(((5))) (e) He acknowledges his paternity of the child <u>pursuant to sec-</u> tion 2 of this act or in a writing filed with the ((registrar)) <u>state office</u> of vital statistics, ((who)) <u>which</u> shall promptly inform the mother of the filing of the acknowledgment, ((and)) if she does not dispute the acknowledgment within a reasonable time after being informed thereof, in a writing filed with the registrar of vital statistics. ((If another man is presumed under subsections (1), (2), (3), or (4) of this section to be the child's father, such acknowledgment shall give rise to the presumption of paternity only with the written consent of the otherwise presumed father or after such other presumption has been rebutted:)) In order to enforce rights of residential time, custody, and visitation, a man presumed to be the father as a result of filing a written acknowledgement must seek appropriate judicial orders under this title.

(2) A presumption under this section may be rebutted in an appropriate action only by clear, cogent, and convincing evidence. If two or more presumptions arise which conflict with each other, the presumption which on the facts is founded on the weightier considerations of policy and logic controls. The presumption is rebutted by a court decree establishing paternity of the child by another man.

<u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 74.20A RCW to read as follows:

If an adjudicative proceeding is requested by an alleged father under section 3 of this act, the department shall mail a copy of the notice of hearing to the mother at her last known address. If the mother appears for the proceeding, she shall be allowed to participate in it. Participation includes giving testimony, and being present for or listening to other testimony offered in the proceeding. Nothing in this section shall preclude the administrative law judge from limiting participation to preserve the confidentiality of information protected by law.

Passed the House March 8, 1989. Passed the Senate April 4, 1989. Approved by the Governor April 19, 1989. Filed in Office of Secretary of State April 19, 1989.

CHAPTER 56

[House Bill No. 1480] PUBLIC EMPLOYEES—PRODUCTIVITY AWARDS AND INCENTIVE PAY

AN ACT Relating to the productivity board; amending RCW 41.60.041, 41.60.100, 41.60.110, 41.60.120, and 41.60.150; making an appropriation; providing an effective date; and declaring an emergency.

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

Sec. 1. Section 9, chapter 167, Laws of 1982 as last amended by section 3, chapter 387, Laws of 1987 and RCW 41.60.041 are each amended to read as follows:

(1) Cash awards for suggestions generating net savings to the state shall be ten percent of the net savings.

(2) No award may be granted in excess of ten thousand dollars.

(3) If the suggestion is significantly modified when implemented, the percentage specified in subsection (1) of this section may be decreased at the option of the board.

(4) The board shall establish guidelines for making cash awards for suggestions for which benefits to the state are intangible or for which benefits cannot be calculated. ((In cases where cost avoidances are identified, the state personnel board and the higher education personnel board in consultation with the productivity board shall adopt rules which allow agencies and institutions of higher education to grant leave in lieu of cash awards.))

(5) Funds for the awards shall be drawn from the appropriation of the agency benefiting from the employee's suggestion. If the suggestion reduces costs to a nonappropriated fund or reduces costs paid without appropriation from a nonappropriated portion of an appropriated fund, an award may be paid from the benefitting fund or account without appropriation.

(6) Awards ((and fees)) may be paid to state employees for suggestions which generate new or additional money for the general fund ((may be drawn from the general fund by joint approval)) or any other funds of the state. The director of financial management shall distribute moneys appropriated for this purpose with the concurrence of the productivity board ((and the director of financial management.

(7) In addition to the amount awarded, the agency shall transfer ten percent of the savings to the department of personnel service fund. Moneys so transferred shall be used exclusively for the operations of the productivity board or as an offset to any amount appropriated to the productivity board for administrative expenses from another revenue source, other than that provided under RCW 41:60:120:

The productivity board at least annually shall review amounts transferred to the department of personnel service fund under this section and may reduce the percentage of savings to be transferred or temporarily suspend transfer if cash receipts exceed needs for program administration)). Transfers shall be made from other funds of the state to the general fund, in amounts equal to award payments made by the general fund, for suggestions generating new or additional money for those other funds.

Sec. 2. Section 2, chapter 167, Laws of 1982 as last amended by section 5, chapter 387, Laws of 1987 and RCW 41.60.100 are each amended to read as follows:

With the exception of the legislative and judicial branches, any organizational unit of any agency of state government having an identifiable budget or having its financial records maintained according to an accounting system which identifies the expenditures and receipts properly attributable to that unit may apply to the board for selection as a candidate for the award of teamwork incentive pay to its employees. The application shall be submitted prior to the beginning of any year and shall have the approval of the head of the agency within which the unit is located.

Applications shall be in the form specified by the board and contain such information as the board ((may require, including)) requires. This may include, but is not limited to ((those evaluation components developed by the applying unit which will provide)) quantitative measures which establish a data base of program output ((and)) or performance expectations, or both. This data base is used to evaluate savings in accordance with RCW 41.60.110(1).

The board shall evaluate the applications submitted. From those proposals which are considered to be reasonable and practical and which are found to include developed performance indicators which lend themselves to a judgment of success or failure, the board shall select the units to participate in the teamwork incentive pay program.

