



January 25 & 26, 2017, Meeting Minutes
Department of Enterprise Services, 1500 Jefferson St SE, Olympia

January 25, 2017

The meeting of the Washington Citizens' Commission on Salaries for Elected Officials was brought to order by Chair, Dorothy Gerard, at 8:38 a.m.

Commission Members Present:

Melissa O'Neill Albert
Greg Dallaire, Vice Chair
Dorothy Gerard, Chair
Liz Heath
Steve Isaac
Wayne Jiang – Phoned in at 8:30 a.m.
Sarah Mahoskey
Raymond Miller
Patrick Pavey

Don Robinson
LeAnna Chauvin
Steven Starkovich
Larry Turner
Dick Walter
Karen White

Staff Present:

Teri Wright, Executive Director
Lindsay Matthews, Executive Assistant

Commission Members Excused:

Michael Donabedian
Linda Peterson

Meeting Opening Statement and Approval of the November 9, 2016 Minutes

Dorothy Gerard, read the meeting opening statement. Teri Wright asked if everyone had reviewed their copy of the minutes from November 9, 2016. There was a motion made by Greg Dallaire to approve the minutes, seconded by Raymond Miller. Dick Walter asked for a few modifications. Greg moved to approve the minutes with the changes. The motion was seconded by Raymond and carried by a unanimous voice vote.

Review Meeting Folder Items

Lindsay Matthews went over meeting folder contents, including a working agenda.

Shane Esquibel, Chief Deputy for Attorney General Bob Ferguson

Chief Deputy for Attorney General (AG) mentioned the AG is not requesting an increase. The AG has a broad array of responsibilities unique to the office of Attorney General.

The AG is a legal advisor to State officials. The office is responsible for defending all state laws that are passed by legislature and laws passed by the people by initiative. The office advises and represents over 230 agencies, boards, commissions and other public officials. The office enforces the consumer protection act, antitrust laws. They have an annual budget of approximately \$170 million per fiscal year and currently handle 2,300-2,400 active cases. In fiscal year 2016 the legal work of the AG's office brought in almost \$52 million dollars in recoveries to the State and Federal Government.

The legislature recently tasked the office to lead a task force on creating a state wide payment system for traffic fines. In addition the Legislature merged the Medical and Recreational Marijuana laws.

Mr. Esquibel asked for any questions.

Liz Heath asked: Are there types of cases, or any changes in the scope of what the AG might be asked to address? Mr. Esquibel replied by saying they have recently started some new things in the office within the last couple of years including a civil rights division that works on civil rights issues. The AG's office has a hotline where they take calls, some of those calls are consumer protection issues. They have been seeing an increasing number of people calling in about civil rights issues.

Mr. Esquibel answered many questions about staff turnover and recruiting.

Greg Dallaire stated when conflicts of interest arise sometimes you have to farm out cases to private firms. Can you explain to the commissioners about this problem the AG has? Mr. Esquibel replied that when two entities that both work for the AG are on opposite sides of a case sometimes they have to contract that work out to specialist. The other thing they do is set up a screen in the office and keep people on opposite side of the screen, and in those cases they do not discuss those things. Some of the more complex case they do contract them out to specialist.

Dick Walter commented about school funding and how much is enough to meet the requirement. Mr. Esquibel replied that many briefings have been filed in that case before the Supreme Court. He would say that the court docket has many briefings that they have filed on that case on that question. They represent the legislature as well as the Office of the Superintendent of Public Instruction. Greg Dallaire added the court will decide, the AG cannot come up with a number, all the AG can do is represent the legislature.

Liz Heath asked: If McCleary ever gets resolved will that decrease the staffing needs? Does the AG's office have a lot of attorneys working on it? Mr. Esquibel replied they have 3 attorneys

working on it but it is not their full time jobs. They will not reduce any staff due to that case being resolved.

The Commissioners discussed the 2015 salaries when the Commission gave the last salary increases. The Commission heard people saying they weren't going to take them. Does the Commission have any idea how many actually did return the raises to the state. Teri Wright replied to her knowledge there were none. Raymond Miller added they can donate it to some charitable cause. Teri Wright replied that they can do that on their own, but there wasn't any legislation. In 2011 there was legislation that said that state wide elected officials from the period from 2011-2013 can reduce their own salaries voluntarily. So there were quite a number of state wide elected officials that voluntary reduced their salary. There hasn't been any new legislation since that time, so they have all received their salaries but if they choose to then gift it or do it as a contribution to someone that is on their own.

Steve Starkovich added the Commission is not supposed to take those kinds of personal considerations into account. Teri Wright replied the Commission is not.

Larry Turner added he heard a lot of input from the Attorney General's office, their overall work load had increased but he didn't hear anything about the AG's own work load as defined by the state had increased. Dick Walter replied the issue really is about what has changed in the position. One great thing about the Willis Study last salary setting the Lieutenant Governor was one of the few that really did have a change in position, enough for the Commission to vote accordingly. The Commission focused on the job and what was different in the job. What always comes up is the person doing the job and the Commissioners know it doesn't matter what we think about the person, that part is up to the voters. But it puts into perspective the major point, the two key pieces that the Commissioners come back to beside the job itself is where they rank in comparable states, where do they rank nationally. The job changed, but the Commission will get into that in more detail as time goes on, but he thinks the general approach is what was just said.

Teri Wright added that Dick made a good point and the Commissioners have a lot of information, that the job responsibilities are one piece of information, so if the Commissioners base an elected officials salary only on whether or not the job responsibilities have changed then they are missing the rest of the information. There is a lot of information in the binders and it all needs to be looked at, not just one piece.

Greg Dallaire added there were a couple of things that came up during the Commissions last salary setting which he thought was interesting because he thinks technically you would say the job hasn't changed. Treasurer was one where the Commission looked at it and said a billion dollars a night or something like that and his second in command was paid well for those

responsibilities but the Treasurer wasn't. The other was the Commissioner of Public Lands, the responsibilities hadn't really changed, apparently he's always been responsible for what happens in forest fires but the magnitude of the responsibility for that particular area that he's supposed to be accountable to the public for has changed dramatically over the years, so if the Commission look at it just in terms of the job description it probably looks like it's the same but there was a big change at least in the minds of some commissioners in that respect.

Dorothy Gerard added that changes in the number of staffing can sometimes have an influence on the positions responsibilities. Sometimes staff changes are based on work load increases and that kind of thing rather than different work responsibilities for the elected official.

Dorothy Gerard welcomed our next speakers from the Judiciary; Chief Justice Mary Fairhurst, Judge Rebecca Robertson, Judge Michael Downes, and Judge Lisa Warswick.

