service shall be credited as though earned in this system except that only one month's service shall be allowed for any one calendar month. The application for a transfer under this section shall be made by the member no later than June 30, 1986.

<u>NEW SECTION.</u> Sec. 4. This 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.

Passed the House March 8, 1986. Passed the Senate February 26, 1986. Approved by the Governor March 31, 1986. Filed in Office of Secretary of State March 31, 1986.

CHAPTER 155

[Engrossed Substitute House Bill No. 1331] CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS

AN ACT Relating to salaries of public officials; amending RCW 2.04.092, 2.06.062, 2.08.092, 3.58.010, 43.03.010, 43.03.028, 34.12.100, 42.17.370, 43.03.040, and 43.105.045; adding new sections to chapter 43.03 RCW; repealing RCW 43.03.045 and 43.03.347; and providing an effective date.

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

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 43.03 RCW to read as follows:

The legislature hereby declares it to be the policy of this state to base salaries of elected state officials on realistic standards in order that such officials may be paid according to the duties of their offices and so that citizens of the highest quality may be attracted to public service. It is the purpose of sections 1 through 3 of this act to effectuate this policy by creating a citizens' commission to establish proper salaries for such officials, thus removing political considerations in fixing the appropriateness of the amount of such salaries.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 43.03 RCW to read as follows:

There is created a commission to be known as the Washington citizens' commission on salaries for elected officials, to consist of fifteen members appointed by the governor as provided in this section.

(1) Eight of the fifteen commission members shall be selected by lot by the secretary of state from among those registered voters eligible to vote at the general election held in November, 1986, and thereafter from among those registered voters eligible to vote at the time of the selection. One member shall be selected from each congressional district. The secretary shall establish policies and procedures for conducting the selection by lot. The policies and procedures shall include, but not be limited to, those for notifying persons selected and for providing a new selection from a congressional district if a person selected from the district declines appointment to the commission.

(2) The remaining seven of the fifteen commission members, all residents of this state, shall be selected jointly by the speaker of the house of representatives and the president of the senate. The persons selected under this subsection shall have had experience in the field of personnel management. Of these seven members, one shall be selected from each of the following five sectors in this state: Private institutions of higher education; business; professional personnel management; legal profession; and organized labor. Of the two remaining members, one shall be a person recommended to the speaker and the president by the chairperson of the state personnel board and one shall be a person recommended by majority vote of the presidents of the state's four-year institutions of higher education.

(3) The secretary of state shall forward the names of persons selected under subsection (1) of this section and the speaker of the house of representatives and president of the senate shall forward the names of persons selected under subsection (2) of this section to the governor who shall appoint these persons to the commission. Except as provided in subsection (6) of this section, the names of persons selected for appointment to the commission shall be forwarded to the governor not later than February 15, 1987, and not later than the fifteenth day of February every four years thereafter.

(4) Members shall hold office for terms of four years, and no person may be appointed to more than two such terms. No member of the commission may be removed by the governor during his or her term of office unless for cause of incapacity, incompetence, neglect of duty, or malfeasance in office or for a disqualifying change of residence.

(5) No state official, public employee, or lobbyist, or immediate family member of the official, employee, or lobbyist, subject to the registration requirements of chapter 42.17 RCW is eligible for membership on the commission.

As used in this subsection the phrase "immediate family" means the parents, spouse, siblings, children, or dependent relative of the official, employee, or lobbyist whether or not living in the household of the official, employee, or lobbyist.

(6) Upon a vacancy in any position on the commission, a successor shall be selected and appointed to fill the unexpired term. The selection and appointment shall be concluded within thirty days of the date the position becomes vacant and shall be conducted in the same manner as originally provided.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 43.03 RCW to read as follows: (1) The citizens' commission on salaries for elected officials shall study the relationship of salaries to the duties of members of the legislature, all elected officials of the executive branch of state government, and all judges of the supreme court, court of appeals, superior courts, and district courts, and shall fix the salary for each respective position.

