honorable record, or a release from active military service with evidence of service other than that for which an undesirable, bad conduct, or dishonorable discharge shall be given: PROVIDED, HOWEVER, That the widow of a veteran shall be entitled to the benefits of this section regardless of the veteran's length of active military service: PROVIDED FURTHER, That for the purposes of this section "veteran" shall not include any person who has voluntarily retired with twenty or more years of active military service and whose military retirement pay is in excess of five hundred dollars per month.

Sec. 2. Section 16, chapter 1, Laws of 1961 and RCW 41.06.160 are each amended to read as follows:

In ~~((adopting or revising))~~ preparing classification and salary schedules as set forth in RCW 41.06.150 as now or hereafter amended the ~~((board))~~ department of personnel shall give full consideration to prevailing rates in other public employment and in private employment in this state ~~((and))~~. For this purpose the department shall ~~((have made periodic wage))~~ undertake salary and fringe benefit surveys to be planned and conducted on a joint basis with the higher education personnel board, with one such survey to be conducted each year prior to the convening of each regular session of the state legislature(;;). The results of ~~((such wage))~~ each salary and fringe benefit survey ~~((to))~~ shall be forwarded with a recommended state salary schedule to the governor and ~~((state budget))~~ director of the office of program planning and fiscal management for their use in preparing budgets to be submitted to the succeeding legislature. A copy of the data and supporting documentation shall be furnished by the department of personnel to the standing committees for appropriations of the senate and house of representatives.

The department shall furnish the following supplementary data in support of its recommended salary schedule:

(1) A total dollar figure which reflects the recommended increase or decrease in state salaries as a direct result of the specific salary and fringe benefit survey that has been conducted and which is categorized to indicate what portion of the increase or decrease is represented by salary survey data and what portion is represented by fringe benefit survey data;

(2) An additional total dollar figure which reflects the impact of recommended increases or decreases to state salaries based on other factors rather than directly on prevailing rate data obtained through the survey process and which is categorized to indicate the sources of the requests for deviation from prevailing rates and the reasons for the changes;

(3) A list of class codes and titles indicating recommended monthly salary ranges for all state classes under the control of the department of personnel with:

(a) Those salary ranges which do not substantially conform to the prevailing rates developed from the salary and fringe benefit survey distinctly marked and an explanation of the reason for the deviation included; and

(b) Those department of personnel classes which are substantially the same as classes being used by the higher education personnel board clearly marked to show the commonality of the classes between the two jurisdictions;

(4) A supplemental salary schedule which indicates the additional salary to be paid state employees for hazardous duties or other considerations requiring extra compensation under specific circumstances. Additional compensation for these circumstances shall not be included in the basic salary schedule but shall be maintained as a separate pay schedule for purposes of full disclosure and visibility; and

(5) A supplemental salary schedule which indicates those cases where the board determines that prevailing rates do not provide similar salaries for positions that require or impose similar responsibilities, judgment, knowledge, skills, and working conditions. This supplementary salary schedule shall contain proposed salary adjustments necessary to eliminate any such dissimilarities in compensation. Additional compensation needed to eliminate such salary dissimilarities shall not be

included in the basic salary schedule but shall be maintained as a separate salary schedule for purposes of full disclosure and visibility.

It is the intention of the legislature that requests for funds to support recommendations for salary deviations from the prevailing rate survey data shall be kept to a minimum, and that the requests be fully documented when forwarded by the department of personnel. Further, it is the intention of the legislature that the department of personnel and the higher education personnel board jointly determine job classes which are substantially common to both jurisdictions and that basic salaries for these job classes shall be equal based on salary and fringe benefit survey findings.