Testimony by the Judiciary:

Chief Justice Mary Fairhurst, Washington State Supreme Court

Chief Justice Fairhurst spoke about her work history. First, on behalf of the entire Judiciary, she wanted to thank each of the Commissioners for the work they perform. They appreciate greatly all the time and energy that the Commissioners contribute to carrying out the work of the Commission. Washington has 4 levels of courts. The first speaker is Judge Rebecca Robertson from the Federal Way Municipal Court, she serves on the District and Municipal Court Judges Association and has been a Judge in Federal Way since 2010. The next speaker is Judge Michael Downes of the Snohomish County Superior Court, he is the president of the Superior Court Judges Association, he was first appointed to the Superior Court in 2004. The following speaker is Judge Lisa Warswick, who is on the Court of Appeals Division Two, which sits in Tacoma. Judge Warswick was appointed to the court of appeals in May of 2010.

Judge Rebecca Robertson, Municipal Court

Judge Robertson thanked the Commission for having them. Judge Robertson is a full time Judge in Federal Way Municipal Court, she came to represent the District and the Municipal Courts of the State of Washington, there are 118 District court Judges and 91 Municipal Court Judges throughout the state. The Municipal Court Judges can be full time or part time and their salaries are actually tied to the District Court salaries, so as a full time Judge her salary is 95% of a District Court Judge's salary, this is so the city can get money from the state, if they chose not to pay them 95% the city wouldn't get money back from the state. There are about 2 million filings per year in Municipal and District Courts, over a million of those are in Municipal Courts. They make 250 million dollars in revenue for the state every year. Also in the statistics are how many infractions those represent, she thinks it was 42% parking tickets, and 800,000 infractions, most of their time in the District and Municipal Court is actually taken up with the criminal cases, while the infractions and the parking tickets are handled by the Courts staff, the Judges spend

most of their time in the criminal cases. She spends 90-95% of her time on the criminal cases in court. The kind of cases that they would handle in the Municipal and District Courts are all the misdemeanors and the gross misdemeanors that happen in the State of Washington. The resources they have available to them is jail obviously, they have a lot of treatment options available to them and that's what they try to use most of the time. The Judges are spending a lot of time doing social work for particular clients from the bench as well as dealing with all the legal issues. A typical day in Court for Judge Robertson would be 60-120 people or cases per day. Appeals go to Superior Courts, they had approximately 570.

Judge Michael Downes, Superior Court

Judge Downes mentioned he is the president of the Superior Court Judges Association. Superior Courts are courts of general jurisdiction. Any of the 192 Judges can go to any Superior Court to hear cases in Washington State. He went over the types of cases they see in Superior court. Judge Downes made reference to the complexity of the cases and number of the cases they see. He also mentioned that because they are required to be in court all day long they must handle administrative matters before court, at lunch, and after court. The Superior Court Judges Association holds its meetings on the first Saturday of each month to avoid interference of court hearings. Judge Downes spoke about the importance of being able to attract and keep qualified and quality candidates for the Judiciary. Judge Downs spoke briefly about his work history. He also brought up his understanding was that in 2003 or 2004 the Salary Commission determined to try to make Washington Judges roughly competitive economically to the Federal Bench, and they appreciate that. Judge Downes brought up that the Federal District Court Judges, do not pay anything into their retirement, the Federal Government pays for the Federal Judges retirement, but the State Judges currently pay 13% of their salary into their own retirement and in July they will pay 16%. So in his opinion to do a true comparison the Commission will need to subtract what the State Judges pay into their retirement. Once subtracted Judge Downes says the difference of salaries is 47%.

Judge Lisa Worswick, Court of Appeals Division II

Judge Worswick started by letting the Commission know that Washington Citizens' have the right to appeal. There are 22 Judges in the Court of Appeals, and 3 divisions around the state roughly divided by population. In 2015 3,950 new cases were handled by the Court of Appeals. Judge Worswick went through some of the types of cases they see. Judge Worswick also mentioned they do a lot of research at their level. She also wanted to echo the other Judges that presented that they need to be able to attract the best, most experienced, widely ranging candidates to the judicial positions.

Chief Justice Mary Fairhurst, Washington State Supreme Court

Chief Justice Mary Fairhurst talked about the Supreme Court being the highest court in the State and have 9 Justices. The Supreme Court is a discretionary court. She went over the types of cases

they see, and how they do their work for the Supreme Court, as well as how they are involved in helping the community with programs. Chief Justice Fairhurst added that the board for Judicial Administration has elected to maintain the position it has had in prior years that the salaries must keep pace with inflation at a minimum of ongoing regular increases which reflect the cost of living, and that is preferable to irregular catch up increases. Salaries of the Federal branch are the most realistic standard to use to establish Washington State Judges salaries because the duties are directly comparable. In large part the Federal Judges set the market for State Judiciary. When factoring in the contributions that the State Judges make and the Federal Judges don't make, in 2016 there is a 40% disparity, and in 2017 without an increase there would be a 47% disparity. Normalized salaries of Judges in other states provides another point of reference. She also mentioned 40% of the Judges are age 65 or older, and the constitutional mandate for retirement for Judges is age 75, so in 10 years 40% of the current bench will age out. In 2014-2016 over 15% of the Judges left primarily due to retirement. She added that 31% of the Federal District Court Bench for Eastern and Western Districts Courts of Washington are former Washington State Judges, the two primary, Mediation and Arbitration services in the state 52% of those member are former Washington State Judges. She then thanked the Commission and let the Commissioners know she is proud of the Judiciary system. Chief Justice Fairhurst then called for questions.

Steven Starkovich asked: With the campaign etcetera how much does she think having to run for election or reelection dissuades people? Chief Justice Fairhurst replied that she thinks it does, that and the salary. Unless the person gets a governors appointment then they are running a full state wide election. Supreme Court Justices are challenged regularly.

Judge Downes added that campaigning is expensive. Judge Robertson added most of the time, judicial races are not funded by other people, they are funded by the Judges themselves. Chief Justice Fairhurst added that at her level people are not funding their own race, people can contribute, loan, and be re-paid.

Steven Starkovich asked a question to Judge Robertson and Judge Downes: The question has to do with not just the work load or number of cases but the amount of time spent looking for alternatives to traditional jail, keeping up with the latest in other states whether it is drug treatments or other things? Also, have the cases at the superior court level become more complicated? Judge Robertson replied that they are spending a lot of time finding alternatives to jail. They realize they can't put people in jail expect it to help them with their problems especially when they have mental health issues or chemical dependency issues. Which is why they have seen more therapeutic courts, mental health courts, and more alternative to jail programs. They often look out of state for ideas. They hear about evidence based sentencing, various drug treatments, and other mental health treatments then they utilize them. It is a last resort to send them into jail. They spend a lot of time trying to convince their own funding

bodies and the state to fund the programs, because it will be less expensive than jail. So that is a huge focus at that level of court at this time.

Judge Downes added courts move very slowly. They can't sacrifice justice on the altar of efficiency. Lastly, with regard to if cases are more complex or not: He thinks at the Superior Court level they have always been complex, but they may be becoming more contentious and are getting much more expensive.