(2) Except as provided otherwise in this section, the commission shall be solely responsible for its own organization, operation, and action and shall enjoy the fullest cooperation of all state officials, departments, and agencies.

(3) Members of the commission shall receive no compensation for their services, but shall be eligible to receive a subsistence allowance and travel expenses pursuant to RCW 43.03.050 and 43.03.060.

(4) The members of the commission shall elect a chairperson from among their number. The commission shall set a schedule of salaries by an affirmative vote of not less than eight members of the commission.

(5) The commission shall file its initial schedule of salaries for the elected officials with the secretary of state no later than the first Monday in June, 1987, and shall file a schedule biennially thereafter. Each such schedule shall be filed in legislative bill form, shall be assigned a chapter number and published with the session laws of the legislature, and shall be codified by the statute law committee. The signature of the chairperson of the commission shall be affixed to each schedule submitted to the secretary of state. The chairperson shall certify that the schedule has been adopted in accordance with the provisions of state law and with the rules, if any, of the commission. Such schedules shall become effective ninety days after the filing thereof, except as provided in Article XXVIII, section 1 of the state Constitution. State laws regarding referendum petitions shall apply to such schedules to the extent consistent with Article XXVIII, section 1 of the state Constitution.

(6) Prior to the filing of any salary schedule, the commission shall hold no fewer than four public hearings thereon within the four months immediately preceding the filing.

(7) All meetings, actions, hearings, and business of the commission shall be subject in full to the open public meetings act, chapter 42.30 RCW.

(8) Salaries of the officials referred to in subsection (1) of this section that are in effect on January 12, 1987, shall continue until modified by the commission under this section.

Sec. 4. Section 401, chapter 258, Laws of 1984 and RCW 2.04.092 are each amended to read as follows:

The annual salary of justices of the supreme court shall be ((prescribed by the legislature in the biennial omnibus appropriations act)) established by the Washington citizens' commission on salaries for elected officials. No salary warrant may be issued to a justice of the supreme court until the justice files with the state treasurer an affidavit that no matter referred to

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the justice for opinion or decision has been uncompleted or undecided for more than six months.

Sec. 5. Section 402, chapter 258, Laws of 1984 and RCW 2.06.062 are each amended to read as follows:

The annual salary of the judges of the court of appeals shall be ((prescribed by the legislature in the biennial omnibus appropriations act)) established by the Washington citizens' commission on salaries for elected officials. No salary warrant may be issued to any judge until the judge files with the state treasurer an affidavit that no matter referred to the judge for opinion or decision has been uncompleted for more than six months.

Sec. 6. Section 403, chapter 258, Laws of 1984 and RCW 2.08.092 are each amended to read as follows:

The annual salary of the judges of the superior court shall be ((prescribed by the legislature in the biennial omnibus appropriations act)) <u>es-</u> tablished by the Washington citizens' commission on salaries for elected officials.

Sec. 7. Section 100, chapter 299, Laws of 1961 as last amended by section 1, chapter 7, Laws of 1985 and RCW 3.58.010 are each amended to read as follows:

The annual salary of each full time district court judge shall be ((ninety percent of the salary of a judge of a superior court: PROVIDED, That in cities having a population in excess of four hundred thousand, the city which pays the salary may increase such salary of its municipal judges to an amount not more than the salary paid the superior court judges in the county in which the court is located: PROVIDED FURTHER. That)) cstablished by the Washington citizen's commission on salaries for elected officials. A member of the legislature whose term of office is partly coextensive with or extends beyond the present term of office of any of the officials whose salary is increased by virtue of the provisions of RCW 43-.03.010, 2.04.092, 2.06.062, 2.08.092, and 3.58.010 shall be eligible to be appointed or elected to any of the offices the salary of which is increased hereby but he shall not be entitled to receive such increased salary until after the expiration of his present term of office and his subsequent election or reelection to the office to which he was appointed or elected respectively during his term of office as legislator.