NEW SECTION. Sec. 3. There is added to chapter 41.06 RCW a new section to read as follows:

(1) In the conduct of salary and fringe benefit surveys under RCW 41.06.160 as now or hereafter amended, it is the intention of the legislature that the surveys be undertaken in a manner consistent with statistically accurate sampling techniques. For this purpose, a comprehensive salary and fringe benefit survey plan shall be submitted to the director of the office of program planning and fiscal management, employee organizations, the standing committees for appropriations of the senate and house of representatives, and to the legislative budget committee six months before the beginning of each periodic survey required before regular legislative sessions. This comprehensive plan shall include but not be limited to the following:

(a) A complete explanation of the technical, statistical process to be used in the salary and fringe benefit survey including the percentage of accuracy expected from the planned statistical sample chosen for the survey and a definition of the term "prevailing rates" which is to be used in the planned survey;

(b) A comprehensive salary and fringe benefit survey model based on scientific statistical principles which:

(i) Encompasses the interrelationships among the various elements of the survey sample including sources of salary and fringe benefit data by organization type, size, and regional location;

(ii) Is representative of private and public employment in this state;

(iii) Ensures that, wherever practical, data from smaller, private firms are included and proportionally weighted in the survey sample; and

(iv) Indicates the methodology to be used in application of survey data to job classes used by state government;

(c) A prediction of the increase or decrease in total funding requirements expected to result from the pending salary and fringe benefit survey based on consumer price index information and other available trend data pertaining to Washington state salaries and fringe benefits.

(2) Every comprehensive survey plan shall fully consider fringe benefits as an element of compensation in addition to basic salary data. The plans prepared under this section shall be developed jointly by the department of personnel in conjunction with the higher education personnel board established under chapter 28B.16 RCW. All comprehensive salary and fringe benefit survey plans shall be submitted on a joint signature basis by the department of personnel and the higher education

personnel board. The legislative budget committee shall review and evaluate all survey plans before final implementation.

(3) Interim or special surveys conducted under RCW 41.06.160 as now or hereafter amended shall conform when possible to the statistical techniques and principles developed for regular periodic surveys under this section.

(4) The term "fringe benefits" as used in this section and in conjunction with salary surveys shall include but not be limited to compensation for:

- (a) Leave time, including vacation, holiday, civil, and personal leave;
- (b) Employer retirement contributions;
- (c) Health and insurance payments, including life, accident, and health insurance, workmen's compensation, and sick leave; and
- (d) Stock options, bonuses, and purchase discounts where appropriate.

NEW SECTION. Sec. 4. There is added to chapter 41.06 RCW a new section to read as follows:

Salary surveys shall be conducted according to the following criteria in addition to any other provisions under this chapter:

(1) Adjustments of state salaries to prevailing rates in Washington state private industries and other governmental units shall be determined by comparisons of weighted averages of salaries, including weighted averages of salaries from out-of-state sources when necessary to obtain statistically valid salary surveys; and

(2) Determination of state salary changes from prevailing rate data collected in salary surveys shall be based on occupational group averages containing related job classes where appropriate rather than on comparisons of survey data to individual state job classes.

NEW SECTION. Sec. 5. There is added to chapter 41.06 RCW a new section to read as follows:

The department of personnel shall undertake salary and fringe benefit surveys for officers of the Washington state patrol, with one survey to be conducted each year prior to the convening of each regular session of the state legislature. The results of each such survey shall be forwarded, after review and concurrence by the chief of the Washington state patrol, to the governor and director of the office of program planning and fiscal management for their use in preparing budgets to be submitted to the succeeding legislature. A copy of the data and supporting documentation shall be furnished by the department of personnel to the legislative budget committee and the standing committees for appropriations of the senate and house of representatives. The office of program planning and fiscal management shall analyze the survey results and conduct investigations which may be necessary to arbitrate differences between interested parties regarding the accuracy of collected survey data and the use of such data for salary adjustment.

Surveys conducted by the department of personnel for the Washington state patrol shall be undertaken in a manner consistent with statistically accurate sampling techniques, including comparisons of weighted averages of salaries. This service performed by the department of personnel shall be on a reimbursable basis in accordance with the provisions of RCW 41.06.080 as now existing or hereafter amended.

A comprehensive salary and fringe benefits survey plan shall be submitted jointly by the department of personnel and the Washington state patrol to the director of the office of program planning and fiscal management, the committee on ways and means of the senate, the committee on appropriations of the house of representatives and to the legislative budget committee six months before the beginning of each periodic survey. The legislative budget committee shall review and evaluate the survey plan before final implementation.