Greg Dallaire made a point about economics, the Commission has heard the description of what the Judges do, even the law clerks or interns are getting trained so they can go into private practice and getting skills that they can use in private practice. But at the level that the Judges are, if they leave their job they have to start all over from scratch because they don't have any clients and because some of the cases that they have handled, people don't want to work with them. So they are in a different roll or position economically than the other elected officials that present to us. The federal guidelines that the Commission has adopted is an important benchmark for us to look at, because otherwise the skills that they are getting will not help them in private practice.

Chief Justice Fairhurst mentioned that another anomaly with the Federal level beside the retirement is that Federal Judges can become senior judges, and continue to receive a full salary and carry a partial load and their position is for life. Once appointed as a Federal Judge it is a life position. So that puts State Judges in a different category because of elections, because State Judges age out at 75, also they contribute to their retirement, and when they are done, they are done.

Liz Heath asked: Do you know the rate of increase for Federal Judges? Chief Justice Fairhurst replied it is on page 20, but they will get the newest number to the Commission.

Dr. Steve Lerch, Economic and Revenue Forecast Council

In 1990 the legislature decided that the process for doing economic and revenue forecasts was something that should be placed in an independent agency. The council is made up of 7 members, 4 legislative members, one from each of the largest caucuses in the house and senate, 2 members of the Governor's cabinet, and the State Treasurer. The mission is to produce accurate economic revenue forecasts for the legislature and the Governor's office on a quarterly basis. Dr. Lerch spoke about how the process works to create the forecasts. The forecasts have been relatively stable, Washington does a little better than the national economy. Fairly moderate growth is what Washington is looking at. Not a lot of changes over the past few years.

Steven Starkovich asked: Does Dr. Lerch have something that shows how accurate the past forecasts have been? Dr. Lerch replied he does, but not sure it was in the presentation. The

measure that they typically use is how close our revenue forecast is spent. They review that on a monthly basis and over the last 2-3 forecasts they have been a little below actual revenue collections. The economic forecasts have been closer but it's harder to translate that economic data to more specific revenue data. Their goal is to be plus or minus 2.5%, so when he says "off" there have been a few quarters that they have been above that.

Dr. Lerch spoke about the labor force and employment data, unemployment and stats regarding labor force age, people who are working 16 and over, people who will be retiring soon, people who are unemployed, due to school, disability and people who want to work but are not looking for work. In 1948 most women were not working outside the home. More women are now in the work force than ever. A dip happens in each recession. Men are leaving the work force more than is usual historically. There are a number of potential explanations for that, it might be health problems, skills that people have versus skills that employers are looking for.

Dr. Lerch spoke about international monetary funds. When the global economy is growing slow it affects us all. Major exporting has slowed. Labor productivity or growth and labor productivity is the change in how much in terms of dollar value that a worker can produce in a fixed time period. Washington has shifted from a primarily manufacturing economy to a primarily service economy.

Patrick Pavey asked: If the minimum wage changes affect wage growth? Dr. Lerch replied yes, the minimum wage increases will have an impact on it.

Dr. Lerch spoke about Washington doing better than the US economy in employment growth. Washington employment grew by 2.9% while the US was 1.6%.

Greg Dallaire asked: Is agricultural a large part of Washington economy? Dr. Lerch replied in terms of employment no, but in terms of exports and contribution to personal income, yes.

Steven Starkovich asked: If there are changes in employment, and he is thinking of the new emphasis on undocumented workers in taking them out of the system, does Dr. Lerch have any sense on what the impact might be in Washington State? Dr. Lerch replied only really anecdotally, over that last couple of years, they have heard from a lot of people in the orchard sector in particular and the agricultural sector they have tended to hire a lot of non-US citizens as workers and that they have had an employee shortage. They have been having trouble finding people to pick tree fruit.

Steven Starkovich added as a follow up he is looking at a chart from the November meeting that shows the unemployment rates in the different counties and the information is now almost a year old but those numbers are going to be driven by where the population is and that is King, and

Snohomish, and Pierce County. He is looking at unemployment rates of 4.8% in King County, and 5.3% in Snohomish County and 6.6% in Pierce County, 5.2% in Whitman. Everything else is 7%-10% and so he supposes that's representative of most of the people and where the jobs are, but that isn't necessarily the experience. Dr. Lerch replied that yes, for example when you look at the construction growth a lot of that is happening in King and Snohomish County, some in Pierce and then less in other counties. Some in the Spokane area. The other thing is the big online retail trade, that's virtually all King County.

Greg Dallaire asked: Is that true for leisure and hospitality as well? Dr. Lerch replied he is less certain of that. That is a really big category, a big driver would be restaurants, bars and hotels and you might expect a fair amount of that is metro Seattle. Museums are in there, fishing guides, some of that stuff is not King County.

Dr. Lerch showed a comparison of personal income growth since 2005, they are seeing Washington's personal income grow faster than the US, some of that is higher income some of that is the fact that our population is growing substantially faster than the average State. He showed several slides about the recession and recovery, household debt which peaked with the last recession and has come steadily down and plateaued. Consumers since the recession have more money to spend on discretionary items. Dr. Lerch went through several survey based slides showing that overall since the recession consumer confidence has gone up. Dr. Lerch also went through several slides showing forecasts of oil prices, employment, personal income, and housing permits. When they do a forecast they actually do 3, base line, pessimistic, and optimistic. The next slides went over the survey about the possibility of another recession. Then some slides on taxes and revenue and the new general fund forecast, and fiscal year growth rates.

Steve Isaac asked: The dot com's being so high, does Dr. Lerch think that any of the values, the stock market, and housing, have been influenced by the 0% interest? Dr. Lerch replied he does think that it influences it. The interest rates are increasing slowly. Based on some of the things the Federal Government is saying when they do another forecast they might include another rate increase. They might see rates go up faster than they have anticipated and that will have an impact on the employment forecast and housing forecast and the stock market. They do quarterly forecasts.

12:08-1:00p.m. Lunch

Pat McCarthy, State Auditor & Diane Perry, Director of Operations for the State Auditor
Ms. McCarthy started by telling the Commission about her history. She then talked about the different kinds of audits and said in 2015 a little over 1,400 audits in governments were done. Financial audits are extremely important to get the outside set of eyes on how governmental bodies spend their money or anyone that gets state or federal funds. Performance audits are very

positive and important as well. It can show how to improve and be it can be beneficial to the agency. The State Auditor's Office (SAO) also looks at fraud and they have a whistle blower program. There are about 395 employees in the SAO.

Dick Walter asked: Regarding comparable states, according to our information unlike some of the other elected officials in this state the State Auditor is either in the middle or near the bottom. What other states are most like Washington State so that the Commission might get a little bit of a benchmark to say where they are salary wise compared to those? Ms. McCarthy replied she has a lot of data and is happy to send it to the commission. They consider several states as peer states of Washington for various reasons. States do their auditing differently. Her recollection in the past has been Arizona, Ohio, Massachusetts or Connecticut. But she will get that information to the Commission.

Patrick Pavey asked: Are there changes or additional duties that may occur in the future of the Auditor's office that she can see coming? Ms. Perry replied that the last time she saw a radical change to the position was when performance audit authority were handed to them and that was in late 2005.

