Employee Relocation Assistance

I. Introduction

A. Purpose
When it is difficult to recruit and retain qualified candidates for a position, state law enables agencies to offer relocation assistance to candidates. This Secretary’s Executive Order clarifies when and how to offer relocation assistance to candidates for positions at the Washington State Department of Transportation (WSDOT).

B. Supersession
This Secretary’s Executive Order supersedes and replaces the prior version titled Relocation Compensation dated April 26, 2010. All references to the superseded E 1062.00 now reference E 1062.01.

C. What Has Changed
• Lump sum relocation will be approved in advance of the activity and cannot be applied retroactively. If the relocation is 250 miles or less, then the maximum amount that can be authorized is $2,500. If the relocation is greater than 251 miles, then the maximum amount that can be authorized is up to $5,000. Any exceptions beyond these amounts, not to exceed $10,000, will be approved by the Secretary’s Office.
• The term compensation has been replaced by the term assistance.
• The term reduction in force has been replaced by the term layoff.
• The term lump sum reimbursement has been replaced by the term lump sum relocation payment.
• III.A, III.E, III.F, and III.G specify that the Director of Human Resources and Safety provides written approval for all types of relocation assistance.
• III.B lists information that should be included in requests for written approval.
• III.C.1 clarifies that to be eligible, transfers will be by request of the department.
• III.C.3 expands eligibility for relocation assistance to layoffs.
• III.E.4.c adds an exception from returning the lump sum relocation payment when the employee does not successfully complete the probation or trial service period.
• III.F clarifies limits on per diem, travel, and miscellaneous expense reimbursement.
• III.G assigns Accounting and Financial Services responsibility for the moving household goods expense reimbursement; indicates the current form to use for reimbursement; changes the move distance requirement for reimbursement; and indicates the current references to see for more information.
• Certain types of relocation assistance are taxable and have been noted as such.
• Section IV has been added to provide contact information.
• In section V, the references have been updated to provide current information.
• In section VI, references to the Assistant Secretary for Administrative Operations have been replaced by references to the Assistant Secretary of Strategic, Enterprise, and Employee Services.

II. Secretary’s Executive Order

Employees are directed to comply with this Secretary’s Executive Order when using relocation assistance to recruit and retain qualified candidates.

III. Information to Carry Out This Secretary’s Executive Order

A. When May an Appointing Authority Offer Relocation Assistance to a Candidate

An appointing authority may offer candidates relocation assistance after submitting required documentation and obtaining written approval from the Director of Human Resources and Safety.

B. What to Include in Requests for Written Approval

Requests for written approval of relocation assistance will include all types of relocation assistance that may be offered for a position. This may include:

• Lump sum relocation payment.
• Per diem, travel, and miscellaneous expense reimbursement.
• Moving household goods reimbursement.

Requests should include the following information, consistent with State Administrative and Accounting Manual (SAAM) 60.10.30.b:

• Prior recruiting efforts made to fill the position.
• The number of candidates available.
• The candidate’s qualifications.
• Salary differences between the state position and comparable positions in industry or other states.
• The distance the applicant needs to move in order to accept state employment.
• The critical nature of the work.
• The amount of relocation assistance being requested, as defined in III.E, III.F, and III.G.
• The financial ability of the agency to pay the moving expenses.
• Other related evidence which supports the need to pay moving expenses.
C. **When a Candidate Is Eligible for Relocation Assistance**
   
   A candidate is eligible for relocation assistance when one of the following is true:
   
   1. The candidate is a state employee who will be promoted or transferred, by request of the department, to the position.
   2. The candidate is a newly hired state employee that is appointed to a permanent position.
   3. The candidate accepted a position as a result of a layoff option.

