



# PROPOSED RULE MAKING

## CR-102 (July 2022) (Implements RCW 34.05.320) Do NOT use for expedited rule making

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STATE OF WASHINGTON  
FILED

DATE: December 23, 2025  
TIME: 3:33 PM

WSR 26-01-198

Agency: Office of Financial Management (OFM)

Original Notice

Supplemental Notice to WSR \_\_\_\_\_

Continuance of WSR \_\_\_\_\_

Preproposal Statement of Inquiry was filed as WSR \_\_\_\_\_ ; or

Expedited Rule Making--Proposed notice was filed as WSR \_\_\_\_\_ ; or

Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or

Proposal is exempt under RCW \_\_\_\_\_.

Title of rule and other identifying information: (describe subject)

WAC 357-28-035 What must be addressed in the employer's salary determination policy?

WAC 357-28-070 May an employer adjust the timing and/or amount of increment increases?

WAC 357-28-084 May an employee be appointed to step M upon demotion (voluntary or involuntary)?

WAC 357-28-090 May an employer adjust an employee's base salary within the employee's current salary range for recruitment, retention, or other business-related reasons?

WAC 357-28-095 May an employer authorize additional pay to support recruitment and/or retention of a position?

WAC 357-28-110 Must an employee who is promoted receive a salary increase?

WAC 357-28-120 What is the base salary of an employee occupying a position that is reallocated to a class with the same or lower salary range?

WAC 357-28-185 What is the requirement for employers to compensate employees for being called back to work?

WAC 357-28-190 When must an employee receive shift premium?

WAC 357-28-200 When must an employee receive holiday premium?

WAC 357-28-205 When must an employee receive standby pay?

WAC 357 28-255 What constitutes overtime for an over-time eligible employee?

Hearing location(s):

Date:	Time:	Location: (be specific)	Comment:
February 12, 2026	8:30 a.m.	Zoom Meeting (with call in option) ID: 816 3872 1176 Call in: (253) 215-8782 Passcode: 497654	Zoom link: <a href="https://ofm-wa.gov.zoom.us/j/81638721176?pwd=fZiSV1cxiwljSEPvpDaghZnKBmEhVW.1">https://ofm-wa.gov.zoom.us/j/81638721176?pwd=fZiSV1cxiwljSEPvpDaghZnKBmEhVW.1</a> Passcode if needed: 497654

Date of intended adoption: February 19, 2026 (Note: This is **NOT** the effective date)

Submit written comments to:

Name: Brandy Chinn  
Address: Office of Financial Management  
1500 Jefferson Street SE  
PO Box 47500, Olympia, WA 98504  
Email: [brandy.chinn@ofm.wa.gov](mailto:brandy.chinn@ofm.wa.gov)  
Fax:  
Other:  
By (date) 11:59 p.m. February 5, 2026

Assistance for persons with disabilities:

Contact Office of Financial Management  
Phone:  
Fax:  
TTY: 7-1-1 or 1-800-833-6384  
Email:  
Other:  
By (date) 11:59 p.m. February 5, 2026

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The proposed amendments to chapter 357-31 WAC are to provide clarity on what must be addressed in employers' salary determination policies (SDP).

Reasons supporting proposal: WAC 357-28-030 requires employers to develop a written SDP that is subject to the director's approval. OFM State Human Resources conducted a review of chapter 357-28 WAC, and identified opportunities to clarify what must be addressed in employers' SDP. This effort was prompted by employer feedback and a need to clarify requirements related to SDPs and based on the understanding that employers may have made updates to their policies over

the years without requesting director's approval. We are proposing to amend WAC 357-28-035 to include all of the compensation WACs that allow for employer discretion. Housekeeping in nature.

**Statutory authority for adoption:** RCW 41.06.133

**Statute being implemented:** RCW 41.06.133

**Is rule necessary because of a:**

- Federal Law?  Yes  No  
Federal Court Decision?  Yes  No  
State Court Decision?  Yes  No

If yes, CITATION:

**Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:**

**Type of proponent:**  Private  Public  Governmental

**Name of proponent:** (person or organization) Office of Financial Management

**Name of agency personnel responsible for:**

	Name	Office Location	Phone
Drafting:	Brandy Chinn	1500 Jefferson Street SE, Olympia, WA 98504	360-878-2901
Implementation:	Brandy Chinn	1500 Jefferson Street SE, Olympia, WA 98504	360-878-2901
Enforcement:	Brandy Chinn	1500 Jefferson Street SE, Olympia, WA 98504	360-878-2901

**Is a school district fiscal impact statement required under [RCW 28A.305.135](#)?**  Yes  No

If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:

- Name:  
Address:  
Phone:  
Fax:  
TTY:  
Email:  
Other:

**Is a cost-benefit analysis required under [RCW 34.05.328](#)?**

Yes: A preliminary cost-benefit analysis may be obtained by contacting:

- Name:  
Address:  
Phone:  
Fax:  
TTY:  
Email:  
Other:

No: Please explain: Rules are related to internal government operations and are not subject to violation by a nongovernmental party. See RCW 34.05.328(5)(b)(ii) for exemption.

**Regulatory Fairness Act and Small Business Economic Impact Statement**

Note: The [Governor's Office for Regulatory Innovation and Assistance \(ORIA\)](#) provides support in completing this part.

**(1) Identification of exemptions:**

This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see [chapter 19.85 RCW](#)). For additional information on exemptions, consult the [exemption guide published by ORIA](#). Please check the box for any applicable exemption(s):

This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.061](#) because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.

Citation and description:

This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by [RCW 34.05.313](#) before filing the notice of this proposed rule.

This rule proposal, or portions of the proposal, is exempt under the provisions of [RCW 15.65.570\(2\)](#) because it was adopted by a referendum.

This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025\(3\)](#). Check all that apply:

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(b)<br>(Internal government operations) | <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(e)<br>(Dictated by statute)   |
| <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(c)<br>(Incorporation by reference)                | <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(f)<br>(Set or adjust fees)  |
| <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(d)<br>(Correct or clarify language)               | <input type="checkbox"/> <a href="#">RCW 34.05.310</a> (4)(g)<br>((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit) |

This rule proposal, or portions of the proposal, is exempt under [RCW 19.85.025\(4\)](#) (does not affect small businesses).

This rule proposal, or portions of the proposal, is exempt under RCW \_\_\_\_\_.

Explanation of how the above exemption(s) applies to the proposed rule:

**(2) Scope of exemptions:** *Check one.*

- The rule proposal is fully exempt (*skip section 3*). Exemptions identified above apply to all portions of the rule proposal.
- The rule proposal is partially exempt (*complete section 3*). The exemptions identified above apply to portions of the rule proposal, but less than the entire rule proposal. Provide details here (consider using [this template from ORIA](#)):
- The rule proposal is not exempt (*complete section 3*). No exemptions were identified above.

**(3) Small business economic impact statement:** *Complete this section if any portion is not exempt.*

If any portion of the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

- No Briefly summarize the agency's minor cost analysis and how the agency determined the proposed rule did not impose more-than-minor costs. \_\_\_\_\_
- Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses and a small business economic impact statement is required. Insert the required small business economic impact statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

Name:  
Address:  
Phone:  
Fax:  
TTY:  
Email:  
Other:

**Date:** 12-23-2025

**Name:** Nathan Sherrard

**Title:** Legal Affairs Counsel  
Office of Financial Management

**Signature:**