Greg Dallaire asked: Who makes the decisions on who will be audited? Ms. McCarthy replied the legislature can ask the auditor to do an audit, the agency can ask for the audit, or a citizen may express some concerns and the auditor may look at using a risk analysis to determine if it is reasonable to do an audit. The office saw some data that showed of 20-25 performance audits, about 6 were mandated by legislature.

Greg Dallaire asked: Would that constitute an increase in the responsibility? Ms. Perry replied it could but performance audit is funded by a small piece of the sales tax so it is limited in how much they can do, and the legislature for the last 3-4 years has done sweeps of the performance audit money, to their dismay. They would like to decide which performance audits to do using the risk analysis but legislature can write a bill in a budget proviso in another way, so they work with the legislature to provide that balance. They do not get extra money for doing the mandated performance audits. They are like a CPA firm for most audits, so an audit for Pierce County would be billed to Pierce County but at a much lower rate. But the responsibilities have increased over the years because of the increased focus on cyber security and other areas and because of the mandates. She added with the State legislature grappling with the McCleary decision, there will be a decision at some point and then the State Auditor will be working with the Superintendent of Public Instruction and local School Districts and their financial managers. Ms. McCarthy thinks the decision, whatever it might be, will really be a large book of business for the State Auditor's Office to oversee. Same thing with Sound Transit. Things like that that happen will add additional oversight.

Teri Wright spoke again about the Commission putting in a request for an additional \$89,000 and of that request in the Governor's budget only \$20,000 was approved, they have already held hearings in both the Senate and the House and Teri has requested that the remaining be put into the budget. Most of that would cover for an Executive Assistant year round, which was a big piece that they didn't put in the budget. The list that was provided is for each Commissioner to see who represents them in their district, it is also listed who is in House, Appropriations and who is in Senate, Ways and Means. She did have meetings prior to the budget coming out with the people in her district, Senator Becker, Representative Andrew Barkus, and Representative JT Wilcox. Additionally with Liz they met with Senator Darnielle. If the Commissioners know their Representatives or would contact them let them know that \$60,000 was left out of the Commission's budget request and it needs to be in there. Teri offered to send out a letter to use as a template if the Commissioners would like. Teri added that she wants the Commissioners to feel comfortable, and not ever to put the Commissioners in a place to have to answer questions they don't know about, which is why she would come to any meetings to help relay accurate data.

Liz Heath added she met with Shane and the Policy advisor, and she seemed positively inclined to the information she received from the Commission when they met. But it wasn't enough time.

Teri Wright added that she and Dorothy will be sending out a letter to the elected officials that had been previously drafted. Now is the time to do that.

Teri Wright added that since the 1st of December she has mailed out to 25 newspapers letting them know due to budget cuts all the Commission meetings are being held in Sea-Tac and Olympia this year, and after checking several times no one reported on it. Then she sent out another letter about two weeks after the first to about 20 of the same newspapers and let them know again our meetings in January will be held in Olympia with no responses again.

Raymond Miller asked if the Commission can have a Facebook page. Teri Wright replied it can, but she really doesn't know what would be put on the Facebook page to keep it interesting, active and alive especially during the lean year she is all alone working 25 hours a week. It is something that she will look at again.

Mike Kreidler, Insurance Commissioner

Mr. Kreidler began by telling the Commission about the overview of what the Insurance Commissioner does. Of the Insurance Commissioner's in the country only 11 are elected like in Washington. Mr. Kreidler then read the mission statement of the Insurance Commission. The Insurance Commission is the 8th largest industry or group in the State of Washington, and does a premium bonding of 37 billion dollars annually, and it is responsible for something like 40,000 jobs in the State of Washington. The Insurance Commission also investigates fraud. In 2015 the

Insurance Commission was able to recover about 9 million dollars for consumers by virtue of getting the claims paid for by the insurance companies. The Insurance Commission has helped some 160,000 people annually, and counsel some 100,000 people for health insurance through the SHIBA program. In 2006 the Insurance Commission started an investigative unit with real law enforcement officers. The Insurance Commission also reviews policies and rates that will be marketed by the insurance companies to make sure they are fair and equitable. Since Mr. Kreidler took office the Insurance Commission has been able to lower requested rates \$330 million dollars. Starting in 2010 health insurance is a big part of what they do now. There are 243 employees in the office of the Insurance Commissioner, and operate it on a biennial budget of \$59 million dollars, and that doesn't come from the general fund, it is a regulatory assessment against the industry that pays the cost for their budget. They also collect over a billion dollars per biennium of revenue for the State general fund by virtue of the premium tax on insurance policies sold in the State of Washington. Last year the Insurance Commission turned over something like 2 million dollars in ways of fines from enforcement actions to the State general fund.

Liz Heath asked: What about required changes, first the Affordable Care Act and no one knows what's going to happen with that, then the pharmacy benefit regulation, the technology and the IRO transparency project? Those are all new things that have been added, is that correct? Mr. Kreidler replied yes, that is correct. IRO has been around for quite a while, but consumers would like to know if there is a challenge to an insurance company. The legislature moved that from the Department of Health to the Insurance Commissioner. For the pharmaceutical managers function that they have now, the legislature gave to the Insurance Commission in the last legislative session, this action added 5 or 6 people to the office to fulfill the new duties.

Karen White asked: Why the actuary 3 and 4 staff make considerably more than the Insurance Commissioner and are they under the supervision of the Insurance Commissioner or are the outside contractors? Mr. Kreidler replied they are employees, the challenge is they can work any place they are very highly trained and most have PHD's or equivalents usually in mathematics and they are in high demand to put it mildly, so it's either pay them that rate or they wouldn't ever meet the financial certification.

Greg Dallaire asked: The office is being paid for by the insurance community, which is \$59 million per biennium. And that the Insurance Commissioner's Office is the second largest contributor to the general fund in tax collection, how much was that amount? Mr. Kreidler replied yes, \$59 million per biennium. And yes approximately one billion dollars every two years by virtue of the state insurance premium tax.

Cyrus Habib, Lieutenant Governor

Lieutenant Governor Habib spoke briefly about his work history. Then talked about how he views the job of Lieutenant Governor, there are 4 pillars the first is the president of the State Senate, the second is the executive branch, the acting Governor whenever necessary, the third is Economic development, and the last is what do the people want to bring to the office, he plans to focus on disability and veterans employment.

Patrick Pavey asked: Does Lieutenant Governor Habib foresees any significant changes to the position or increased duties? Lieutenant Governor Habib replied the office has changed tremendously, for one thing the legislature meets for much longer, it is supposed to be a 60-105 day legislative session. Another piece that has changed is the shared responsibilities of the Governor, like meetings that the Governor cannot make it to. And a third piece is meeting requests due to the Lieutenant Governors interest. Another piece is that Washington State is now more internationally connected.