D. **When a Candidate Is Not Eligible for Relocation Assistance**
   
   A candidate is not eligible for relocation assistance when the candidate is a WSDOT employee, and one of the following is true:
   
   1. The candidate received a demotion, either voluntary or involuntary.
   2. The candidate requested a transfer.

E. **Lump Sum Relocation Payment**
   
   1. Human Resources and Safety administers lump sum relocation payments.
   2. The decision to offer lump sum relocation assistance and the specific amount may be offered to a candidate after written approval is obtained as follows:
      
      a. Amounts up to a maximum of $5,000 will be authorized by the Director of Human Resources and Safety.
      
      b. Amounts between $5,001 and up to a maximum of $10,000 will be authorized by the Secretary. Authority to approve relocation assistance of these amounts may be delegated to the Director of Human Resources and Safety. No further delegation is allowed.
      
      c. The lump sum relocation assistance payment may not exceed ten thousand dollars ($10,000). The funds will come from the budget of the organization filling the vacant position.
      
      d. The lump sum relocation assistance payment amount will be determined and approved prior to making the payment offer and cannot be applied retroactively.
      
      e. If the relocation is 250 miles or less, then the maximum amount that can be authorized is $2,500. If the relocation is greater than 251 miles, then the maximum amount that can be authorized is up to $5,000. Any exceptions beyond these amounts, not to exceed $10,000, will be approved by the Secretary’s Office.
   
   3. The candidate is required to start work before receiving the lump sum relocation payment.
   
   4. In the event an employee leaves the position before a year has passed, the employee will be required to return the entire lump sum relocation payment to the department immediately, except when one of the following is true:
      
      a. The employee leaves due to a layoff.
      
      b. The employee leaves due to a disability separation.
c. The employee does not successfully complete the probation or trial service period.
d. The Director of Human Resources and Safety approves return of a prorated amount.
e. The Secretary of Transportation, or designee, approves no repayment is required due to special circumstances.

5. Lump sum payments are taxable and will be processed through the Human Resource Management System.


F. Per Diem, Travel, and Miscellaneous Expense Reimbursement

1. Accounting and Financial Services administers per diem, travel, and miscellaneous expense reimbursement.

2. Per diem, travel, and miscellaneous expense reimbursement may be offered to a candidate after the following requirements are met:

   a. Approved in writing by the Director of Human Resources and Safety in advance of any offer or payment.
   b. Candidate is looking for a new residence.
   c. Reimbursements are limited to the employee and may not be extended to family members.

3. Per diem, travel, and miscellaneous expense reimbursement are limited as follows:

   a. When a new or transferred employee is eligible to be moved at state expense, the agency may authorize a relocation allowance during the relocation period, while the employee is moving and looking for a new home. The allowance cannot exceed the Maximum Per Diem Rate for one person. The lodging portion of the per diem rate shall be reimbursed at actual costs, as evidenced by a receipt, up to the specific daily maximum allowable lodging rate in effect at the time of travel for the specific area or locality.

   b. If authorized, the employee may be reimbursed for the expenses related to driving or transporting up to two personal motor vehicles from the employee's old residence to the new residence. Maximum reimbursement shall be for the distance the motor vehicles were transported or driven using the privately owned vehicle (POV) mileage reimbursement rate. The reimbursement is limited to a one-time, one-way trip, per vehicle.

   c. If authorized, the employee may be reimbursed for basic domicile needs such as utilities and water. This does not include discretionary expenses such as cable television, telephones, internet connection, etc.
d. If authorized, the employee may be reimbursed for commuting from the old residence after reviewing a cost benefit analysis of commuting (mileage) versus relocation (meals and lodging near the new work location) or a temporary lodging accommodation such as an RV slip.

e. Reimbursements stop the day after the employee’s household goods arrive, or in 90 calendar days, whichever comes first. This may be extended to 120 calendar days with prior approval by the Director of Human Resources and Safety.

f. All requests for reimbursement will include a copy of the written authorization of the Director of Human Resources and Safety indicating eligibility for relocation assistance and maximum amounts authorized.