NEW SECTION. Sec. 6. There is added to chapter 41.06 RCW a new section to read as follows:

After consultation with state agency heads, employee organizations, and other interested parties, the state personnel director shall develop standardized employee performance evaluation procedures and forms which shall be used by state agencies for the appraisal of employee job performance at least annually. These procedures shall include means whereby individual agencies may supplement the standardized evaluation process with special performance factors peculiar to specific organizational needs. Performance evaluation procedures shall place primary emphasis on recording how well the employee has contributed to efficiency, effectiveness, and economy in fulfilling state agency and job objectives. A standardized performance evaluation procedure shall be instituted not later than July 1, 1978, for all employees.

NEW SECTION. Sec. 7. Section 9, chapter 1, Laws of 1961 and RCW 41.06.090 are each repealed.

Sec. 8. Section 10, chapter 36, Laws of 1969 ex. sess. as last amended by section 1, chapter 122, Laws of 1975 1st ex. sess. and RCW 28B.16.100 are each amended to read as follows:

~~((+))~~ The higher education personnel board shall adopt ~~((and promulgate))~~ rules ~~((and regulations))~~, consistent with the purposes and provisions of this chapter and with the best standards of personnel administration, regarding the basis ~~((for,))~~ and procedures to be followed ~~((:))~~:

(1) The dismissal, suspension, or demotion of an employee, and appeals therefrom;

(2) Certification of names for vacancies, including promotions, with the number of names equal to two more names than there are vacancies to be filled, such names representing applicants rated highest on eligibility lists;

(3) Examination for all positions in the competitive and noncompetitive service;

(4) Appointments;

(5) Probationary periods of six months and rejections therein;

(6) Transfers~~((:))~~;

(7) Sick leaves and vacations;

(8) Hours of work;

(9) Layoffs when necessary and subsequent reemployment, both according to seniority;

(10) Determination of appropriate bargaining units within any institution or related boards: PROVIDED, That in making such determination the board shall consider the duties, skills, and working conditions of the employees, the history of

collective bargaining by the employees and their bargaining representatives, the extent of organization among the employees, and the desires of the employees;

(11) Certification and decertification of exclusive bargaining representatives(:): PROVIDED, That after certification of an exclusive bargaining representative and upon said representative's request, the director shall hold an election among employees in a bargaining unit to determine by a majority whether to require as a condition of employment membership in the certified exclusive bargaining representative on or after the thirtieth day following the beginning of employment or the date of such election, whichever is the later, and the failure of an employee to comply with such condition of employment shall constitute cause for dismissal: PROVIDED FURTHER, That no more often than once in each twelve month period after expiration of twelve months following the date of the original election in a bargaining unit and upon petition of thirty percent of the members of a bargaining unit the director shall hold an election to determine whether a majority wish to rescind such condition of employment: PROVIDED FURTHER, That for purposes of this clause membership in the certified exclusive bargaining representative shall be satisfied by the payment of monthly or other periodic dues and shall not require payment of initiation, reinstatement or any other fees or fines and shall include full and complete membership rights: AND PROVIDED FURTHER, That in order to safeguard the right of nonassociation of public employees, based on bona fide religious tenets or teachings of a church or religious body of which such public employee is a member, such public employee shall pay to the union, for purposes within the program of the union as designated by such employee that would be in harmony with his individual conscience, an amount of money equivalent to regular union dues minus any included monthly premiums for union-sponsored insurance programs, and such employee shall not be a member of the union but shall be entitled to all the representation rights of a union member;

(12) Agreements between institutions or related boards and certified exclusive bargaining representatives providing for grievance procedures and collective negotiations on all personnel matters over which the institution or the related board may lawfully exercise discretion;

(13) Written agreements may contain provisions for payroll deductions of employee organization dues upon authorization by the employee member and for the cancellation of such payroll deduction by the filing of a proper prior notice by the employee with the institution and the employee organization: PROVIDED, That nothing contained herein shall permit or grant to any employee the right to strike or refuse to perform his official duties;

(14) Adoption and revision of comprehensive classification plans for all positions in the classified service, based on investigation and analysis of the duties and responsibilities of each such position;

(15) Allocation and reallocation of positions within the classification plan; ~~((training programs including in-service, promotional, and supervisory; regular increment increases within the series of steps for each pay grade, based on length of service for all employees whose standards of performance are such as to permit them to retain job status in the classified service; and))~~