Greg Dallaire asked: How does the position of Lieutenant Governor in Washington State compares to Lieutenant Governors in other states? In each state the Lieutenant Governor has different responsibilities, does Lieutenant Governor Habib knows of any states that have the same responsibilities so the Commission can make an apples to apples comparison. Lieutenant Governor Habib replied there are 3 layers. One layer is all Lieutenant Governors are the first in line of succession and fills in the Governor. The second layer is not uniform and that is does the Lieutenant Governor also preside over the State Senate, that happens in a number of states. The third layer is what are the special things or responsibilities that by statute the Lieutenant Governor is given and that varies hugely. Lieutenant Governor Habib also thinks that the Commission could look at the size of the staff because that looks to managerial responsibilities and also the scope and ambition of the office. Washington is about average in that scope according to Lieutenant Governor Habib, they have 5 staff members.

Jim Crawford, Assistant Director for Budget OFM (State Budget)

Mr. Crawford started by speaking about the fundamental goals that the Governor set out. Mr. Crawford briefly spoke about his work history. He then spoke about the Governors plans, school funding, overhauling the mental health system, clean energy and environment. \$2.7 billion dollars to pay teacher compensation, salary increase for beginning teachers \$35,000 currently, going to \$55,000 by the end of the biennium. Top end teachers would top out at about \$80,000 if they have an advanced degree, or more than 10 years of experience, and continuing certification. Every district will receive more money from the State to better serve the students of the State. The Governor's plan would reduce local property taxes by \$250 million dollars a year, and he plans to shrink K-3 class sizes. The thought is it will take 2 more biennium's to get to where it needs to be. Another issue to fix is the mental health care systems, it will take about \$300 million to get the hospitals where they need to be. A lot more work needs to be done, but they are trying

to avoid a Band-Aid approach. Additional budget highlights include State parks funding, maintenance, preservation, and salmon habitat protection. Department of Corrections had a major problem with record keeping which resulted in the premature release of a number of offenders, several changes were made with the DOC, including 25 more records staff and many other items. Hepatitis C treatment is being looked at. They are also working on Veterans conservation and internships to help with post service vets. The Governor's plan is looking at a more sustainable revenue system, short and long term needs, and \$4.4 billion dollars in new revenues dedicated to education, carbon taxes, and removing smaller tax loop holes.

Greg Dallaire asked: What are the proposed salary increases for State Employees? Mr. Crawford replied there are 38 separate collective bargaining tables, the general wage increase across most but not all of those agreements is 2% July 1st 2017, then 2% July 1st 2018, then another 2% January 2019, so a total of 6% in the biennium. If the 2% is extended to the unrepresented work force, collectively it is about a \$750 million dollar a biennium package. 6% over the biennium is a generally modest but important general wage increase.

Dick Walter added that Mr. Crawford mentioned that \$2.7 billion is going to be the full share of the teacher's compensation and yet there is a 2% + 2% + 2% for the general State workers. How do they relate to each other? Mr. Crawford replied they are two separate things entirely, the State employee's side is 2% + 2% + 2%, the K-12 side is teachers are way behind what is adequate salary, and so they are trying to figure out what is a fair wage for teachers. Once they figure out a place to aim, then they would know what they would need to fund it.

Liz Heath asked: If the increases to the State employees cover cost of living adjustment (COLA)? Mr. Crawford replied no, it is a general wage increase.

Dorothy Gerard asked: Can the Commission can talk about its own issues? Mr. Crawford replied yes. Dorothy Gerard went on to say The Commission put in a budget request for \$80,000 increase to the budget, it was only approved for \$20,000 which was put into overhead costs like Enterprise Services, IT and that kind of thing. The Commission is now at a place where the staff is working from home, the Commission cannot travel around the State seeking input from the public, the cuts are consistent and with the increase the budget is still not back to where it was at one time. The Commission has spoken with legislators and budget analysts and will continue to do so. Does Mr. Crawford have any other suggestions for the Commission to pursue?

Mr. Crawford replied generally speaking they can't fund everyone. Also let go of the argument "getting back to where the budget was" the Commission will need to fight for a budget increase. A more compelling statement is needing to travel to get public input. Get together the most important thing the Commission needs to do, serving the citizens as is constitutionally mandated. Best suggestion is to lay it out, what does it look like with the Governors proposed budget, this is

what the Commission can do with that, and these are the things that are missing due to the budget. Then lay it out so it is easy to understand and see, why the Commission is unable to fulfill its duties.

Public Testimony

No members of the public were present to provide public testimony.

Adjourn

Teri Wright went over the following day's agenda.

The meeting adjourned at 4:33 p.m.



January 25 & 26, 2017, Meeting Minutes
Department of Enterprise Services, 1500 Jefferson St SE, Olympia

January 26, 2017

The meeting of the Washington Citizens' Commission on Salaries for Elected Officials was brought to order by Executive Director, Teri Wright, at 8:31 a.m.

Commission Members Present:

Melissa O'Neill Albert
Greg Dallaire
Dorothy Gerard
Liz Heath
Steve Isaac
Wayne Jiang – Phoned in at 8:30 a.m.
Sarah Mahoskey
Raymond Miller
Patrick Pavey

Don Robinson
LeAnna Chauvin
Steven Starkovich
Larry Turner
Dick Walter
Karen White

Staff Present:

Teri Wright, Executive Director
Lindsay Matthews, Executive Assistant

Commission Members Excused:

Michael Donabedian
Linda Peterson

Meeting Opening Statement

Dorothy Gerard read the opening statement.

Duane Davidson, State Treasurer

Mr. Davidson spoke about the position description that was sent in to the Commission before he was elected, but he does agree with the content, except in specific reference to the previous State Treasurer. Mr. Davidson spoke briefly about his work history.

Dorothy Gerard asked: Is Mr. Davidson is aware of any legislation that has been proposed that might change the duties or responsibilities of the position of State Treasurer? Mr. Davidson

replied no he is not, but there is going to be a lot of legislation this year that is going to impact the work load of the State Treasurers Office in regard to McCleary.

Greg Dallaire mentioned that Mr. Davidson's predecessor was in office for several years. Does Mr. Davidson think that he will have new responsibilities or make changes, and could he get the things done under current legislation? Mr. Davidson replied definitely, he plans to tackle the area of transparency of state records. He does think he can get most of it done under current statutes. Tax payers want to know where tax money goes. The one thing that may require legislation which he is currently already working with the Superintendent of Public Instruction and others on is to enhance financial literacy.

Marty Brown, Executive Director, State Board for Community and Technical Colleges for the Superintendent of Public Instruction (SPI) Chris Reykdal

Mr. Brown handed out some information for the Commissioners. He then thanked the Commission for its service. He spoke briefly about his work history. The SPI position is one of the biggest in State Government in his view, the SPI is responsible for 45% of the State budget, \$15 billion dollar budget per year, and it will probably grow because of McCleary. The Governor is talking about another \$4 billion dollars per biennium, which would make the SPI responsible for \$17 billion dollars per year. The two big priorities of the SPI are increasing data for better policy decisions and for better transparency and he is also focused significantly on increasing career and technical education, shop classes, home economics classes and such. The SPI position is paid at \$20,000 less than the State average for local school districts superintendents. The pay is 1/3 of the highest paid local school district superintendent. Mr. Brown also wanted to point out that the State of Oregon pays their statewide Education Chief \$225,000, and Washington State should not be that far behind our neighbor to the south. The position is \$30,000 behind the national average for statewide elected officials. He would like the Commission to consider the importance and responsibility of the position.