4. These reimbursements are taxable income to the employee, with the exception of:
   a. Lodging incurred while in route to new residence.
   b. Transporting two vehicles from old residence to new residence.
   c. Reimbursement for connecting/disconnecting utilities.

5. Refer to the Accounting Manual M 13-82, Chapter 10, Travel Rules and Procedures, Section 10-9, Relocation Assistance, for additional rules and procedures.

G. Moving Household Goods Expense Reimbursement

1. Accounting and Financial Services administers moving household goods expense reimbursement.

2. Reimbursement for moving household goods of the employee, and spouse or dependent if any, may be offered to a candidate after the following requirements are met:
   a. Approved in writing by the Director of Human Resources and Safety in advance of any offer or payment.
   b. The hiring organization and the employee will sign the Relocation Authorization Form A33 located in the Department of Enterprise Services (DES) Employee Moving Guide. In addition, a Tracking (Purchase Order) number is required to be obtained from the appropriate Headquarters or regional organization.
   c. The employee’s new official duty station is greater than 50 miles from the employee’s former residence. Exceptions may be made by prior approval of the Director of Human Resources and Safety when one of the following is true.
      (1) Reimbursement is required by a specific union contract agreement.
      (2) The move is required to meet the department’s mission.
   d. The department is allowed to pay the cost of moving an employee’s household goods up to a maximum of 16,000 pounds. The employee is responsible for paying the moving cost of household goods over the 16,000 pounds.
e. The department is allowed to pay for storage in transit for up to 90 calendar days. The employee will be responsible for storage in transit and delivery costs beyond 90 calendar days.

(1) The department will seek reimbursement from the employee for storage in transit expenses from day 91 through day 180.

(2) On day 181, goods that remain as storage in transit are transferred to permanent storage. All permanent storage and delivery costs are the monetary responsibility of the employee.

3. The taxability of these reimbursements is dependent upon several factors. Please refer to the Accounting Manual M 13-82, Chapter 10, Travel Rules and Procedures, Section 10-9, Relocation Assistance, for taxability and procedures.

4. For additional rules and procedures, please refer to the DES Employee Moving Guide.

IV. Contact for More Information

For questions or concerns about this Secretary’s Executive Order, please refer to Chapter 24, Relocation Assistance, in the Human Resources Desk Manual M 3009, or contact the Director of Human Resources and Safety by phone at 360-705-7388.

V. References

- RCW 43.03.110 Moving expenses of employees
- RCW 43.03.120 Moving expenses of new employees
- RCW 43.03.125 Relocation compensation for domiciliary moves
- WAC 357-28-310 When can an employee receive relocation compensation?
- WAC 357-28-315 What would cause an employee to be required to pay back the relocation payment?
- WAC 357-28-320 Must the employer develop written criteria for relocation compensation?
- WAC 357-58-145 When may an agency authorize lump sum relocation compensation?
- WAC 357-58-150 For what reasons may an employee be required to pay back the relocation payment?
- WAC 357-58-155 Must the agency develop written criteria for relocation compensation?
- DES Employee Moving Guide
- State Administrative and Accounting Manual (SAAM), Chapter 25.30.60.b, Relocation Payments
- State Administrative and Accounting Manual (SAAM), Chapter 60, Moving Expenses
- Accounting Manual M 13-82
- Human Resources Desk Manual M 3009
VI. Review and Update Requirements

When changes are necessary to update this document, inform the Assistant Secretary of Strategic, Enterprise, and Employee Services.

The Assistant Secretary of Strategic, Enterprise, and Employee Services reviews this document periodically and proposes updates to the Secretary of Transportation for approval.

Americans with Disabilities Act (ADA) Information

This material can be made available in an alternate format by emailing the WSDOT Office of Equal Opportunity at wsdotada@wsdot.wa.gov or by calling toll free, 855-362-4ADA (4232). Persons who are deaf or hard of hearing may make a request by calling the Washington State Relay at 711.