Sec. 8. Section 43.03.010, chapter 8, Laws of 1965 as last amended by section 3, chapter 29, Laws of 1983 1st ex. sess. and RCW 43.03.010 are each amended to read as follows:

(((1) Effective July 1, 1979, the annual salaries of the following named state elected officials shall be: Governor, fifty-eight thousand nine hundred dollars; lieutenant governor, twenty-six thousand eight hundred dollars plus a sum equal to 1/260th of the difference between the annual salary of the lieutenant governor and the annual salary of the governor for each day that

the lieutenant governor is called upon to perform the duties of the governor by reason of the absence from the state, removal, resignation, death, or disability of the governor; secretary of state, twenty-eight thousand nine hundred dollars; state treasurer, thirty-four thousand eight hundred dollars; state auditor, thirty-four thousand eight hundred dollars; attorney general; forty-four thousand dollars; superintendent of public instruction, forty thousand dollars; commissioner of public lands, forty thousand dollars; state insurance commissioner, thirty-four thousand eight hundred dollars. Members of the legislature shall receive for their service nine thousand eight hundred dollars per annum, effective January 8, 1979; and in addition, ten cents per mile for travel to and from legislative sessions.

(2) Effective July 1, 1980;)) The annual salaries of the following named state elected officials shall be prescribed by the Washington citizens' commission on salaries for elected officials: Governor((-sixty-three thousand dollars)); licutenant governor((, twenty-eight thousand six hundred dollars)): PROVIDED, That in arriving at the annual salary of the lieutenant governor the commission shall prescribe a fixed amount plus a sum equal to 1/260th of the difference between the annual salary of the lieutenant governor and the annual salary of the governor for each day that the lieutenant governor is called "pon to perform the duties of the governor by reason of the absence from the state, removal, resignation, death, or disability of the governor; secretary of state((, thirty-one thousand dollars)); state treasurer((, thirty-seven thousand two hundred dollars)); state auditor((, thirty-seven thousand two hundred dollars)); attorney general((, forty-seven thousand one hundred dollars)); superintendent of public instruction((, forty=two thousand eight-hundred dollars)); commissioner of public lands((, forty-two thousand eight hundred dollars)); and state insurance commissioner((, thirty-seven thousand two hundred dollars)). Members of the legislature shall receive for their service ((eleven thousand two hundred dollars)) per annum((, effective January 12, 1981, twelve thousand dollars per annum effective January 1, 1982, twelve thousand eight hundred fifty dollars-effective January 10, 1983, and thirteen thousand seven hundred fifty dollars effective January 1, 1984)) the amount prescribed by the Washington citizens' commission on salaries for elected officials; and in addition, reimbursement for mileage for travel to and from legislative sessions as provided in RCW 43.03.060.

Sec. 9. Section 20, chapter 87, Laws of 1980 as amended by section 21, chapter 163, Laws of 1982 and RCW 43.03.028 are each amended to read as follows:

(1) There is hereby created a state committee on <u>agency officials'</u> salaries to consist of seven members, or their designees, as follows: The president of the University of Puget Sound; the ((president of Washington State University)) chairperson of the council of presidents of the state's four-year institutions of higher education; the chairperson of the State Personnel

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Board; the president of the Association of Washington Business; the president of the Pacific Northwest Personnel Managers' Association; the president of the Washington State Bar Association; and the president of the Washington State Labor Council. If any of the titles or positions mentioned in this subsection are changed or abolished, any person occupying an equivalent or like position shall be qualified for appointment by the governor to membership upon the committee.