Greg Dallaire mentioned the things Mr. Brown said were inconsistent with what the Willis Study says. Does Mr. Brown think that the Willis factors are up to date, or are the things he said a personal opinion? Mr. Brown replied he thinks it is a personal opinion, from what he has seen himself. He is not questioning the professional accuracy or the Willis studies. Just from what he sees day to day and not what is easily measurable.

Greg Dallaire asked: What about legislature and following up on McCleary, what new responsibilities does Mr. Brown anticipate that the office will have that aren't there now? Mr. Brown replied he thinks the legislature has just started to implement the basic prototypical school model that they are then trying to fund. Mr. Brown thinks that then the SPI will be responsible to look at individual districts to see if they are following that once the funding gets done. He also

thinks the SPI will be responsible for looking to see if schools are not meeting certain standards will the Government have to take them over. The legislature is expecting that.

Liz Heath asked: But that work cannot begin until the legislature is done, right? Mr. Brown replied he thinks it can, there is already a law that says the SPI can take over, because they have Federal and State measures, but they haven't done that yet because of funds but the planning has already been in the works.

Dick Walter asked: What Mr. Brown would eliminate if he needed to? Mr. Brown replied that he doesn't really know the inner workings of the office, but some rearranging has happened. The previous SPI had a contract for people doing his legislative work and the new SPI has hired one employee to do his legislative work. So it will save money and have more internal accountability than one might have with a contract lobbyist. Mr. Brown thinks there will be much more when the demographics change in the State.

Lenny Young, Department Supervisor for the Commissioner of Public Lands Hilary Franz

Mr. Young spoke about the last time he presented and how he would like to leave the presentation with three main thoughts, the Commissioner of Public Lands has broad leadership responsibilities that are important to the safety, the economic well-being, and the quality of life of Washington citizens. The Commissioners job is become more complex and demanding as the climate changes and our States population increases and other attendant and competing demands that are increasing around our planets natural resources. Lastly Mr. Young feels that the Commissioner of Public Lands is significantly under paid compared to the executives of comparable natural resource agencies not only in Washington State but the Pacific Northwest. Mr. Young gave a brief history on the position of the Commissioner of Public Lands Mr. Young also spoke about how the Department of Natural Resources (DNR) stewardship supports Washington's economy, about 20% of Washington's total timber harvest comes from lands that are under the Commissioners jurisdiction. 21,000 jobs associated with the timber harvest, along with about \$900 million dollars in annual wages. All of the land under the Commissioners jurisdiction are sustainably managed. Forest and aquatic lands both are under the responsibility of the Public Lands Commissioner. They have a plan called 4 + 1, the four basic foundational goals are to encourage direct public use and access, to foster water dependent uses, ensure environmental protection, and utilize renewable resources in a good way. And if all that can be done the plus one is to generate income. Other programs that the Public Lands Commissioner oversee is the derelict vessel removal program, the creosote removal program. Conservation lands are also under the Commissioner of Public lands jurisdiction and there has been a new parcel acquired approximately 3 years ago, it is about 50,000 acres and represent a new aspect to the Commissioners portfolio of responsibilities. Another huge aspect of the Commissioner of Public Lands job is regulation, the largest of which is the forest practices program, the regulation of forest on state and private lands. The Commissioner of Public Lands also oversees the family

forest fish passage program. Another huge aspect is public safety, and a principal among that is wild land firefighting, and geology, the Commissioner of Public Lands oversees the State geologist. A big push right now and an expanded area within the Commissioner of Public Lands responsibilities is around geological mapping.

Mr. Young then spoke about recent changes since 2015, Washington had the worst wildfire seasons in the State's history, almost a million acres burned, also wildland firefighting. Another change is forest health, a lot of Eastern Washington forests are deteriorating from insects and disease, the program needs to be strengthened, and high priority. Geologic hazards are another change, the mapping being done now is using new techniques and higher resolution, this includes not only landslides but also tsunamis, volcanos, evacuation routes and flooding. Another change is the community forest, and potentially acquiring more. Also the first fresh water aquatic reserve was just put into effect. Lastly all these things are on a backdrop of a changing natural world, the environment is changing, the climate is changing, and the population is growing. Mr. Young then went over salary comparisons using January 2017 numbers. He showed Washington's salaries with comparable positions, then showed Idaho's salaries, Oregon salaries, (and noted that two people do what only one does in Washington) and California's salaries (they also have two positions for our one) for their equivalent to our Commissioner of Public Lands.

Larry Turner asked: Is the comparable position in Oregon being elected or appointed? Mr. Young replied that both of Oregon's positions are appointed, there are only 5 states in the nation that have the Commissioner of Public Lands as an elected position, Washington, Texas, South Dakota, Arkansas, and New Mexico.

Liz Heath mentioned that the numbers Mr. Young showed for Idaho are different than the numbers in the Commissioners are using as comparisons. Mr. Young replied that he got the numbers from "Transparency Idaho" for January 2017.

Steven Starkovich mentioned that the Commissioner of Public Land and the Superintendent of Public Instruction had been getting the same pay for many years up until 2014. He asked: Does Mr. Young think those two jobs are equivalent by the scale of work and scope? Mr. Young replied he doesn't think so, he tends to look more to the functional equivalents of the positions.

The Commissioners started discussing the data they look to for comparisons for setting salaries. The commission needs to look at apples to apples comparisons. How detailed can the commissioners be, micro changes versus major changes, taking into consideration the Willis Study, and numbers nationally. Presenters are going to show the most favorable numbers to the Commission to support their cases. The Commission needs to recognize that and take into consideration all aspects. Elected positions versus appointed positions vary in salaries with a wide range of disparity. It's a good point to consider that each elected official knew the salary

when they ran for the position. Elected and appointed officials do get the same pension plans. The Commission sets the salary for the position not the person. The salary setting is an objective process. The Commission doesn't take any one piece of information to determine salary increases, it looks at many different factors to determine what if any changes are necessary.

Greg Dallaire added that he thinks a good place to start is a General Wage Adjustment (GWA) and then look at specific jobs after that.

Greg Dallaire motioned that the Commission do a 2% on September 1, 2017, then another 2% September 1, 2018 for all elected officials, it was seconded by Larry Turner.

Discussion ensued.

A roll call vote was taken as follows:

Commissioner	Yes	No	Absent
Melissa O'Neill Albert	X		
Greg Dallaire	X		
Michael Donabedian			X
Dorothy Gerard		X	
Liz Heath		X	
Steve Isaac	X		
Wayne Jiang		X	
Sarah Mahoskey		X	
Raymond Miller	X		
Patrick Pavey		X	
Linda Peterson			X
Don Robinson	X		
LeAnna Chauvin	X		
Steven Starkovich	X		
Larry Turner	X		
Dick Walter	X		
Karen White	X		

The motion passed with 10 affirmative votes, and 5 negative votes.