(16) Adoption and revision of salary schedules and compensation plans which reflect ((not less than)) the prevailing rates in Washington state private industries and other governmental units for positions of a similar nature and which shall be competitive in the state or the locality in which the institution or related boards are located, such adoption, revision, and implementation subject to approval as to availability of funds by the director of the office of program planning and fiscal management in accordance with the provisions of chapter 43.88 RCW, and after consultation with the chief financial officer of each institution or related board for that institution or board, or in the case of community colleges, by the chief financial officer of the state board for community college education for the various community colleges;

(17) Training programs including in-service, promotional, and supervisory;

(18) Increment increases within the series of steps for each pay grade based on length of service for all employees whose standards of performance are such as to permit them to retain job status in the classified service; and

(19) Providing for veteran's preference as provided by existing statutes, with recognition of preference in regard to layoffs and subsequent reemployment for veterans and their widows by giving such eligible veterans and their widows additional credit in computing their seniority by adding to their unbroken higher education service, as defined by the board, the veteran's service in the military not to exceed five years of such service. For the purposes of this section, "veteran" means any person who has one or more years of active military service in any branch of the armed forces of the United States or who has less than one year's service and is discharged with a disability incurred in the line of duty or is discharged at the convenience of the government and who, upon termination of such service, has received an honorable discharge, a discharge for physical reasons with an honorable record, or a release from active military service with evidence of service other than that for which an undesirable, bad conduct, or dishonorable discharge shall be given: PROVIDED, HOWEVER, That the widow of a veteran shall be entitled to the benefits of this section regardless of the veteran's length of active military service: PROVIDED FURTHER, That for the purposes of this section "veteran" shall not include any person who has voluntarily retired with twenty or more years of active military service and whose military retirement pay is in excess of five hundred dollars per month.

~~((2) Rules and regulations adopted and promulgated by the higher education personnel board shall provide for local administration and management by the institutions of higher education and related boards, subject to periodic audit and review by the board, of the following:~~

- ~~(a) Appointment, promotion, and transfer of employees;~~
- ~~(b) Dismissal, suspension, or demotion of an employee;~~
- ~~(c) Examinations for all positions in the competitive and noncompetitive service;~~
- ~~(d) Probationary periods of six months and rejections therein;~~
- ~~(e) Sick leaves and vacations;~~
- ~~(f) Hours of work;~~
- ~~(g) Layoffs when necessary and subsequent reemployment;~~
- ~~(h) Allocation and reallocation of positions with the classification plans;~~

- ~~(i) Training programs;~~
~~(j) Maintenance of personnel records;))~~

NEW SECTION. Sec. 9. There is added to chapter 36, Laws of 1969 ex. sess. and to chapter 28B.16 RCW a new section to read as follows:

Rules adopted by the higher education personnel board shall provide for local administration and management by the institutions of higher education and related boards, subject to periodic audit and review by the board, of the following:

- (1) Appointment, promotion, and transfer of employees;
- (2) Dismissal, suspension, or demotion of an employee;
- (3) Examinations for all positions in the competitive and noncompetitive service;
- (4) Probationary periods of six months and rejections therein;
- (5) Sick leaves and vacations;
- (6) Hours of work;
- (7) Layoffs when necessary and subsequent reemployment;
- (8) Allocation and reallocation of positions within the classification plans;
- (9) Training programs; and
- (10) Maintenance of personnel records.

Sec. 10. Section 11, chapter 36, Laws of 1969 ex. sess. as amended by section 2, chapter 122, Laws of 1975 1st ex. sess. and RCW 28B.16.110 are each amended to read as follows:

The salary schedules and compensation plans, adopted and revised as provided in RCW 28B.16.100 as now or hereafter amended, shall reflect ~~((not less than))~~ prevailing rates in other public employment and in private ((industries and other governmental units for positions of a similar nature)) employment in this state or in the locality in which the institution or related board is located. For this purpose ~~((periodic wage))~~ salary and fringe benefit surveys shall be undertaken by the board with the assistance of the various personnel officers of the institutions of higher education and on a joint basis with the department of personnel, with one such survey to be conducted each year prior to the convening of each regular session of the state legislature. The results of such ((wage)) salary and fringe benefit survey shall be forwarded with recommended salary adjustments, which recommendations shall be advisory only, to the governor and the director of the office of program planning and fiscal management for their use in preparing budgets to be submitted to the succeeding legislature. A copy of the data and supporting documentation shall be furnished by the board to the standing committees for appropriations of the senate and house of representatives.