(2) The committee shall study the duties and salaries of the directors of the several departments and the members of the several boards and commissions of state government, who are subject to appointment by the governor or whose salaries are fixed by the governor, and of the chief executive officers of the following agencies of state government:

The arts commission; the human rights commission; the board of accountancy; the board of pharmacy; the capitol historical association and museum; the eastern Washington historical society; the Washington state historical society; the interagency committee for outdoor recreation; the criminal justice training commission; the department of personnel; the state finance committee; the state library; the traffic safety commission; the horse racing commission; the commission for vocational education; the advisory council on vocational education; the public disclosure commission; the hospital commission; the state conservation commission; the commission on Mexican-American affairs; the commission on Asian-American affairs; the state board for volunteer firemen; the urban arterial board; the data processing authority; the public employees relations commission; the forest practices appeals board; and the energy facilities site evaluation council.

The committee shall report to the governor or the chairperson of the appropriate salary fixing authority at least once in each fiscal biennium on such date as the governor may designate, but not later than seventy-five days prior to the convening of each regular session of the legislature during an odd-numbered year, its recommendations for the salaries to be fixed for each position.

(3) ((The committee shall also make a study of the duties and salaries of all state elective officials, including members of the supreme, appellate, superior, and district courts and members of the legislature and report to the governor and the president of the senate and the speaker of the house not later than sixty days prior to the convening of each regular session of the legislature during an odd-numbered year its recommendation for the salaries to be established for each position. Copies of the committee report to the governor shall be provided to the appropriate standing committees of the house and senate upon request.

(4))) Committee members shall be reimbursed by the department of personnel for travel expenses under RCW 43.03.050 and 43.03.060.

Sec. 10. Section 10, chapter 67, Laws of 1981 and RCW 34.12.100 are each amended to read as follows:

The chief administrative law judge shall be paid a salary fixed by the governor after recommendation of the state committee on <u>agency officials'</u> salaries. The salaries of administrative law judges appointed under the terms of this chapter shall be determined by the chief administrative law judge after recommendation of the state committee on <u>agency officials'</u> salaries.

Sec. 11. Section 37, chapter 1, Laws of 1973 as last amended by section 11, chapter 367, Laws of 1985 and RCW 42.17.370 are each amended to read as follows:

The commission is empowered to:

(1) Adopt, promulgate, amend, and rescind suitable administrative rules to carry out the policies and purposes of this chapter, which rules shall be adopted under chapter 34.04 RCW;

(2) Appoint and set, within the limits established by the committee on <u>agency officials'</u> salaries under RCW 43.03.028, the compensation of an executive director who shall perform such duties and have such powers as the commission may prescribe and delegate to implement and enforce this chapter efficiently and effectively. The commission shall not delegate its authority to adopt, amend, or rescind rules nor shall it delegate authority to determine whether an actual violation of this chapter has occurred or to assess penalties for such violations;

(3) Prepare and publish such reports and technical studies as in its judgment will tend to promote the purposes of this chapter, including reports and statistics concerning campaign financing, lobbying, financial interests of elected officials, and enforcement of this chapter;

(4) Make from time to time, on its own motion, audits and field investigations;

(5) Make public the time and date of any formal hearing set to determine whether a violation has occurred, the question or questions to be considered, and the results thereof;

(6) Administer oaths and affirmations, issue subpoenas, and compel attendance, take evidence and require the production of any books, papers, correspondence, memorandums, or other records relevant or material for the purpose of any investigation authorized under this chapter, or any other proceeding under this chapter;

(7) Adopt and promulgate a code of fair campaign practices;

(8) Relieve, by rule, candidates or political committees of obligations to comply with the provisions of this chapter relating to election campaigns, if they have not received contributions nor made expenditures in connection with any election campaign of more than one thousand dollars;

(9) Adopt rules prescribing reasonable requirements for keeping accounts of and reporting on a quarterly basis costs incurred by state agencies,