Dorothy Gerard handed out a document that Teri Wright put together showing the raises that the Commission gave to the Elected Officials during the last four years.

Raymond Miller added that the State Judges are not Federal Judges, and that is why they do not have the same salary as the Federal Judges. He doesn't think that any major increases are necessary this session.

Greg Dallaire motioned to add an additional \$5,000 in September 2017 to all positions in the Judicial Branch with no additional raise in September 2018, Liz Heath seconded the motion.

Discussion ensued, Dick Walter read from the Willis Study on page 14. Comparison with the National survey of judicial salaries of the National Center State Courts, taken alone appears to suggest that members of the Washington State judiciary are paid competitively. Then later on it goes on since Washington State Judicial salaries are quite competitive with National Judicial salary practices in State Government, it is difficult to justify a large move toward parity with the federal bench. As the Commission develops compensation policy for the Judiciary in the next biennium it would be appropriate to consider a cost of living increase consistent with the Department of Labor and Industries which was 2.6% at the time and to add a small 1% or 2% increase each year as the biennium to recognize the similarity's with Federal bench. They are basically saying they don't think that there should be 100% parity.

Teri Wright added that was part of the Willis Study of the Judiciary, it says that the closest position to use as a benchmark is the Federal Bench.

Greg Dallaire added that if the Commission looks at what Dick read from it is from a Study that was conducted in 2004. So it is 13 years old in the meantime the Federal Judges have been getting bumps. The Commission can't rely upon something that is 13 years old. Teri Wright clarified that the Commission can rely on it.

Karen White asked: Why the Willis Study from 2004 is still relevant? Teri Wright replied that when a Willis Study is done it is done on the positions responsibilities, unless there are changes to the responsibilities than the Study is still valid and current. A new Study would be done only if legislatively mandated items changed the responsibilities.

Dick Walter added that every elected official has cost associated with running for office. Some are helped by their caucuses and some are not. The issue of the court justices they got the largest increase except for the Treasurer last session. Currently other than the Governor they make more

than any other elected official. If the Commission continues to look at the Federal Government which is raising salaries more than the State Governments are, the comparison will continue to get larger and larger. 100% parity would put the judiciary on a very unique level.

Steven Starkovich asked: Can the Commission move to table the last motion?

Greg Dallaire moved to withdraw the motion. Liz Heath seconded withdrawing the motion.

The Commission went around the table and discussed which positions each commissioner wanted to look at specifically for an additional increase to the salary. After calculating the total commissioners interested in an additional increase to the salary for the positions the totals were as follows:

Superintendent of Public Instruction – 13

Judiciary – 9

Commissioner of Public Lands – 9

Insurance Commissioner – 6

Treasurer – 3

Auditor – 2

Lieutenant Governor – 1

Liz Heath motioned for no additional changes to the Governor, Lieutenant Governor, Attorney General and Legislators. Wayne Jiang seconded.

A roll call vote was taken as follows:

Commissioner	Yes	No	Absent
Melissa O’Neill Albert	X		
Greg Dallaire		X	
Michael Donabedian			X
Dorothy Gerard	X		
Liz Heath	X		
Steve Isaac	X		
Wayne Jiang	X		
Sarah Mahoskey	X		
Raymond Miller	X		
Patrick Pavey	X		

Commissioner	Yes	No	Absent
Linda Peterson			X
Don Robinson	X		
LeAnna Chauvin	X		
Steven Starkovich	X		
Larry Turner	X		
Dick Walter	X		
Karen White	X		

The motion **passed** with 14 affirmative votes, and 1 negative votes.

Dick Walter motioned to add an additional 2% increase to Superintendent of Public Instruction in September 2017, and 0% in 2018. Seconded by Liz Heath.

Discussion ensued about the total cost for the increase, as well as where it would leave the Superintendent in the list of comparable states. The Commission then talked about doing an additional 2% in 2017, and 2% in 2018 to see where that would put the numbers because of the additional responsibilities to that position.

Larry Turner amended the motion, to be an additional 2% in 2017, and an additional 2% in 2018 to the SPI. Seconded by Steven Starkovich.

A roll call vote was taken to approve the amendment:

The amendment passed with 14 affirmative votes, and 1 negative votes.

A roll call vote was taken as follows:

Commissioner	Yes	No	Absent
Melissa O'Neill Albert	X		
Greg Dallaire	X		
Michael Donabedian			X
Dorothy Gerard	X		

Commissioner	Yes	No	Absent
Liz Heath	X		
Steve Isaac	X		
Wayne Jiang	X		
Sarah Mahoskey	X		
Raymond Miller		X	
Patrick Pavey	X		
Linda Peterson			X
Don Robinson	X		
LeAnna Chauvin	X		
Steven Starkovich	X		
Larry Turner	X		
Dick Walter	X		
Karen White	X		

The motion passed with 14 affirmative votes, and 1 negative votes.

11:20-1:00p.m. Lunch

Raymond Miller had to leave for a prior engagement.

Kim Wyman, Secretary of State

The Secretary of State gave an updated position description to the Commissioners to replace the old one. The Secretary of State’s office has about 276 employees in 27 locations across the State. Ms. Wyman went over a few of her responsibilities including, overseeing the State elections, overseeing archives, state library, the corporations and charities division, and a number of small programs. The responsibilities are very technical. The current annual budget based on 2015 for the Secretary of State’s office is \$47 million dollars, but that can fluctuate, in 2016 the presidential primary added about \$11 million dollars of expenditure authority to the Secretary of State’s (SOS) office. The revenue source is from the heritage center trust fund, the SOS’s office used to rely heavily on the general fund. Keeping track of State Government, and being the keeper of the State Seal, the transitory records, talking book and brail library, retention schedules, statewide voter registration base, instilling confidence in voters that elections are fair

and accurate and conducted legally are some more examples of the responsibilities. The SOS's office is already starting to plan for the 2020 census, and the 2022 redistricting. The three small areas are the combined fund drive which oversees about \$5 million dollars of contributions each year, the address confidentially program which protects victims of domestic violence or stalking, and the legacy Washington to help engage people in our States history. On the surface it's a very administrative job and looks like it may not be that difficult, but it handles a lot of important parts of State Government that are very technical and very critical to the operations in Washington State.

Greg Dallaire asked: What roll the SOS's office has in redistricting? Ms. Wyman replied their job is to deal with all the population shifts that have happened over the last 10 years. They have to agree and have a majority vote. The roll of the SOS's office is to gear up for that. They get the data so that it is more usable data for the Commission to go over when they convene.

Liz Heath motioned that the Secretary of State would not receive an additional raise above the prior approved motion. Seconded by Patrick Pavey.

Greg Dallaire asked: Can the Commission add the Auditor to the motion?

Liz Heath recused herself from discussion and voting regarding the State Auditor.