The board shall furnish the following supplementary data in support of its recommended salary schedule:

(1) A total dollar figure which reflects the recommended increase or decrease in state salaries as a direct result of the specific salary and fringe benefit survey that has been conducted and which is categorized to indicate what portion of the increase or decrease is represented by salary survey data and what portion is represented by fringe benefit survey data;

(2) An additional total dollar figure which reflects the impact of recommended increases or decreases to state salaries based on other factors rather than directly

on prevailing rate data obtained through the survey process and which is categorized to indicate the sources of the requests for deviation from prevailing rates and the reasons for the changes;

(3) A list of class codes and titles indicating recommended monthly salary ranges for all state classes under the control of the higher education personnel board with:

(a) Those salary ranges which do not substantially conform to the prevailing rates developed from the salary and fringe benefit survey distinctly marked and an explanation of the reason for the deviation included; and

(b) Those higher education personnel board classes which are substantially the same as classes being used by the department of personnel clearly marked to show the commonality of the classes between the two jurisdictions;

(4) A supplemental salary schedule which indicates the additional salary to be paid state employees for hazardous duties or other considerations requiring extra compensation under specific circumstances. Additional compensation for these circumstances shall not be included in the basic salary schedule but shall be maintained as a separate pay schedule for purposes of full disclosure and visibility; and

(5) A supplemental salary schedule which indicates those cases where the board determines that prevailing rates do not provide similar salaries for positions that require or impose similar responsibilities, judgment, knowledge, skills, and working conditions. This supplementary salary schedule shall contain proposed salary adjustments necessary to eliminate any such dissimilarities in compensation. Additional compensation needed to eliminate such salary dissimilarities shall not be included in the basic salary schedule but shall be maintained as a separate salary schedule for purposes of full disclosure and visibility.

It is the intention of the legislature that requests for funds to support recommendations for salary deviations from the prevailing rate survey data shall be kept to a minimum, and that the requests be fully documented when forwarded by the board. Further, it is the intention of the legislature that the department of personnel and the higher education personnel board jointly determine job classes which are substantially common to both jurisdictions and that basic salaries for these job classes shall be equal based on salary and fringe benefit survey findings.

NEW SECTION. Sec. 11. There is added to chapter 36, Laws of 1969 ex. sess. and to chapter 28B.16 RCW a new section to read as follows:

(1) In the conduct of salary and fringe benefit surveys under RCW 28B.16.110 as now or hereafter amended, it is the intention of the legislature that the surveys be undertaken in a manner consistent with statistically accurate sampling techniques. For this purpose, a comprehensive salary and fringe benefit survey plan shall be submitted to the director of the office of program planning and fiscal management, employee organizations, the standing committees for appropriations in the senate and house of representatives, and to the legislative budget committee six months before the beginning of each periodic survey required before regular legislative sessions. This comprehensive plan shall include but not be limited to the following:

(a) A complete explanation of the technical, statistical process to be used in the salary and fringe benefit survey including the percentage of accuracy expected from

the planned statistical sample chosen for the survey and a definition of the term "prevailing rates" which is to be used in the planned survey;

(b) A comprehensive salary and fringe benefit survey model based on scientific statistical principles which:

(i) Encompasses the interrelationships among the various elements of the survey sample including sources of salary and fringe benefit data by organization type, size, and regional location;

(ii) Is representative of private and public employment in this state;

(iii) Ensures that, wherever practical, data from smaller, private firms are included and proportionally weighted in the survey sample; and

(iv) Indicates the methodology to be used in application of survey data to job classes used by state government;

(c) A prediction of the increase or decrease in total funding requirements expected to result from the pending salary and fringe benefit survey based on consumer price index information and other available trend data pertaining to Washington state salaries and fringe benefits.