Sec. 3. Section 3, chapter 167, Laws of 1982 as last amended by section 6, chapter 387, Laws of 1987 and RCW 41.60.110 are each amended to read as follows:

(1) To qualify for the award of teamwork incentive pay to its employees, a unit selected shall demonstrate to the satisfaction of the board that it has operated during the year of participation at a lower cost with either an increase in the level of services rendered or with no decrease in the level of services rendered.

(a) A unit completing its first year of participation shall compare costs during that year of participation to (i) the fiscal year expenditures for the year immediately preceding the first year of participation, or (ii) an average derived from the unit's historical data, or (iii) engineered standards used in conjunction with an average derived from the unit's historical data;

(b) A unit participating in the teamwork incentive pay program for <u>two or</u> more ((than one)) <u>consecutive</u> years ((shall)) <u>may choose to</u> compare its costs during the current year of participation with (i) its costs for the immediately preceding year, or (ii) a yearly average of its costs for the preceding two or three years in the teamwork incentive program; ((and))

(c) For the purposes of (a) of this ((section)) subsection, a unit's historical data shall be restricted to data generated during the period of three years or less immediately preceding the unit's first year of participation in the teamwork incentive pay program; and

(d) For the purposes of (b) of this subsection, a unit's costs for preceding years may include the costs calculated under (a) (i), (ii), or (iii) of this subsection for years the unit participated in the teamwork incentive pay program. (2) The board shall satisfy itself from documentation submitted by the organizational unit that the claimed cost of operation is real and not merely apparent and that it is not, in whole or in part, the result of:

(a) Chance;

(b) A lowering of the quality of the service rendered;

(c) Nonrecurrence of expenditures which were single outlay, or onetime expenditures, in the preceding year;

(d) Stockpiling inventories in the immediately preceding year so as to reduce requirements in the eligible year;

(e) Substitution of federal funds, other receipts, or nonstate funds for state appropriations;

(f) Unreasonable postponement of payments of accounts payable until the year immediately following the eligible year;

(g) Shifting of expenses to another unit of government; or

(h) Any other practice, event, or device which the board decides has caused a distortion which makes it falsely appear that a savings or increase in level of services has occurred.

(3) The board shall consider as legitimate savings those reductions in expenditures made possible by such items as the following:

(a) Reductions in overtime;

- (b) Elimination of consultant fees;
- (c) Less temporary help;
- (d) Improved systems and procedures;
- (e) Better deployment and utilization of personnel;
- (f) Elimination of unnecessary travel;
- (g) Elimination of unnecessary printing and mailing;
- (h) Elimination of unnecessary payments for items such as advertising;
- (i) Elimination of waste, duplication, and operations of doubtful value;
- (j) Improved space utilization; and

(k) Any other items determined by the board to represent cost savings.

Sec. 4. Section 4, chapter 167, Laws of 1982 as last amended by section 7, chapter 387, Laws of 1987 and RCW 41.60.120 are each amended to read as follows:

At the conclusion of the eligible year, the board shall compare the expenditures for that year of each unit selected against the expenditures of that unit for the immediately preceding year or expenditures determined in accordance with RCW 41.60.110(1) (a) and (b) and, after making such adjustments as in the board's judgment are required to eliminate distortions, shall determine the amount, if any, that the unit has reduced the unit's cost of operations or increased its level of services in the eligible year. Adjustments to eliminate distortions may include any legislative increases in employee compensation and inflationary increases in the cost of services, materials, and supplies. If the board also determines that in the board's judgment a unit qualifies for an award, the board shall award to the employees of that unit a sum equal to twenty-five percent of the amount determined to be the savings to the state for the level of services rendered. The amount awarded shall be divided and distributed in equal shares to the employees of the unit, except that employees who worked for that unit less than the twelve months of the year shall receive only a pro rata share based on the fraction of the year worked for that unit. Funds for this teamwork incentive pay shall be drawn from the agency in which the unit is located.

((In addition to the amount awarded, the agency shall transfer ten percent of the savings to the department of personnel service fund. Moneys so transferred shall be used exclusively for the operations of the productivity board or as an offset to any amount appropriated to the productivity board for administrative expenses from another revenue source, other than that provided under RCW 41:60:120. The productivity board at least annually shall review amounts transferred to the department of personnel service fund under this section and may reduce the percentage of savings to be transferred or temporarily suspend transfer if cash receipts exceed needs for program administration.))

Sec. 5. Section 7, chapter 114, Laws of 1985 and RCW 41.60.150 are each amended to read as follows:

Other than suggestion awards and incentive pay unit awards, agencies shall have the authority to recognize employees for accomplishments including outstanding achievements, safety performance, and longevity. Recognition awards ((which)) may not exceed ((fifty)) one hundred dollars in value per award. Such awards may include, but not be limited to, cash or such items as pen and desk sets, plaques, pins, framed certificates, clocks, and calculators. Award costs shall be paid by the agency giving the award.

<u>NEW SECTION.</u> Sec. 6. The sum of fifty thousand dollars, or as much thereof as may be necessary, is appropriated for the biennium ending June 30, 1991, from the general fund to the office of financial management to carry out the purposes of RCW 41.60.041(6).

<u>NEW SECTION.</u> Sec. 7. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and shall take effect July 1, 1989.

Passed the House March 13, 1989. Passed the Senate April 5, 1989. Approved by the Governor April 19, 1989. Filed in Office of Secretary of State April 19, 1989.