Greg Dallaire moved to amend the motion and add the Auditor to the motion. Seconded by Melissa O'Neill Albert. The Secretary of State and the Auditor would not receive an additional increase above the previously passed motion in 2017 & 2018.

A roll call vote was taken to approve the amendment:

The amendment passed with 12 affirmative votes, and 1 negative votes.

A roll call vote was taken as follows:

Commissioner	Yes	No	Absent
Melissa O'Neill Albert	X		
Greg Dallaire	X		
Michael Donabedian			X
Dorothy Gerard	X		
Liz Heath			X

Commissioner	Yes	No	Absent
Steve Isaac	X		
Wayne Jiang	X		
Sarah Mahoskey	X		
Raymond Miller			X
Patrick Pavey	X		
Linda Peterson			X
Don Robinson	X		
LeAnna Chauvin	X		
Steven Starkovich	X		
Larry Turner	X		
Dick Walter	X		
Karen White	X		

The motion passed with 13 affirmative votes, and 0 negative votes.

Greg Dallaire motioned to add an additional 2% to the judicial branch on September 1, 2017 and 0% for 2018. Liz Heath seconded

Discussion ensued.

A roll call vote was taken as follows:

Commissioner	Yes	No	Absent
Melissa O'Neill Albert	X		
Greg Dallaire	X		
Michael Donabedian			X
Dorothy Gerard	X		
Liz Heath	X		
Steve Isaac		X	

Commissioner	Yes	No	Absent
Wayne Jiang	X		
Sarah Mahoskey	X		
Raymond Miller			X
Patrick Pavey		X	
Linda Peterson			X
Don Robinson	X		
LeAnna Shauvin		X	
Steven Starkovich	X		
Larry Turner		X	
Dick Walter		X	
Karen White	X		

The motion passed with 9 affirmative votes, and 5 negative votes.

Patrick Pavey asked: Is there a target number to shoot for, for the judicial branch? He mentioned he looked through old minutes to see if there was a percentage or some other identifier and found no target. Liz Heath agrees that without quantification the Commission is not fulfilling the commitment tied to the benchmark. Because there is no measurement of what a benchmark is.

Discussion ensued.

Teri Wright asked the Commissioners to look in their binders to Tab 2, on the third page. It talks about compensation practices, “A sound compensation practice stand on three legs” that kind of speaks to what the Commission is discussing currently. It isn’t just on fairness and alignment of jobs which is exactly what is being discussed, it is based on external market competition and on salary administration as well, not just on one factor. We have benchmarks as well for the legislators.

Teri Wright clarified that it is just a benchmark or parity, not a rule and not absolute.

Melissa O’Neill Albert looked up the definition of “benchmark” it is, “A standard or point of reference against which things may be compared or assessed.”

Discussion ensued regarding the Commissioner of Public Lands.

Dick Walter referenced last session's salary increases, and the Willis Study.

Larry Turner added that Commissioner of Public lands and the Insurance Commissioner should be good in his opinion with the already passed motion of 2% in 2017, and 2% in 2018. He doesn't see any a great change in responsibilities. Dick Walter added that if looking at the Willis Study, there is a major discrepancy between the two positions, SPI and Commissioner of Public Lands.

Greg Dallaire added that there was a change of circumstances in our state, not so much a change of circumstances in the position, because of the change of circumstances in our state it has increased the responsibilities for that position. Liz Heath said that she thinks there is a difference in work load and scope of work and she sees no change in scope of work. However she is given pause by the 12 comparable states where Washington is 3rd from the bottom, she recognizes that it is only one of the factors. Dick Walter added there was somewhat of a difference in responsibilities since the Willis Study, but he doesn't think there is a difference this time for another incremental difference in scope of work or scope of the job.

Dick Walter added that the 12 comparable states doesn't take in to consideration the differences in the States the Public Lands Commissioner said there are major differences.

Dorothy Gerard motioned that the there be no increase to the Commisioner of Public Lands in 2017 & 2018 over the already passed motion. Seconded by Karen White.

A roll call vote was taken as follows:

Commissioner	Yes	No	Absent
Melissa O'Neill Albert	X		
Greg Dallaire	X		
Michael Donabedian			X
Dorothy Gerard	X		
Liz Heath	X		
Steve Isaac	X		
Wayne Jiang	X		
Sarah Mahoskey	X		
Raymond Miller			X
Patrick Pavey	X		

Commissioner	Yes	No	Absent
Linda Peterson			X
Don Robinson	X		
LeAnna Chauvin	X		
Steven Starkovich	X		
Larry Turner	X		
Dick Walter	X		
Karen White	X		

The motion passed with 15 affirmative votes, and 0 negative votes.

Liz Heath motioned that there be an additional 2% increase to the Insurance Commissioner in 2017, and 0% in 2018. Seconded by Greg Dallaire.

Liz Heath added that she is motioning for the increase due to the information in Tab 23, page 11 and 13, there are new activities the Legislature has assigned to the Insurance Commissioner and to her that is a change to the scope of work and responsibilities.

Discussion ensued.

A roll call vote was taken as follows:

Commissioner	Yes	No	Absent
Melissa O'Neill Albert	X		
Greg Dallaire	X		
Michael Donabedian			X
Dorothy Gerard	X		
Liz Heath	X		
Steve Isaac	X		
Wayne Jiang	X		
Sarah Mahoskey	X		
Raymond Miller			X

Commissioner	Yes	No	Absent
Patrick Pavey	X		
Linda Peterson			X
Don Robinson	X		
LeAnna Chauvin	X		
Steven Starkovich	X		
Larry Turner	X		
Dick Walter	X		
Karen White	X		

The motion passed with 14 affirmative votes, and 0 negative votes.

Dick Walter motioned that the Treasurer receive no additional increase above the already passed motion in 2017, and 2018. Seconded by Larry Turner.

Discussion ensued.

A roll call vote was taken as follows:

Commissioner	Yes	No	Absent
Melissa O'Neill Albert	X		
Greg Dallaire	X		
Michael Donabedian			X
Dorothy Gerard	X		
Liz Heath	X		
Steve Isaac	X		
Wayne Jiang	X		
Sarah Mahoskey	X		
Raymond Miller			X
Patrick Pavey	X		

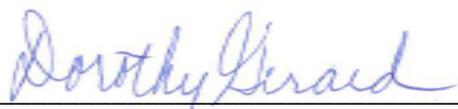
Commissioner	Yes	No	Absent
Linda Peterson			X
Don Robinson	X		
LeAnna Chauvin	X		
Steven Starkovich	X		
Larry Turner	X		
Dick Walter	X		
Karen White	X		

The motion passed with 14 affirmative votes, and 0 negative votes.

Teri Wright went over what happens now that we are done with the January meetings and what to expect at future meetings. She then asked about what the Commissioners thought about how our January meeting went this time versus previous meetings.

Discussion ensued. Overall the commissioners liked how the meeting went at the current location versus at the hotel like in the past.

Meeting Adjourned at 2:37p.m.



 Dorothy Gerard, Chair

February 22, 2017
 Date