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counties, cities, and other municipalities and political subdivisions in preparing, publishing, and distributing legislative information. The term "legislative information," for the purposes of this subsection, means books, pamphlets, reports, and other materials prepared, published, or distributed at substantial cost, a substantial purpose of which is to influence the passage or defeat of any legislation. The state auditor in his regular examination of each agency under chapter 43.09 RCW shall review the rules, accounts, and reports and make appropriate findings, comments, and recommendations in his examination reports concerning those agencies;

(10) After hearing, by order approved and ratified by a majority of the membership of the commission, suspend or modify any of the reporting requirements of this chapter in a particular case if it finds that literal application of this chapter works a manifestly unreasonable hardship and if it also finds that the suspension or modification will not frustrate the purposes of the chapter. The commission shall find that a manifestly unreasonable hardship exists if reporting the name of an entity required to be reported under RCW 42.17.241(1)(g)(ii) would be likely to adversely affect the competitive position of any entity in which the person filing the report or any member of his immediate family holds any office, directorship, general partnership interest, or an ownership interest of ten percent or more. Any suspension or modification shall be only to the extent necessary to substantially relieve the hardship. The commission shall act to suspend or modify any reporting requirements only if it determines that facts exist that are clear and convincing proof of the findings required under this section. Any citizen has standing to bring an action in Thurston county superior court to contest the propriety of any order entered under this section within one year from the date of the entry of the order; and

(11) Revise, at least once every five years but no more often than every two years, the monetary reporting thresholds and reporting code values of this chapter. The revisions shall be only for the purpose of recognizing economic changes as reflected by an inflationary index recommended by the office of financial management. The revisions shall be guided by the change in the index for the period commencing with the month of December preceding the last revision and concluding with the month of December preceding the month the revision is adopted. As to each of the three general categories of this chapter (reports of campaign finance, reports of lobbyist activity, and reports of the financial affairs of elected and appointed officials), the revisions shall equally affect all thresholds within each category. Revisions shall be adopted as rules under chapter 34.04 RCW. The first revision authorized by this subsection shall reflect economic changes from the time of the last legislative enactment affecting the respective code or threshold through December 1985.

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Sec. 12. Section 43.03.040, chapter 8, Laws of 1965 as last amended by section 2, chapter 127, Laws of 1977 ex. sess. and RCW 43.03.040 are each amended to read as follows:

The directors of the several departments and members of the several boards and commissions, whose salaries are fixed by the governor and the chief executive officers of the agencies named in RCW 43.03.028(2) as now or hereafter amended shall each severally receive such salaries, payable in monthly installments, as shall be fixed by the governor or the appropriate salary fixing authority, in an amount not to exceed the recommendations of the committee on <u>agency officials</u>' salaries.

Sec. 13. Section 8, chapter 219, Laws of 1973 1st ex. sess. and RCW 43.105.045 are each amended to read as follows:

The executive director of the authority shall be responsible for carrying into effect the authority's orders and rules and regulations. The director shall also be authorized to employ such staff as is necessary, including but not limited to two assistant executive directors and a confidential secretary. The director shall be paid such salary as shall be deemed reasonable by the state committee on <u>agency officials'</u> salaries.

<u>NEW SECTION.</u> Sec. 14. The following acts or parts of acts are each repealed:

(1) Section 4, chapter 43, Laws of 1970 ex. sess. and RCW 43.03.045;

(2) Section 6, chapter 43, Laws of 1970 ex. sess. and RCW 43.03.047.

<u>NEW SECTION.</u> Sec. 15. If any provision of this 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.

<u>NEW SECTION.</u> Sec. 16. This act shall take effect on January 1, 1987, if the proposed amendment to Article XXVIII of the state Constitution establishing an exclusive process for changes in the salaries of members of the legislature and other elected state officials is validly submitted and is approved and ratified by the voters at a general election held in November, 1986. If such proposed amendment is not so submitted and approved and ratified, this act shall be null and void in its entirety.

Passed the House March 12, 1986. Passed the Senate March 10, 1986. Approved by the Governor March 31, 1986. Filed in Office of Secretary of State March 31, 1986.