(2) Every comprehensive survey plan shall fully consider fringe benefits as an element of compensation in addition to basic salary data. The plans prepared under this section shall be developed jointly by the higher education personnel board in conjunction with the department of personnel established under chapter 41.06 RCW. All comprehensive salary and fringe benefit survey plans shall be submitted on a joint signature basis by the higher education personnel board and the department of personnel. The legislative budget committee shall review and evaluate all survey plans before final implementation.

(3) Interim or special surveys conducted under RCW 28B.16.110 as now or hereafter amended shall conform when possible to the statistical techniques and principles developed for regular periodic surveys under this section.

(4) The term "fringe benefits" as used in this section and in conjunction with salary surveys shall include but not be limited to compensation for:

(a) Leave time, including vacation, holiday, civil, and personal leave;

(b) Employer retirement contributions;

(c) Health and insurance payments, including life, accident, and health insurance, workmen's compensation, and sick leave; and

(d) Stock options, bonuses, and purchase discounts where appropriate.

NEW SECTION. Sec. 12. There is added to chapter 36, Laws of 1969 ex. sess. and to chapter 28B.16 RCW a new section to read as follows:

Salary surveys shall be conducted according to the following criteria in addition to any other provisions under this chapter:

(1) Adjustments of state salaries to prevailing rates in Washington state private industries and other governmental units shall be determined by comparisons of weighted averages of salaries, including weighted averages of salaries from out-of-state sources when necessary to obtain statistically valid salary surveys; and

(2) Determination of state salary changes from prevailing rate data collected in salary surveys shall be based on occupational group averages containing related job classes where appropriate rather than on comparisons of survey data to individual state job classes.

NEW SECTION. Sec. 13. There is added to chapter 36, Laws of 1969 ex. sess. and to chapter 28B.16 RCW a new section to read as follows:

After consultation with institution heads, employee organizations, and other interested parties, the board shall develop standardized employee performance evaluation procedures and forms which shall be used by institutions of higher learning for the appraisal of employee job performance at least annually. These procedures shall include means whereby individual institutions may supplement the standardized evaluation process with special performance factors peculiar to specific organizational needs. This evaluation procedure shall place primary emphasis on recording how well the employee has contributed to efficiency, effectiveness, and economy in fulfilling institution and job objectives. A standardized performance evaluation procedure shall be instituted not later than July 1, 1978, for all employees.

NEW SECTION. Sec. 14. If any provision of this 1977 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.

****NEW SECTION. Sec. 15. This 1977 amendatory act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.***

***Sec. 15. was vetoed, see message at end of chapter.**

Passed the Senate May 26, 1977.

Passed the House May 20, 1977.

Approved by the Governor June 3, 1977, with the exception of section 15 which is vetoed.

Filed in Office of Secretary of State June 3, 1977.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith without my approval as to one section Substitute Senate Bill No. 2383 entitled:

"An Act Relating to public employment; providing salary surveys; providing for local administration and management by institutions of higher education and related boards; mandating the higher education personnel board to adopt rules for training programs and regular increment pay increases."

Section 15 of the bill declares an emergency and provides for the act to take effect immediately. Under the Constitution, Article II, Sections 1(b) and 41, the use of an emergency clause does two things. First, it alters the time when a particular piece of legislation becomes effective, thereby eliminating what may be a desirable adjustment period for affected persons. Second, it excepts the legislation from the important referendum right reserved by the people. Because of these effects, the use of the clause should be restricted to those instances where the use is clearly warranted due to the urgency of the situation.

With the exception of Section 15, which I have vetoed, the remainder of Substitute Senate Bill No. 2383 is approved."

CHAPTER 153

[Reengrossed Senate Bill No. 2426]

EMPLOYMENT SECURITY RECORDS—PRIVACY AND CONFIDENTIALITY

AN ACT Relating to employment security records; adding a new chapter to Title 50 RCW to be designated as chapter 50.13 RCW; repealing section 50, chapter 35, Laws of 1945, section 3, chapter 215, Laws of 1951, section 1, chapter 255, Laws of 1971 ex. sess. and RCW 50.12.110; and prescribing penalties.